

Position Paper

Brussels, 2 February 2012

Orgalime comments on the EP IMCO report on the EC proposal of a Regulation on European Standardisation

IMCO draft Report on European Standardisation – Rapporteur: Lara Comi (COM(2011)0315 – C7 0150/2011 – 2011/0150(COD))

Orgalime welcomes the Report drafted by Ms Comi, Rapporteur to the EP Committee on Internal Market and Consumer protection on the Commission Proposal for a Regulation on European standardisation - COM(2011)315. The Report echoes many of the concerns expressed in Orgalime's last contribution (05/12/2011) further to the EP public hearing on 23 November 2011 and includes concrete proposals that improve significantly the Commission proposal of a Regulation on European Standardisation of 1st June 2011. We are pleased to provide the following comments:

1. Consultation of all stakeholders on draft EC standardisation requests:

Orgalime very much welcomes *Amendments 36 and 39* that request the involvement of "all relevant stakeholders" prior to adopt EC standardisation work programmes (Art. 6 paragraph 2) or of a new standardisation request (Art. 7 paragraph 1).

- Market relevance of EC draft standardisation requests is key to ensuring that harmonised standards are attractive to market operators, so as to thereby ensure their widest use and, potentially, any resulting societal benefits.
- Orgalime supports strengthening the New Approach and extending its scope to help meet challenges such as climate change, sustainable resource use, etc. (Whereas 12), as long as the distinction between legislation and standards does not become blurred: indeed, it is of great importance to ensure that the European Commission does not seek to make use of standardisation to achieve the same goals as legislation.

Orgalime very much welcomes Amendment 57 that opens the possibility for all stakeholders to **participate as observers in the Regulatory Committee of Art. 18**. Nevertheless, we believe that this option, which is at the discretion of the Commission, is not sufficient to ensure the market relevance of draft Commission requests.

Therefore we deem that a systematic consultation mechanism is necessary, in the form of an open and flexible European Multi-Stakeholder Forum, which would be open to <u>ALL</u> stakeholders, and not only to a shortlist, as decided upon by the Commission without due consultation in the case of the recently set up European Multi-Stakeholder Platform for ICT standardisation (<u>Decision C 349/04 of 28/11/2011</u>). The envisaged consultation forum could operate with the support of IT tools, the access of which would be granted to any stakeholder registered in the <u>European Transparency Register</u>.

Orgalime, the European Engineering Industries Association, speaks for 34 trade federations representing some 130,000 companies in the mechanical, electrical, electronic, metalworking & metal articles industries of 22 European countries. The industry employs some 9.7 million people in the EU and in 2010 accounted for some €1,510 billion of annual output. The industry not only represents more than one quarter of the output of manufactured products but also a third of the manufactured exports of the European Union.

Likewise, even stakeholders in a very narrow product sector could be informed on updates of the EC standardisation work programme or on draft standardisation mandates, depending on the chosen fields of interest in the Register. We sincerely believe that such an IT operated consultation mechanism would not add significant costs or administrative burden to the European Commission's work.

2. Technical specifications from fora and consortia:

We very much welcome the Improvement of the terminology brought in *Amendment 23*, 25, 44 that change ICT "standards" into "technical specifications" in Art. 2 point 4 and Art. 10. We also support *Amendment 42 and 43* which change '*recognition*' into '*use*' of ICT technical specifications (Title of Art. 9 and Art. 9).

- However, we regret that the report did not clarify further what is meant by introducing the use of such ICT technical specifications in support to "European policies", beyond public procurement purposes. The current wording remains too unspecific and risks opening up undue influencing routes thereby undermining the trust in and respect for the current formal standardisation system and the EU regulatory framework at large.
- We believe that the decision making process for acknowledging the recognition and use of ICT technical specifications from fora and consortia should be specified in the Regulation. The lack of transparency on the side of the European Commission around the launch of the European Multi-Stakeholder Platform for ICT has already given rise to serious concerns on the rules for being able to access to the platform.
- In Orgalime's view, a definition of what is meant by information and communications technologies (ICT) should be provided, that would be for instance modelled on the OECD definition.

3. SMEs interests are best taken care of at national level:

- The national delegation principle is the best way to ensure that all relevant stakeholder interests are involved: it is easier, especially for SMEs that have few resources for standardisation work, to participate in their own language and without having to travel to another country. Therefore, Orgalime welcomes Amendments 4 & 5 which promote the participation of SMEs at national level (Recital 13 and 14).
- However, we are wary about Amendment 33 and the prescriptive nature of the proposed article 5a (new) to grant special rates for purchasing standards and free access to standardisation work for SMEs: while Orgalime supports very much the introduction of cost-effective means to associate more closely interested stakeholders to standardisation work, we believe that the establishment of such means depends upon the business model of each national standards organisation and that it resorts to their own responsibility to act under their private governance rules. A general recommendation in the preamble would be preferable.

4. Role and financing of Annex III organisations:

- Orgalime welcomes the improvement brought by Amendment 31 and 49 which rightfully change the nature of the duty of ESOs with regards to the representation of SMEs and societal stakeholders in standardisation work from "ensure" into "enable" (Art. 5 paragraph 1 and Art. 13 paragraph 4 point b). This takes better account of the essential voluntary nature of standardisation work.
- We also welcome Amendment 6, which introduces the much-missed participation of authorities in standardisation work (Recital 15a and Art. 5 paragraph 1), and especially market surveillance authorities (5c new). However, a similar wording as in amendment 31 and 49 to "enable" their participation would be preferable.
- We warmly welcome Amendment 47 that deletes Article 12 point 'd' about financing societal stakeholders to verify the quality of standards and their policy relevance.

In addition, we agree with *amendments 27, 29* (stand still procedure under Art. 4, paragraph 3a), 31, 35, 36, 40, 41, 47, 48, 49, 50 (Limitations to the delegation of powers to the EC in Art. 16 in scope), 54, 57, 60, 61, and 65.

However, we have some reservations on a few amendment proposals that in our view:

- may create legal uncertainty due to diverging definitions in other legal texts, i.e. Regulation 765/2008/EC (Amendment 21 on the definition of a harmonised standard);
- grant disproportionate privileges to some European institutions (Amendment 32 to which we prefer instead ITRE Amendment 19 – and Amendment 38 that are specific to the JRC);
- interfere with the private governance of standards organisations (Amendments 33) and add bureaucratic reporting burden to their work (Amendment 59) or add a level of details which should not be set in a Regulation (Amendment 34).

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