



FINAL PLENARY OF THE JOINT INITIATIVE ON STANDARDISATION – "A COLLABORATIVE APPROACH TO UNITE MARKET AND POLICY NEEDS"

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Implementing the Joint Initiative on Standardisation: what it means for the European Standardisation System

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Standardisation is a process that seeks to find a consensus solution to satisfy the needs of a variety of stakeholders as well as possible. Often, some of those needs conflict with each other. Consensus is not everybody being happy; it is the absence of sustained opposition – so nobody is truly unhappy.

The outcome can be one of the alternative solutions in a pure form, preferred if a compromise could only lead to the worst of all worlds. Or it can be a blend of different elements and compromises that every stakeholder sees as good for essential needs, and at least acceptable for other needs.

So standardisation has a lot in common with politics, and indeed there is politics in standards setting. Both combine rational reasoning rooted in facts and expertise with the art of finding an outcome that keeps everyone on board. The content matter differs, of course. For most standards technical expertise is needed, as well as deep understanding of the market and business dynamics. Apart from the needs of all economic actors involved, those of society at large must also be taken along. All these needs are valid, and it depends on the situation by what mix of weights they should ideally be taken into account.

A good mix of inputs and a process built on reason, facts and expertise makes the difference between a standard that creates great value or one that is at best ignored, or at worst: a burden. Therefore it is essential that a variety of stakeholders are involved from the very start to the very end.



Unfortunately the European Standardisation System is not legally designed that way and lately has not been functioning that way either. While it is unique in its kind, it is quite sophisticated and has created tremendous value over the past decades by eliminating technical barriers to trade for the European Single Market, there are some missing elements. Originally it was established *by industry for industry*, and there has been little political or legal steering. Even in those early days it took on harmonising standards between the Member States of what is now the European Union, and it was very successful in that. Businesses gained, the economy gained, society gained and everyone felt supported by it.

Over time the public authorities began to interact more with European Standardisation, and today industry has been formally excluded by its legal framework. This ignores reality: for the majority of standards industry is most confronted with the content of standards in terms of their deployment; industry brings in the vast majority of the expertise; industry exclusively has the insights to foresee the competitive effects of proposed standard content and will absorb those effects most immediately; and industry bears 95%-plus of the overall cost of standardisation.

The strongest recent development towards more public interference was regulation 1025/2012, which created a renewed legal framework specifying the rights and obligations of various actors and stakeholders. The most significant surprise is that there is indeed no place in it for industry to be represented whatsoever in alignment in any phase of the process from strategy setting and mandating to accepting or rejecting standards. A variety of other stakeholders *are* included. Some of them get support from the Commission. Others are in fact the guardians and enablers of the standardisation *process*, and should be standards *content* agnostic – which indeed they are in most domains, as they can simply not master all fields of expertise.

At the same time, in the past decade European and Member States authorities developed an appetite for more top-down steering, less in-process participation and more ex-post judgement of standards. These developments undermine the very nature of standardisation, which is to seek a consensus solution to satisfy the needs of a variety of stakeholders as well as possible. If a single stakeholder category places itself outside this process and uses legal powers to steer and judge from that outside position, we lose the very nature of standardization, and hence the very nature of the



New Approach style legislation that we value so much – for good reasons. That would be a great loss indeed. We risk that industry might no longer see its investments in European Standardisation justified and seek other routes to demonstrate regulatory compliance.

This lack of consensus seeking by authorities also manifests itself in broader debates about standardisation strategies and road maps, standardisation mandates, and decisions on the use of standards for presumption of conformity with European Essential Requirements. BUSINESSEUROPE believes this is not the best use of our European Standardisation System, and these practices need to be improved.

Surely, public authorities have been given certain competences by law to ensure that public interests are preserved. There can be no compromise on justified concerns related to safety, environment care or prudent use of scarce resources. But this does not justify a top-down approach. On the contrary, authorities in an open, dynamic society that aspire to sustain its prominent role in the global scene in today's dynamic age have a duty to use their decision competence in more advanced ways. Better decisions will often not be unilateral rulings made by a civil servant on the basis of incomplete facts, expertise and opinions. They will flow from seeking opposing insights and facts, and open discussion. In the end, the legal authority of the decision maker stays exactly the same. Like a judge hears all parties and then rules according to his legal power and responsibilities, public authorities should make their decisions in such more responsible ways, on matters related to standards and regulations. Better co-operation will produce better results.

In the past half year, we have seen how the 'Standards for Growth' unit in DG GROW came to realise this and ambitiously took an effective approach, followed up with the stamina required, to pursue the Joint Initiative on Standardisation. They stood strong against fierce opposition. How was it done? By a collective process that seeks to find a consensus solution to satisfy the needs of a variety of stakeholders as well as possible. Sounds familiar! This process has been most remarkable in that it provoked in-depth discussions between different stakeholder groupings in a plenary setting. This has never been done before, because such discussions were frozen in position paper battles. The earlier EXPRESS panel discussions were over-politicized and lacked the openness of debate that we experienced in the JIS EdCo.



Industry has been clear: the single most important action for us is to compensate, at the political level, the legal gap that excludes industry from alignment. We want to be heard, from the very start to the very end of the process – to have a chance to bring in facts, expertise and valuable insights. To help ensure that decisions are rooted in facts and reason. We do respect that the law has placed decision authority where society needs it to be. But industry needs to be a genuine discussion partner to those exercising such powers.

We therefore commend Ms. Kerstin Jorna for her leadership. Likewise we thank the EdCo chair, Hein Bollens, for his skilful conduct. We congratulate both with the first very tangible results of the JIS. More than the paper that will be signed, what we can celebrate today is the improved mutual understanding of stakeholder needs, the greater mutual respect and trust, and the readiness to jointly work on better outcomes of the European Standardisation System by using the existing legal framework in better ways. The JIS will be signed and brought to life by the coalition of the willing. It will use the very nature of standardisation: seeking to find consensus solutions to satisfy the needs of a variety of stakeholders as well as possible. Fully respecting the roles of the different actors, but with a view to make Europe prosper – not just to exercise legal powers.

Ms Jorna told the Editorial Committee some weeks ago: We are changing the tide, not making the ripples. Such an ambition is worth fighting for. This is why BUSINESSEUROPE has been deeply involved in the development of the JIS paper. This is why we are willing to put our efforts in to further work out the actions and implement them. We have strong expectations. We will do our utmost to make them happen, and we will hold other JIS participants to their commitments.

Thank you.

- *Check against delivery* -