14 January 2022

Targeted consultation: Standardisation Governance

Keyword: BusinessEurope welcomes the opportunity to provide input to the targeted consultation on Standardisation Governance. We note with regret, however, the short-notice announcement, format of the consultation, and the fact that it was carried out during a holiday period. Standardisation is a key priority for our members and its governance is a strategic question. Therefore, given the constrictive format of the online survey, we take the opportunity to outline our more comprehensive responses to the Commission's questionnaire regarding Standardisation Governance, below. We assert that Regulation 1025/2012 is fit for purpose, and therefore see no need to amend/revise it at this time. While we welcome measures and incentives to enhance the EU capacity to anticipate standardisation priorities, the governance of ESOs, as established by the national representation model, has proved being effective over the past years, and should be preserved. We hope the Commission will duly consider stakeholder views and evidence on this important topic, in line with Better Regulation principles, and remain available for a constructive dialogue on how Europe can lead in standardisation.

- [Attachment 1](): Effective Harmonised Standardisation – Joint industry recommendations.

- [Attachment 2](): BusinessEurope position paper on the Standardisation Strategy Roadmap.

Questionnaire

1. **In your opinion, to what extent is the European Standardisation System equipped to uphold European values and core interests (competitiveness, policies, implementing legislation)?**
    a. **Do you see a difference between the European Standardisation Organisations (ESO)?**

<u>**Response**</u>: YES

Standardisation is a tried-and-tested element for relieving the burden on legislators and promotes practical, lean, and thus innovations-friendly regulation. The European Standardisation System (ESS) has offered a successful and reliable model under the New Legislative Framework for products for many years. Harmonised European standards (hEN) have particularly been important for the EU's competitiveness, as they help companies demonstrate compliance with EU rules while at the same time supporting the development of innovative technical solutions. hENs also helped create the Single Market by eliminating the tens of thousands of national, mutually different standards and replacing them by harmonized ones. This has reduced costs and enabled companies to sell products across the Single Market and globally.

However, delays in publication of standards and foreseeable greater divergence between hEN's and international ISO/IEC standards due to different/contradicting

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requirements is likely to undermine those benefits in the future. Indeed, the overly prescriptive approach in relation to hEN's is diminishing the possibility for European standards to follow the latest technological advancements on the market and leads to diverging technical requirements in European and international standards, thus leading to a less innovative and long-term competitive European industry. The key to efficient, globally uniform standards that meet the high levels of protection fitting EU values is global leadership in standardisation, which in turn critically hinges on a smooth and responsive regulatory framework in Europe, including the standard development process.

Governance of CEN-CENELEC and ETSI is indeed different: CEN-CENELEC is only based on the National Standard Development Organisations (SDOs) when ETSI has a dual/mixed governance process, relying on SDOs but also on a direct and broader memberships composed of companies, research entities, academia, government, and public organisations. Both ETSI and CEN-CENELEC rely on the National SDO's model for processes to develop and approve hENs, which is effective and solid enough to uphold our core interests. ETSI's industrial standardisation work is different as it leverages the direct membership and is global rather than European. BusinessEurope welcomes measures that can incentivize and strengthen industry participation in the development of critical standards (e.g., standards for AI) as well as serve our ambition to lead global standardisation. Such measures should rely on the strengths of the ESO's current governance models and promote the early identification of standardisation needs and deliverables with stakeholders (including public authorities, to duly take along political considerations. We suggest that political priorities are more likely to be well addressed in the presence of clear incentives, best a strong business case, behind such European interest).

These ambitions should in no case justify a revision/amendment of regulation 1025/2012 which we believe is fit for purpose. In all cases, it is important that all SDOs – especially those that develop standards or similar deliverables that may be leveraged for legislative or other government purposes – have and adhere to a transparent, fair, inclusive, and due-process-based set of procedures and policies. Among other things, this will help ensure that the resulting deliverables will be relevant, effective, fair and responsive to legitimate marketplace needs and impacted stakeholders. It also will help minimize any competition-related concerns.

2. **To what extent does the decision-making process in the European Standardisation System provide for sufficient checks and balances to uphold European interests? What in your opinion is the biggest obstacle for this?**

<u>Response:</u> Rather well

The ESS broadly provides for a well-balanced system to serve European interests. In our opinion, the main obstacles to the well-functioning of the ESS are due to the overly legalistic/ prescriptive consideration of harmonised standards and the related bureaucratic procedures which delay their publication, sometime up to 10 years, and limits our ability to influence the content of international standards. A delay in publication

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compared to international application day of a given standard of 10 years is not unusual. Furthermore, only the technical quality of the standard will guarantee its take-up.

3. **In your opinion, when it comes to the decision-making process during standards-development, would you agree that national standardisation bodies (NSB) should have a key role?**

<u>Response</u>: Yes

National standardisation bodies (NSB) have and should continue to have a key role in decision-making processes during standards development, as part of the overall consensus-based standardisation frameworks. This is a fundamental value of the national representation system which should be preserved.

4. **In your opinion, do you think that the European Standardisation System is transparent? If no, how could transparency be promoted?**

<u>Response</u>: Somewhat yes

Transparency is given in the internal procedures of the ESOs, but it should not be disrupted by uncoordinated interventions by HAS consultants or opaque internal decision-making by government officials, i.e., decision making related to the development of standardisation requests, including the involvement of SRAHG, HAS-consultants, publication in the Official Journal etc. A clear set of objective evaluation criteria or KPIs should be published and prescribed to further enhance transparency of these processes and to promote legal certainty for stakeholders. BusinessEurope also sees room for improvement when it comes to facilitating access to information and consistency in application of common rules for instance when it comes to documentation of rationale behind decisions.

5. **Do you think the European Standardisation System is inclusive? If not, how could inclusiveness be promoted?**

<u>Response</u>: Yes

The European standardisation system is the result of long-standing, successful and voluntary cooperation among all interested actors, including industry, SMEs, consumer organisations and societal stakeholders, public authorities, and other stakeholders. Standards are established through the consensus of all stakeholders and published by the recognised European Standardisation Organisations, where about a fifth of all European standards are developed following a standardisation request (mandate) by the European Commission. Efforts to bolster the inclusiveness of the ESS are welcome, such as the involvement of SMEs and administrations.

To achieve this, we recommend reducing complexity of the standardisation processes and increasing digitalisation, to promote an enhanced participation of stakeholders and to speed up the development and consensus processes, while maintaining adequate due process safeguards. Improved communication regarding benefits of participation,

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targeted campaigns to recruit all categories of participants and shorter decision-making processes would also be helpful.

6. **In your opinion, currently are the right entities involved in the decision-making processes on standardisation deliverables. If no, please explain.**

Response: YES

BusinessEurope welcomes measures that can enhance effective collaboration between the Commission and ESOs, such as with the establishment of the joint taskforce for a timely delivery of standards. Nevertheless, decisions affecting standardisation deliverables need to involve all relevant stakeholders and be transparent. This includes members of the Committee of Standards as well as industry organisations. As regards the involvement of other parties in standardisation processes, we particularly insist on the need to urgently review the role of HAS consultants in order to strengthen their qualification and to limit their intervention to where it is needed (See our joint industry recommendations for an effective harmonised standardisation).

We also welcome policy driven engagement in defining standardisation priorities but only priorities and express caution against irrelevant content setting. The EU Council preparatory bodies could play an important role in that sense. In any case, future political discussions to better anticipate and define standardisation priorities at political level must not impede market-driven standardisation and should always involve stakeholders along the way, for example with (but not limited to) further involvement of the Standards Market Relevance Roundtable (SMARRT) and the Multi-Stakeholder Platform on ICT Standardisation. This would notably help standardisation priorities to be more aligned, and deliverables streamlined.

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