

Brussels, 18 February 2011

Transparency and efficiency of the European standardisation system

Comments on DG ENTR C/5 Updated Roadmap “*Communication on a more integrated European Standardisation System and legislative proposal on standardisation, covering inter alia the ICT sector*” (21/10/2010)¹

EXECUTIVE SUMMARY

The European Commission has plans to revise Directive 98/34/EC² with the declared objective to increase transparency and efficiency of the European standardisation system. Orgalime acknowledges these needs, but expresses concerns, based on its experience, over the means to do it. Therefore, Orgalime calls on the Commission in the course of the preparation of its legislative proposal to:

- **Duly acknowledge and consider the market relevance of new European harmonised standards**, which are mandated by the European Commission, whether for products or services.
- **Define “societal stakeholders” and their role, set criteria for assessing their accountability** – European funding is not a substitute for legitimacy.
- **Recognise the societal dimension of the work of European organisations representing business interests**, including those of small and medium sized companies, in the context of European standardisation policy.
- **Ensure the equity of representation of non-profit interest organisations in its consultation process** on draft standardisation mandates or Commission multiannual standardisation action plans.

GENERAL COMMENTS

Orgalime welcomes the Commission efforts to improve the transparency of its decision-making process by publishing regularly updates of roadmaps of its plans to change the EU regulatory framework. We are consequently pleased to provide our comments and suggestions for the preparation of the planned “*Communication on a more integrated European Standardisation System and legislative proposal on standardisation, covering inter alia the ICT sector*”, as reflected in DG ENTR C/5 Updated Roadmap (21/10/2010)¹.

¹ http://ec.europa.eu/governance/impact/planned_ia/docs/2010_entr_021_european_standardisation_ict_en.pdf

² http://ec.europa.eu/enterprise/policies/european-standards/documents/general-framework/index_en.htm

Orgalime, the European Engineering Industries Association, speaks for 32 trade federations representing some 130,000 companies in the mechanical, electrical, electronic, metalworking & metal articles industries of 22 European countries. The industry employs some 10.6 million people in the EU and in 2009 accounted for some €1,427 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.

We are pleased to read that the Commission has taken stock of the European Parliament's report on the future of European standardisation, and in particular that the proposed review should *"build on the strengths of the existing system, while refraining from any radical changes that would undermine the core values of the system"*.

The updated roadmap, however, identifies as a flaw of the existing European Standardisation System (ESS) that *"there are generally profound inequalities between [representatives of various stakeholders] in terms of access to information and technical expertise"*. This reflects a biased analysis of the current ESS, whose private governance responds to the needs of its primary stakeholders, i.e. the companies that invest in it (95% of its budget) with a view to developing, purchasing and using standards. Those SMEs that are too small to take part in the standard-setting process rely on work developed in national mirror-committees and their representatives, namely in CEN and CENELEC. As for *"non-commercial stakeholders"*, they are not direct users of standards and will not reap any benefits from standards-free-from-*"vested interests"* if these standards, that are voluntary, are not purchased by commercial stakeholders for whom they do not present a sufficient degree of interest. It is precisely because the ESS is a private and flexible European system free from institutional over-bureaucratisation *"based on the principle of national delegation in their governance and procedures"* that **we disagree with the conclusion of the "test of EU Value Added"** that *"problems related with European standardisation can only be solved by action at European level"*.

The transparency and efficiency of the European standardisation system can be ensured by enhanced support to its functioning at both national and European levels.

SPECIFIC COMMENTS

Consequently, in the preparation of its legislative proposal, we call on the European Commission to:

- **Duly consider the market relevance of new European standards**

which are requested by the European Commission, whether for products or services.

We consider that it is essential to assess to which extent industry and other relevant businesses are willing to provide their own resources into the planned standardisation work for standards in support of European policies, programmes or legislation as much as for standards in support to other applications. Such assessment should take into consideration the international dimension of standards setting and how European standards could contribute to it for the long-term competitiveness of the European industry: this is especially true if the standard requested by the European Commission would lead to a European-regional deviation from an existing international standard.

- **Define "societal stakeholders" and their role, set criteria for assessing their accountability into the planned Regulation on standardisation.**

The legitimacy of stakeholder organisations should be assessable in an open and transparent manner. This is especially true if they are entrusted to represent societal interests and SMEs interests in future regulatory consultations on draft standardisation mandates, Commission multiannual standardisation action plans, or the recognition of specifications drafted by ICT fora and consortia for the awarding of public contracts. This status of societal stakeholder is not defined in existing legislation, while it is widely referred to in European Commission and European Parliament reports.

The discretionary decision of the European Commission to support financially such organisations, cannot become a substitute for the application of the equity principle and justify the European Commission thereby discriminating against other relevant European standardisation stakeholder organisations, especially registered independent European trade associations and their membership. Such a bias would be difficult to accept in the framework of transparent institutions operating in a better regulation framework.

- **Recognise the societal dimension of the work of European organisations representing business interests in the context of European standardisation policy.**

Should the Commission envisage laying down in a future Regulation the use of standards and standardisation as policy tools, it should take due consideration for the views of European organisations representing business interests. While the EXPRESS report³ has expressly acknowledged the importance of industry stakeholders for the sustainability of the ESS (this is hardly surprising since they are the principle funders of the system!), their societal dimension as representing those that invest in research and innovation, create jobs and growth within the single market is currently disregarded. This is somewhat surprising.

- **Ensure the equity of representation of non-profit interest organisations in its consultation process** on draft standardisation mandates or Commission multiannual standardisation action plans.

Currently, a number of European business organisations already represent the interest of their SME members in the policy fields that are relevant to their constituency. They are however not directly consulted by the European Commission which prefers to consult a single organisation essentially funded by the European Commission - NORMAPME. Notwithstanding the attempts to improve the consultation procedures of this organisation, Orgalime and many other stakeholders feel their views are not adequately represented by NORMAPME, even if they have been consulted indirectly by this organisation. This is in particular the experience of Orgalime in the area of New Approach legislation over the past few years.

Therefore, Orgalime wishes to be recognised as a European stakeholder organisation representing the SMEs of its industry for consultation on future policies, draft standardisation mandates and standardisation programmes in the electrical, electronic, mechanical and metalworking fields.

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³ Report of the Expert Panel for the Review of the European Standardization System - Standardization for a competitive and innovative Europe: a vision for 2020, [February 2010](#).