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Business views on consumer product safety issues in a global trade context

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Agenda

- Safety: interests and benefits
- Challenges to get it right
- Solutions
- Opportunities



Safety: interests and benefits (1)

- Governments
 - Avoid catastrophes
 - Serve society safety preferences optimally
 - Balanced effect on trade relationships
 - Solid reputation for safe products, to support exports
- Citizens
 - Can buy and use products freely
 - No worry about excessive or frequent risks
 - Can find jobs in prosperous companies



Safety: interests and benefits (2)

- Companies
 - Have customers who trust products in general
 - Meet customers expectations
 - Accepted safety at reasonable cost and effort
 - No overshoot
 - Global harmonization: no unjustified differences of requirements
 - No duplicate testing
 - No superfluous documentation and bureaucracy
 - Level playing field
 - Room for differentiation, also on safety
 - Solid company reputation for safe products, to support sales and brand value



Society preferences and a safety optimum

- Life is full of risks
 - Reducing risk has a price
 - *Eliminating* risk: sit still and do nothing
- Risk avoidance preferences differ between nations
 - History, state of economic development
 - Nature of the economy
 - Willingness and ability to accept the sacrifice
 - Culture, religion
 - Political system, role of media
- The consumer has an own responsibility
- Safety optimum is a *political choice* serving *local* needs
 - Road block for global harmonization



Challenges to get it right

- Globally uniform requirements
 - Industry and trade policies
 - Local safety optimum preferences
 - Legacy of local laws and standards
 - Local circumstances (climate, geography, ...)
- Level playing field
 - Same rules for local and foreign companies
 - Enforcement: surveillance and penalties
- Efficient rules
 - Proportional safety requirements
 - (Self-) Certification proportional to inherent risk
 - Mutual recognition of credible certifications globally
 - Proportional documentation requirements



Solutions

- Conclude trade treaties and live up to them
 - WTO
 - Bilateral
- Align requirements internationally
 - Legal regulatory framework
 - What is the optimal, proportional safety level
 - Standards
 - International certification schemes
- Cooperate internationally for enforcement
 - Chain approach
 - Shared expertise, monitoring, control, ICT
 - Exploit all available information
 - Align practices and support a level playing field



Opportunities (1)

- Use international standards as definition of detailed requirements
- Use international conformity assessment schemes
 - Solid accreditation to ensure credibility of certifications
 - Recognize credible certifications from foreign countries
- Enforcement of safety requirements also on exports
 - Focus on companies without solid reputation
- Strongly push forward with the China-EU cooperation on product safety management
 - Joint enforcement along the supply and distribution chains
 - Political dialogue on proportionality of safety
 - Convergence of safety requirements



Opportunities (2)

- Dialogue with business
 - Consultations before law making for better legislation
 - Involve business in transposing international to national standards
- Partner with companies for enforcement
 - Use market insights of companies
 - To find market surveillance attention points
 - To foresee new trends that may require corrective action
- Help less capable companies to obey the law
 - Not all non complying companies are deliberate cheaters
 - Training, centres of competence and support, stimulating organization into business federations



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