



# ENHANCED CEN-CENELEC CO-OPERATION

## Orgalime position paper \*

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### EXECUTIVE SUMMARY

Orgalime's 35 trade federations in 23 countries represent some 130,000 companies in the mechanical engineering, electrical, electronic and metalworking industries, which account for over a quarter of the manufacturing output and a third of the industrial exports of the European Union. Our industry covers the bulk of all direct and indirect standardisation costs generated by the European standardisation organisations.

For Orgalime, the first task and drive of European standardisation organisations should be to bring standardisation closer to the market needs with high-quality standards.

The European engineering industry supports increased co-operation between CEN and CENELEC and the evaluation of the cost savings that further sharing of facilities and services could bring, provided independence of both organisations is maintained.

Due to differences in culture and funding structures of CEN and CENELEC, Orgalime does not believe that a merger of CEN and CENELEC would be of any benefit to the standardisation process within a reasonable time period, while continuing to contribute to fulfil the needs of its stakeholders.

Over the past years many stakeholders of European standards developing organisations (ESOs) have called for cost savings and an improved co-operation between CEN and CENELEC. As already stated in our [position paper of 30 January 2004](#) on the role of European standardisation in the framework of European policies and legislation, it is one of the tasks and should be the drive of European standardisation organisations to bring standardisation closer to market needs for high-quality standards.

The ever-ongoing discussions in the engineering industry on productivity and cost-efficiency should also be reflected in the ESOs and their strategies. One should therefore not spare any effort to optimise the performance of the ESOs to reduce the total costs of standard making. However, any measure in this direction should carefully assess consequences before it is put into practice.

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\* This position is supported by CECED, the European Committee of Domestic Equipment Manufacturers

## Observations

### Representation

If the participation of all stakeholders and interested parties is needed to achieve quality standards, no standardisation could work without the participation of industry at all levels of the process (both for standards development and for its management) as industry (and its product-related services) is the motor of the economy. As such, industry covers most standardisation costs through direct involvement of company experts and through financial contributions at national level.

- In CEN, most national representatives in the governing bodies are employed by national standardisation organisations. This seems logical because CEN is serving a variety of different sectors for which it is difficult to identify leaders from the stakeholders' constituency.
- In CENELEC, stakeholder representatives are members of the governing bodies. This has proven to be very effective.

### Different funding structures and culture

CEN's and CENELEC's individual funding structure and culture are quite different.

- ➔ Public funding contributes approximately 45% of the CEN budget, and approximately 18% of CENELEC. Orgalime would however not like to see CENELEC become more dependent on Commission funding. CENELEC standardisation presently addresses the genuine needs of the section of industry it covers and we would like to see this maintained. CEN covers a wider range of issues and directives under the New Approach and thus by nature will have a larger share of financing from the Commission because of mandated standards.
- ➔ Although both organisations today enjoy a high degree of co-operation, cultural differences still give rise in some instances to resistance to enhanced co-operation.

The major interests of industry are the quality of standards and efficiency of standards production. There are more and more mandates which require improved co-operation between CEN and CENELEC. Cost reduction in the central organisation is welcome, but will not significantly reduce the overall cost of standardisation, which is largely borne by industry.

### Co-operation of technical committees

In practice some issues are subject to standardisation work in the technical committees (TCs) of more than one ESO. The co-ordination of cross-interest work in technical committees should be improved in order to induce synergies and prevent double work. This would also optimise the participation of potential participants in such TCs. Orgalime assumes that co-operation between TCs belonging to different organisations would not give rise to any real problem. Should problems occur, they can be solved by discussions between CMC (CEN) and CS (CENELEC), or between the CEN and CENELEC BTs or by discussion between the elected officers of both ESOs.

### Speed of the process adjusted to the need required for a specific standard

The pace of standards development is under pressure in certain sectors, because market dynamics requires it and in other sectors because the European Commission needs a rapid underpinning of regulation by harmonised standards. Furthermore, common efforts should be enhanced to bridge the gap with consortium standardisation.

## International co-operation

Due to Europe's WTO obligations to refer to international standards, there is a need to ensure that there is an upward trend in the co-operation between European and international standardisation organisations.

## Suggestions

Orgalime suggests that any model for further improvement of co-operation between the CEN and CENELEC organisations should be based and developed on the following requirements:

1. It is of key importance that standardisation is driven by industry operators in order to stay in tune with market needs; the market relevance of standards should be strengthened. Therefore, stakeholder representation in governance bodies and technical committees should be enhanced.
2. To prevent double work, co-ordination at TC level should be improved and any resistance to co-operation should be identified and addressed.
3. The CEN structure should be brought closer to CENELEC's, e.g. in terms of stakeholder representation or international orientation as regards the cooperation with the International Standardisation Bodies.
4. Consider further improvement of sharing facilities. Inconsistencies in the organisation of both offices should be detected and resolved: e.g. by exploring the advantages of exploiting common services. However, it is Orgalime's view that the independence of both organisations should be maintained at least for the time being (see final consideration below).
5. In cases showing a downtrend of ratios of accepted identical ISO and IEC standards by CEN and CENELEC, more efforts must be put to turn this into an upward trend.

## Final consideration

**Further co-operation between CEN and CENELEC seems feasible:** one can think of, for example, sharing all types of the necessary facilities, if this provides a considerable benefit to both organisations.

**Conversely, Orgalime does not believe that a full-scale merger of CEN and CENELEC would bring any benefit within a reasonable time period.** It might only marginally reduce staffing costs but would not affect the other costs paid by the stakeholders.

To achieve significant benefits, the cultures of the ESOs would first need to evolve in the same market-oriented direction. This could be facilitated by an enhanced co-operation.

If a merger were enforced now, we believe that this would add to bureaucracy and provoke organisational turmoil that would jeopardise the effectiveness and speed of standards development. This would be both to the detriment of the standard bodies and of their clients.

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