On 16 September 2005 the Council decided to consult the European Economic and Social Committee, under Article 95 of the Treaty establishing the European Community, on the abovementioned proposal.

The Section for the Single Market, Production and Consumption, which was responsible for preparing the Committee's work on the subject, adopted its opinion on 21 February 2006. The rapporteur was Mr Pezzini.

At its 425th plenary session, held on 15 and 16 March 2006 (meeting of 15 March), the European Economic and Social Committee adopted the following opinion by 140 votes to one with one abstention.

1. Conclusions and recommendations

1.1 The Committee welcomes the Commission's proposal to establish an explicit, clear and transparent legal framework for the financing of European standardisation, given the important role that the regulatory system plays in the proper functioning of the internal market, the competitiveness of European industry, and the role of European technical standards in supporting Community legislation and policies.

1.2 The Committee reiterates that European standardisation is, and must remain, a voluntary activity, exercised by and for the benefit of interested parties, with the specific task of developing standards and other standardisation products that can meet their needs.

1.3 The Committee urges the Council, the European Parliament and the Commission to take a more proactive approach to European standardisation policy. It must be considered as one of the European Union's key policies to help implement the recently reinvigorated Lisbon Agenda; it must also help to create a true 'culture of standardisation' in both European and national institutions and businesses, as this is a strategic element at national and international level.

1.4 The Committee believes it is essential to ensure the full participation of all stakeholders in an enhanced European standardisation system, and particularly the participation of NGOs, SMEs and consumer and environmental protection organisations, by ensuring that support — including financial — is provided for training qualified practitioners.

1.5 The Committee stresses that European standardisation is vital for the operation and consolidation of the internal market, particularly through the 'new approach' directives in the areas of health, safety and environmental and consumer protection, and to ensure interoperability in many areas, particularly in transport and telecommunications. Moreover, since European standardisation facilitates the free movement of goods and services in the internal and global markets, it ensures that business competitiveness is enhanced.

1.6 Given that the European standardisation system is a strategic and essential resource, the Committee believes that sound and sustainable management of financed activities must be ensured, as must the ability to pursue the common cooperation objectives and the administrative and financial conditions necessary to preserve the independence and neutrality of the system and to enhance its operational efficiency and standards production.

1.7 The Committee believes that, for the five-year period in question, the proposed figure is insufficient to cover the entire European standardisation system and that it should be increased beyond the current 2% threshold in order to ensure that standards can be freely produced and disseminated, thereby enabling it to meet the needs of both the enlarged EU-25 and the EU candidate countries.

1.8 The Committee stresses the importance of:

— ensuring maximum transparency and certainty in financing the main European standards organisations by clearly defining the permissible costs for the infrastructure and procedural services offered by European Standards Organisations (ESOs) for producing standards, i.e. the products prepared by the technical committee experts;

— simplifying and speeding up funding procedures, thus ensuring the eligibility of unit, standard-rate costs, thereby avoiding complex financial reporting, given that this often eats up about 30% of the sums released;

— introducing, for services such as those provided by ESOs, procurement procedures which genuinely reflect an equal partnership between ESOs and the European Commission, i.e. between the services provider and user; in any case, this must not affect the voluntary standards produced, which remain the property of standardisation organisations.

1.9 ESOs provide the infrastructure and services that are needed to produce standards but they do not produce them themselves; this is the technical experts’ task. In the Committee’s view, this should be highlighted as an important point to be included in the recitals.
1.10 The European Commission’s proposed total of EUR 134 million for the period 2006-2010 would appear to be barely sufficient.

2. Reason

2.1 The Committee has always called for a more extensive use of European standardisation in EU policies and legislation in order to extend, in line with the needs of both society and businesses, the expansion of standardisation into new areas such as services, information and telecommunications technology, transport and consumer and environmental protection.

2.2 In particular, there is greater awareness among business leaders and other stakeholders of the benefits of standardisation for business: this awareness is reflected in the strengthening of the key European standards bodies (CEN, CENELEC and ETSI) and the full participation of all stakeholders in the standardisation process, SMEs in particular.

2.2.1 Given these bodies’ potential contribution to the achievement of the Lisbon objectives, the Committee calls for organised civil society to be well represented on their executive boards.

2.3 With a view to increasing the presence and participation of the various civil society players in the standardisation processes within CEN, CENELEC and ETSI (1), these are carried out with the full participation of bodies such as ANEC, ETUI-REHS, NORMAPME and, most recently, ECOS (2), which was set up in November 2002.

2.4 The Committee has, on several occasions (3), called for a review of the current legal framework on standardisation so that it can respond to the latest developments and challenges in European standardisation and simplified legislation, which would be more in line with the principle of ‘better lawmaking’ (4), the approach taken by Industrial Policy in an Enlarged Europe (5) and the internal market strategy priorities for the period 2003-2006 (6).

2.5 The Committee has also come out in support of a stable financial framework for European standardisation, on a solid legal basis. Similarly, it must be ensured that Member States and the Commission co-finance standardisation procedures, European infrastructure and measures to improve synergies between ESOs, in order to enhance efficiency in the European standardisation process and in promoting international standards.

2.5.1 Greater involvement of Member States’ representatives could lead to better, more specific production of standards geared to stakeholders.

2.6 A European technical standardisation culture is vital to ensure an efficient and balanced internal market for the EU-25. It is therefore important to ensure that structures are developed at EU level which can respond effectively to:

— the requirements of the ‘new approach’,

— market interoperability needs,

— competitiveness constraints and opportunities, which are increasingly important in international markets.

2.7 The total number of European standards produced in 2004 by CEN was approximately 1 200 and about 400 were produced by CENELEC: this has brought the total number of European standards adopted by the two committees to 15 000.

2.8 The Committee believes that the elements that have contributed to this success must be consolidated and, if necessary, further developed. The new legal framework, which is based on Articles 95 and 157 of the Treaty and which regulates the financing of standardisation processes must not, in the Committee’s view, invalidate the fundamental nature of the standardisation process, which must remain free, voluntary and consensual.

2.9 Moreover, the Committee is aware of the importance of streamlining, consolidating and securing a long-term financial framework for the main European structures, not least in relation to the increasing use of technical standards over the last few years.

2.9.1 There is, in fact, a growing interest in avoiding new barriers to trade through a standardisation system capable of fostering the competitiveness of products, services and European industrial processes, with a view to developing the economic, social and environmental aspects of development, in line with the Lisbon strategy.

(1) CEN = European Committee for Standardisation. CENELEC = European Committee for Electrotechnical Standardisation. ETSI = European Telecommunications Standardisation Institute.

(2) ANEC represents consumers; ETUI-REHS (formally TUTB) represents employees; NORMAPME represents small and medium-sized enterprises. ECOS is a consortium of environmental organisations.


2.10.1 As is widely known, these processes cover a spectrum ranging from information and communication technology to transport; from environmental and consumer protection to the safety of food processes and products; from pre-normative and co-normative research to the services and new deliverables (7) sector.

2.11 Moreover, the central structures of CEN, CENELEC and ETSI must be better coordinated and consolidated, particularly following the accession of the new Member States and in view of future EU enlargements.

2.12 Whereas national standards organisations can be financed via direct contributions on products and services, Community institutions depend only on membership fees and additional funding from the EU and EFTA, which, for various reasons, seem to be inadequate to ensure an effective, solid European standards system.

2.13 In its Conclusions adopted in 2002, the Council called on the public authorities to acknowledge the strategic importance of standardisation and to make a clear commitment to that end, particularly through a specific contribution with a view to maintaining effective and efficient standardisation infrastructure.

2.14 In December 2004, the same Council took note of the Commission’s initiative to reform the institutional framework and propose a new legal basis for the financing of European standardisation (8); it therefore called on the European Commission, the Member States and the European and national standards organisations to consider ways of optimising the European standards system, with a view to making the best use of available resources and exploring other options to ensure viable financing of standardisation in Europe (7).

2.15 The Commission has drawn up several proposals (10) on the possible scenarios as regards financing of the European standards system:

— an option whereby it is fully financed by the Member States and national standards organisations;

— an added value option, with financial support from the European Community.

2.16 A shortcoming of the arrangement whereby full financing is provided by industry and other stakeholders would be that it would focus almost exclusively on the production of market driven technical standards, i.e. it would be geared to improving European competitiveness on the global market.

2.16.1 The advantage of this type of funding would be that it is willingly provided by businesses and reflects the needs of the market without being influenced by external factors. At the same time, however, it could have a profound impact on the protection, and particularly balanced protection, of all the interests represented, and those of SMEs in particular.

2.17 The option whereby full financing is provided by the Member States, via the ESOs which are members of CEN, CENELEC and ETSI, could weaken the level of European coordination and coherence of the European standards system.

2.17.1 On the other hand, this option could, to a large extent, satisfy the principles of subsidiarity and proportionality laid down in the Treaty.

2.18 Greater Commission involvement would give a high level of European value added to technical standardisation, thereby leading to the abolition of non-compliant national standards and improving the operation of the single market, not least in terms of economies of scale for the output of European industry.

2.18.1 The European Commission could influence the standardisation process and steer it towards a Community standpoint, with potential gains in terms of visibility, consistency and effective support for its policies.

2.19 With regard to costs, recent studies (11) have shown that the annual costs of the CEN/CENELEC/ETSI standards system amount to about EUR 700 million, distributed as follows:

— 26 % for the ESOs’ institutional costs;

— 2 % for the management costs borne by the CEN Management Centre (CMC);

— 72 % for the cost of the national experts’ participation in various standards committees.

(1) New Deliverables: technical specifications that are subject to faster, streamlined consensus procedures, providing a rapid reduction in market uncertainty without using longer, more laborious formal standards. They are valid for a limited period and are used by the Information Society. They are developed under the CEN Workshop Agreements.


2.20 As regards revenue, currently, the main sources of funding are the following:

— 2% from EU/EFTA contributions;
— 8% from national government contributions;
— 90% from industry and stakeholder contributions.

2.21 Currently, financial support for European standardisation is based on several acts which, for the most part, do not contain explicit, specific provisions on financing conditions. These acts provide the basis for the European Commission to ask the European standards organisations (CEN, CENELEC, ETSI) to draw up European standards in support of its policies.

2.22 Financial support for European standardisation is governed by the partnership relations established between the European Commission, EFTA and the European standards organisations, which are also specified in the General Guidelines for Cooperation signed on 28 March 2003.

2.23 The financing of European standardisation mainly involves:

— annual performance contracts with the ESOs to improve the operation of their central secretariats as regards consistency, efficiency, quality and visibility;
— improving the quality of European standardisation by having recourse to external consultants to evaluate draft harmonised standards, and by translating the final version, if necessary;
— services for developing European standards or other standardisation products, which are to be drawn up in support of Community policies and legislation;
— the promotion and profile of the European standardisation system and European standards;
— technical assistance and cooperation involving third countries and international cooperation.

2.23.1 Similarly, standardisation helps in reducing the technical barriers to international trade through the WTO Agreements, such as the TABD (Trans Atlantic Business Dialogue) and the MEBF (Mercosur European Business Forum), and by transposing European standards into international standards: ISO, IEC, ITU.

3. Specific comments

3.1 In the Committee's view, in order to retain the essential characteristics of the European standardisation process and to ensure that it remains voluntary, consensus-based and market-driven, it would be useful to insert a new recital as follows:

‘the standardisation process must remain voluntary, consensus-based and market-driven. These characteristics must be retained and enhanced through the new Community legal basis for the financing of European standards in line with the Action Plan for European Standardisation adopted by the Commission in October 2005; the action plan must be updated annually with the consent of ESOs and stakeholders.’

3.2 The Committee believes that the rapid pace of technological development does not justify the industry's involvement in boosting the spread of consortiums and forums for the creation of technical specifications outside the official process of European standardisation. This would in fact weaken the key elements of European standardisation: participation open to all experts, particularly small businesses; the transparency of the entire process; and extending the basis for voluntary consensus. It therefore feels that it is important to include the following new recital:

‘The new legal basis for financing must ensure that standardisation is more effective and stronger, with a view to meeting, as part of a transparent, open and voluntary process, the requirements of the new deliverables: technical specifications, reports and guides. The ESOs should be allowed to monitor these deliverables in order to ensure that the demands of all stakeholders, particularly those which are less structured and smaller in size, and the legitimate requests of consumer organisations, are met.’

3.3 In the Committee's view, it would be advisable to amend the current 4th recital in order to show that the objective to be attained is not only to provide a legal basis 'for the Community’s financing of all the European standardisation activities required to implement its policies and legislation' but also to enhance the European standardisation process, as this is a key element underpinning the competitiveness of European industry, consumer protection and the protection of the health and welfare of European citizens:

'This Decision must provide an explicit, complete and detailed legal basis for the Community’s financing of all the European standardisation activities required to implement its policies and legislation but also to enhance the European standardisation process itself, as it is a key element underpinning the competitiveness of European industry, consumer protection and the protection of the health and welfare of European citizens.'

(12) Cf. footnote 7.
3.4 The Committee believes that it should be more clearly emphasised that ESOs do not produce technical standards but that they provide a European infrastructure service through which standards can be developed by experts representing the participating stakeholders; a new recital should therefore be inserted after the 8th recital as follows:

‘European standards organisations essentially provide infrastructure services for the production of technical standards, which result primarily from a consensual approach to technical standards production by stakeholder representatives’.

3.5 The Committee suggests that in Article 3(1) of the Proposal for a Decision — Standardisation activities eligible for Community financing — two new points g) and h) be inserted after point f) as follows:

3.5.1 As stated in point 1.4 above, training of stakeholders on standardisation issues is particularly important. Article 3, new point g):

‘the training of stakeholder representatives, particularly for small businesses, the services and distribution sector and less structured organisations, both in terms of the general and the technical standardisation process, with a view to enhancing the capacity for ‘co-producing’ European and international standards’.

3.5.2 In order to ensure increasing participation of the numerous civil society stakeholders in standardisation processes, it is essential to improve networking between them. Article 3, new point h):

‘enhancing the interdisciplinary coordination of methods, procedures and policies; interactive European computer networks allowing national and regional standards organisations to communicate’.

3.6 Financing arrangements

3.6.1 The work carried out by standards organisations is on a par with activities of general economic interest, since it produces services that are vital for health, the environment and sustainable development.

3.6.2 The Committee believes that the activities of the central secretariats of European standards organisations could be financed through both ‘grants for actions’ and ‘operating grants’ (13) and by launching calls for tender (procurement) in line with public procurement procedures. Essentially, a more flexible approach is needed.

3.6.3 Article 5. Financing arrangements, point 5. As regards the framework partnership agreements between the ESOs and the European Commission (ex. Article 5), the Committee believes that it would be advisable to ensure that these contracts are the result of a genuinely equal partnership and are not dictated unilaterally. It would also be useful to reduce red tape and administrative supervision, avoiding burdensome certification and auditing procedures of costs incurred, by introducing flat-rate systems, which would cover 100 % of all marginal costs.

3.7 Environmental aspects

3.7.1 In addition to the primary objectives of standardisation, i.e. facilitating trade, improving the quality of life, health standards and the safety of industrial processes and services, environmental protection must also be given particular attention.

3.7.2 The Integrated Product Policy, which focused on the ‘environmental life cycle’ (14), provides a template here. The analyses of environmental aspects at enterprise and ‘site’ level have already been integrated into EN/ISO 14001, which has been adopted as a European standard. The other standards of the ISO 14000 (environmental management systems) category have also been introduced into European practice: ISO 14020, environmental labels and declarations; ISO 14030, environmental performance assessment; ISO 14040, LCA (Life cycle assessment).

3.8 Management, implementation and monitoring arrangements

3.8.1 The Committee considers that Article 6(2) should be amended in line with the amended 4th recital.


The President
of the European Economic and Social Committee
Anne-Marie SIGMUND