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REVISION OF THE EUROPEAN STANDARDISATION SYSTEM RESPONSE TO PUBLIC CONSULTATION

Introduction

BUSINESSEUROPE welcomes the opportunity to submit comments with regard to the public consultation on standardisation.

Over the last year we have been actively following the European Commission's plans for a potential revision of the overall legal framework for European Standardisation. In this context, BUSINESSEUROPE set out its views, in the framework of the work carried out by the Expert Panel for the Review of the European Standardisation System (EXPRESS), in its position paper 'Visions on the future of European standardisation' (June 2009).

More recently, BUSINESSEUROPE submitted comments with regard to the impact assessment study on the 'Standardisation package' (February 2010).

BUSINESSEUROPE hopes that this paper will further contribute to the preparations that the Commission is undertaking to present its 'Standardisation Package' to the Council and Parliament later this year, which would incorporate a potential revision of the following legal provisions: (1) Directive 98/34/EC, which lays down the general framework for the European Standardisation system; (2) Council Decision 87/95/EEC, which provides for a specific complementary framework for the development of European Standardisation in the field of ICT; (3) Decision 1673/2006/EEC on the financing of European Standardisation.

Overall, BUSINESSEUROPE believes that the European standardisation system needs to be improved but not radically overhauled. In particular:

- The overall goal for business is to have 'one standard one test accepted everywhere'. International standards should be fully implemented, without national deviations, and applied globally;
- The benefits of the current legal framework need to be preserved. In particular, standards intended to provide a presumption of conformity with EU regulatory requirements need to reflect the full consensus of all interested parties and undergo public enquiry;
- The European standardisation system should produce good quality and marketrelevant standards in a timely and efficient manner;



- Business believes regulatory requirements in legislation should not be overly prescriptive but should leave the details to be laid down in standards in areas where this can work well, as stated in Decision 768/2008;
- The system of national delegation must be kept at both the European and international level. It is the best way to ensure the access of a wide range of stakeholders, including SMEs;
- Business sees standardisation as one of many important tools supporting innovation, but would like innovation to remain flexible without mandatory standardisation requirements;
- With regard to services standardisation, a specific strategy taking into account the specificities of the services area needs to be developed. New standardisation projects should not be launched until the need for and feasibility of such standards in each sector has been identified.

Over the last twenty years, European standardisation has played a pivotal role in the implementation of European policies and legislation, in particular to the Internal Market legislation following the "New Approach" in major industrial sectors. BUSINESSEUROPE believes that the New Approach, which enables business to choose the best technical solutions to meet mandatory essential requirements, should be used to the full, including in the emerging regulatory domains related to energy efficiency and the environment.



Response to specific questions of the public consultation

BUSINESSEUROPE would like to comment on the following questions outlined in the public consultation:

1. Do you think that service standards (including process standards) and alternative standardisation documents should be included in the scope of Directive 98/34/EC or its successor?

We support such inclusion of service standards as it will benefit further harmonisation in support of free movement of services. However, we do not support this measure for "alternative standardisation documents" as there is no good reason for such measures for documents lacking any formal status.

3. For areas other than Information and Communication Technology (ICT), should it be possible to refer to documents developed by fora and consortia in legislation and public policies? If it should, how should it be implemented?

Unlike for other areas of technology, standardisation in the ICT field has been characterised by the strong presence of non-European standards-developing organisations (e.g. the Institute of Electrical and Electronics Engineers) and of consortia and fora, and of the widespread uptake of their work results by the relevant market. This justifies a more flexible approach on standards for ICT. These considerations are specific to the ICT domain however. Therefore, in response to the question, it should not be possible to refer to documents developed by fora and consortia in legislation and public policies for areas other than ICT as this could undermine the status of the European Standardisation Organisations (ESO) and jeopardise the coherence of the European standardisation system.

4. How could ESOs and NSOs be encouraged to accelerate their standards development process? Should for example the Community financing for standardisation be subject to conditions in terms of speed of delivery whilst maintaining the openness of the process?

We recommend installing ongoing improvement processes in the ESOs with clear targets for achieving higher efficiency and effectiveness through meaningful measures. This can include process speed. Whilst the quality of the developed standard should not be jeopardised, consideration should be given to eliminating overly time-consuming process steps such as translation before review.

6. Should the WTO principles of transparency, openness, impartiality, consensus, efficiency, relevance and consistency be integrated in the legal framework of European standardisation (especially in EU Directive 98/34/EC or in its successor)? How should this be implemented?

There would be no particular added value in doing this as the ESOs already abide by the above-mentioned WTO principles. In any case, any integration of these principles into the legal framework of European standardisation would need to ensure that the same criteria are maintained to ensure consistency.

7. How could the participation of consumer organisations, environmental NGOs, trade unions and social partners, and SMEs be best promoted? What should be the role of public authorities (European Commission and Member States) in supporting such a participation in a transparent, open, impartial, consensual, efficient, relevant and consistent European standardisation system?

Before answering these questions, it is important to stress that stakeholders who participate in European standardisation must be committed, knowledgeable and relevant to the development of the standard in question. In addition, the right balance needs to be struck between facilitating access to standardisation by stakeholders and the required speed of the standardisation process.

Actions that can be taken include better information and education at society level on the general importance of standards, adequate training in standardisation processes and requirements to good standards for new participants and an active investigation from the National Standardisation Bodies to pinpoint possible relevant participants.

Considering the need to ensure that stakeholders are committed, SMEs and other parties with insufficient capabilities to participate should be helped to organise themselves appropriately (e.g. into branch federations) to coordinate their interests and views. In this context, support from the European Commission and Member States should concentrate on enabling this.

Provided that the conditions for receiving funding ensure a level playing field and that the funding is equally spread among all stakeholders, the financing of experts would help. However, the current special funding of certain interest groups should not be increased. If the reimbursement of costs is a tool to encourage expert participation in standardisation, all experts must have equal access to funding.

7. How could the NSOs (National Standards Organisations) deepen their cooperation, and mutualise their activities? Could the following tasks be shared amongst several NSOs?

1. Management of the Secretariats of Technical Committees?

2. Notification of new national standardisation projects?

3. Promotion/sales of standards?

4. Other?

As NSOs are private organisations it is up to them to seek the best ways to improve their performance. As set out above, the authority's role is to just create the necessary incentives for the ESOs and NSOs to strive for ever higher efficiency and effectiveness. As the strength of the NSOs is closeness and understanding of the local stakeholder arena, a deepening of their cooperation does not seem to be an overall priority. This is a question that is worth investigating with the NSOs themselves, in particular with NSOs in the new Member States as some of them may be facing a challenge of catching up.

8. Without prejudice to the national delegation principle, how could the European Standards Organisations (ESOs) manage directly, on a case by case basis, some standardisation activities, especially some Technical Committees? In BUSINESSEUROPE's view, the system in place today according to which the Technical Committee secretariat is under the responsibility of a NSB should be preserved. In this context, we do not believe that the ESOs should directly manage standardisation activities as this could create substantial disruptions to the present way of organising and executing standardisation work.

If parts of the standardisation work were to be carried out through different processes, committees and expert communities would be artificially torn apart and the use of expertise and established working relationships between stakeholder representatives would become more complex and diluted.

9. What support should the European Commission provide to facilitate the use of European standards as a means to open global markets? What would be the operational means that the Commission should use? (Support experts' participation in international standardisation activities, translation of European standards into extra-community languages?)

The overall goal of business is to achieve global market access on the basis of 'one standard, one test, accepted everywhere'. In practice, this means having fully implemented international standards, without national deviations, that are applied globally.

In this context, we believe that first and foremost, the European Commission should position the European standardisation system as primarily the linchpin between European interests and global harmonisation. Secondly, in WTO and bilateral trade agreements, the Commission should actively work to counter differing national regulations, standards and conformity assessment requirements. Thirdly, the Commission should promote the 'New Approach' legislative technique to other regulators, enabling business to choose the best technical solutions to meet mandatory essential requirements.

On the possibility of experts support please see our answer to the first of the two questions 7. Providing translations into extra-community languages might indeed help to foster global harmonisation but with a view to financial prudency and to creating equal chances for European versus foreign business it shall happen on the basis of reciprocity with trade partners only, based on market needs.

10. Under which conditions do you think that the European Commission could launch, on a case by case basis, calls for tenders, open to the ESOs and to other organisations, to develop standards supporting EU policies and legislation?

Except for some very specific cases in the ICT domain, we reject the idea of launching calls for tenders, open to the ESOs and to other organisations, for the development of standards. EU policies and legislation should only refer to full consensus standards, as issued by the recognised ESOs. The award of contracts for the production of standards to organisations other than the ESOs would lead to a fragmentation of the European standardisation system, to unnecessary duplication of work and to competing or even conflicting standards.

Also, the process of issuing mandates for the development of standards has in principle proved its worth and should be maintained. Calls for tender launched by the Commission would not undergo the advisory Committee procedure as is foreseen for the standardisation mandates under Article 5 of Directive 98/34/EC, in which the draft mandates proposed by the Commission are discussed with the representatives of the Member States. We strongly believe that such scrutiny and control is essential and, even more so, should be accompanied by a thorough business impact assessment.

<u>11. What is, in your view, the most efficient level of participation in the process of standards development: national, European, international?</u>

Before directly addressing this question, it is important to stress that the system of national delegation must be kept at both the European and international level as it is the best way to ensure the access of a wide range of stakeholders, including SMEs, in the process of standards development.

The most efficient level of participation in the process depends on the subject and phase. From the business perspective, all levels have their specific value in certain circumstances and need to be sustained.

Whether the development of standards should take place at the international or European level also depends on the characteristics of the products and services in question and whether global specifications can be found. At the European level standards should only be developed in areas where Europe has a specific interest which is not shared by the international community or in areas with specific regional characteristics (e.g. construction materials or railways).

Most formal standardisation nowadays takes place at the international level, supporting the global economy, in line with the Vienna and Dresden agreements¹. In this context, European Standardisation Organisations (ESOs) should take a more proactive and strategic role in analysing the impact of a future international standard on the European market. They should for instance look for possibly conflicting national or regional standards or legislation and analyse what the probability of global application would be.

Furthermore, the ESOs should establish enhanced coordination mechanisms to promote European positions at international level and ensure adequate European participation in relevant international standardisation committees.

<u>12. In your opinion, where is the major added value in European standardisation</u> with respect to national standardisation?

In BUSINESSEUROPE's view, the main added value is that European standards automatically become a national standard in the 31 member countries of CEN and CENELEC, facilitating trade between countries, creating new markets and cutting compliance costs. This is an essential mechanism to support the free movement of goods and services on the internal market. As outlined in the previous question

¹ The Vienna agreement is an agreement on technical cooperation between ISO and CEN. The Dresden agreement is between CENELEC and IEC.



European standards should then align with international standards as far as possible, in order to increase the competitive advantage of European business products and services worldwide.

13. What are, in your view, the most serious barriers to the use of standards by enterprises: costs of standards (purchasing price)? Costs of operational implementation? Access to information? Knowledge of existing standards?

The main burden lies in the comprehension and application of standards, which can entail production process and organisational changes. In addition, many mandated standards refer to a number of other standards, which can also make the application burdensome. Though the costs of the total set of standards needed by a single enterprise can be substantial, we do not believe them to be prohibitive in any case, as they represent just a small portion of the costs for the comprehension and implementation of the standards.

Concerning the costs barrier, BUSINESSEUROPE stresses the importance of the need for a healthy standardisation system, which business can rely on. Currently the ESOs and NSBs depend heavily on the sales of standards. Therefore, any thoughts on revising the pricing of standards should be considered in the framework of an overall financial model that preserves the strength and independence of these organisations.

<u>14. What could the standards organisations do, in addition to their current practice, to facilitate the access to standards, especially by SMEs?</u>

A number of actions can be taken to facilitate the access to standards. When a new version of a standard is published summaries of the main changes made in the standard should be published free of charge and in the local language. In addition, standards should be drafted in a form that is user-friendly (e.g. more use of pictures) and limit themselves to the essential information on what is required. In certain cases a short version of the standard might be appropriate.

Training programmes, sectoral information material and an explanation of the benefits of using standards could help to raise awareness of the advantages of their use. Standards organisations can also team up with sector federations to organise such supportive measures. Marketing of standards should also be improved, made more targeted and be based on prioritisation and analysis of the most relevant standards.

Finally, standardisation organisations should consider offering bundles of standards at a reduced price to cover, for any given purpose, the total set required as implied by references between standards.

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