

DECISION No 1673/2006/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL
of 24 October 2006
on the financing of European standardisation

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, in particular Articles 95 and 157(3) thereof,

Having regard to the proposal from the Commission,

Having regard to the opinion of the European Economic and Social Committee ⁽¹⁾,

Acting in accordance with the procedure laid down in Article 251 of the Treaty ⁽²⁾,

Whereas:

- (1) European standardisation is a voluntary activity performed by and on behalf of parties interested in establishing standards and other standardisation products in response to their needs. These standardisation products are drawn up by the European Committee for Standardisation, the European Committee for Electrotechnical Standardisation and the European Telecommunications Standards Institute, bodies listed in Annex I to Directive 98/34/EC of the European Parliament and of the Council of 22 June 1998 laying down a procedure for the provision of information in the field of technical standards and regulations and of rules on Information Society services ⁽³⁾ (hereinafter European standardisation bodies).
- (2) Directive 98/34/EC allows the Commission, after consulting the committee set up by the Directive, to submit requests for standardisation to the European standardisation bodies. General Guidelines for the Cooperation between CEN, Cenelec and ETSI and the European Commission and the European Free Trade Association of 28 March 2003 ⁽⁴⁾ set out the partnership relationships between European standardisation bodies and the Community and the European Free Trade Association, which also provides support for European standardisation.
- (3) It is necessary for the Community to contribute to the financing of European standardisation in view of the latter's useful role in supporting its legislation and policies. On the one hand, European standardisation contributes to the functioning and strengthening of the internal market, thanks especially to the New Approach directives in the fields of health, safety and environmental and consumer protection, and to ensuring interoperability in fields such as

transport. On the other hand, European standardisation helps to boost the competitiveness of enterprises by facilitating in particular the free movement of goods and services, network interoperability, means of communication, technological development and innovation in activities such as information technology. Therefore, it is appropriate to include in this Decision the financing of European standardisation activities in the field of information technologies and telecommunications, which is also governed, in particular, by Council Decision 87/95/EEC of 22 December 1986 on standardisation in the field of information technology and telecommunications ⁽⁵⁾.

- (4) This Decision should 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.
- (5) It is necessary to ensure that small and medium-sized enterprises, particularly small, micro and craft enterprises, are able to apply European standards. These standards should therefore be designed and adapted to take account of the characteristics and environment of such enterprises.
- (6) Community financing should seek to establish standards or other standardisation products, to facilitate their use by enterprises through their translation into the various official Community languages, to strengthen the cohesion of the European standardisation system and to ensure fair and transparent access to European standards for all market players throughout the European Union. This is especially important in cases where the use of standards enables compliance with Community legislation.
- (7) The appropriations allocated to European standardisation activities should be fixed every year by the budgetary authority within the limits of an indicative financial envelope for a period of the relevant financial framework and should be the subject of an annual Commission decision fixing amounts and, where necessary, the maximum co-financing rates by type of activity.
- (8) In view of the very broad field of involvement of European standardisation in support of Community policies and legislation and the different types of standardisation activity, there should be provision for different financing arrange-

⁽¹⁾ OJ C 110, 9.5.2006, p. 14.

⁽²⁾ Opinion of the European Parliament of 17 May 2006 (not yet published in the Official Journal) and Council Decision of 18 September 2006.

⁽³⁾ OJ L 204, 21.7.1998, p. 37. Directive as last amended by the Act of Accession of 2003.

⁽⁴⁾ OJ C 91, 16.4.2003, p. 7.

⁽⁵⁾ OJ L 36, 7.2.1987, p. 31. Decision amended by Regulation (EC) No 807/2003 (OJ L 122, 16.5.2003, p. 36).

- ments. In the main, this concerns grants without calls for proposals to the European standardisation bodies in accordance with the provisions of the second subparagraph of Article 110(1) of Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities ⁽¹⁾ (hereinafter the Financial Regulation) and Article 168(1)(d) of Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of Regulation (EC, Euratom) No 1605/2002 ⁽²⁾.
- (9) Furthermore, the same should apply to those bodies which, whilst not recognised as European standardisation bodies in Annex I to Directive 98/34/EC, have been mandated in a basic act and have been charged with carrying out preliminary work in support of European standardisation in cooperation with the European standardisation bodies.
- (10) Member States are encouraged to ensure proper national financing for standardisation tasks.
- (11) In addition, inasmuch as European standardisation bodies provide ongoing support for Community activities, they should have effective and efficient central secretariats. The Commission should therefore be in a position to provide grants to those bodies pursuing an objective of general European interest without applying, in the case of operating grants, the principle of annual reduction referred to in Article 113(2) of the Financial Regulation. The effective operation of European standardisation bodies also requires that national members of these bodies fulfil their obligations as to financial contributions to the European standardisation system.
- (12) The financing of standardisation activities should also be capable of covering preliminary or ancillary activities in connection with the establishment of standards or other standardisation products. This refers primarily to work involving research, the preparation of preliminary documents for legislation, inter-laboratory tests and the validation or evaluation of standards. In addition, the promotion of standardisation at European and international level should include carrying out programmes of technical assistance and cooperation with third countries. With a view to improving market access and boosting the competitiveness of European Union enterprises, there should consequently be provision for giving grants to other bodies through calls for proposals or, where necessary, by awarding contracts.
- (13) Partnership agreements are regularly signed between the Commission and European standardisation bodies in order to fix the administrative and financial rules on financing standardisation activities in accordance with the provisions of the Financial Regulation. The European Parliament and the Council should be informed of the content of these agreements.
- (14) In view of the specific nature of standardisation work and especially the involvement in the standardisation process of various stakeholders, it should be acknowledged that the co-financing of the activities of producing European standards or other standardisation products covered by a Community grant could be provided by contributions in kind, for instance by making experts available.
- (15) In order to ensure the effective implementation of this Decision, there should be the possibility of using the requisite expertise, particularly with regard to auditing and financial management, as well as administrative support resources capable of facilitating implementation, and of evaluating on a regular basis the relevance of the activities receiving Community financing in order to ensure their usefulness and impact.
- (16) Appropriate measures should also be taken to avoid fraud and irregularities and to recover funds unduly paid in accordance with Council Regulations (EC, Euratom) No 2988/95 of 18 December 1995 on the protection of the European Communities financial interests ⁽³⁾ and (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities ⁽⁴⁾ and Regulation (EC) No 1073/1999 of the European Parliament and of the Council of 25 May 1999 concerning investigations conducted by the European Anti-Fraud Office (OLAF) ⁽⁵⁾,

HAVE DECIDED AS FOLLOWS:

Article 1

Subject

This Decision establishes the rules concerning the Community's contribution to the financing of European standardisation in order to support the implementation of specific policies, measures, actions and Community legislation.

Article 2

Bodies eligible for Community financing

Community financing may be granted to the recognised European standardisation bodies listed in Annex I to Directive 98/34/EC for the implementation of the activities listed in Article 3 of this Decision.

⁽¹⁾ OJ L 248, 16.9.2002, p. 1.

⁽²⁾ OJ L 357, 31.12.2002, p. 1. Regulation as amended by Regulation (EC, Euratom) No 1248/2006 (OJ L 227, 19.8.2006, p. 3).

⁽³⁾ OJ L 312, 23.12.1995, p. 1.

⁽⁴⁾ OJ L 292, 15.11.1996, p. 2.

⁽⁵⁾ OJ L 136, 31.5.1999, p. 1.

However, Community financing may also be granted to other bodies for the implementation of the preliminary and ancillary work in connection with European standardisation referred to in Article 3(1)(b), as well as for the programmes referred to in Article 3(1)(f).

Article 3

Standardisation activities eligible for Community financing

1. The Community may finance the following European standardisation activities:

- (a) the production and revision of European standards or any other standardisation product which is necessary and suitable for the implementation of Community policies and legislation;
- (b) the performance of preliminary or ancillary work in connection with European standardisation, such as studies, programmes, evaluations, comparative analyses, research work, laboratory work, inter-laboratory tests and conformity evaluation work;
- (c) the activities of the central secretariats of the European standardisation bodies, such as policy development, the coordination of standardisation activities, the processing of technical work and the provision of information to interested parties;
- (d) the verification of the quality, and conformity to the corresponding Community policies and legislation, of European standards or any other standardisation product;
- (e) the translation, where required, of European standards or any other European standardisation product used in support of Community policies and legislation into official Community languages other than the working languages of the European standardisation bodies; the drawing up of documents to explain, interpret and simplify standards, as well as the drawing up of user guides and best practice documents;
- (f) activities seeking to carry out programmes of technical assistance, cooperation with third countries and the promotion and enhancement of the European standardisation system and of European standards among interested parties in the Community and at international level.

2. The activities referred to in paragraph (1)(a) shall be eligible for Community financing only if the committee set up by Article 5 of Directive 98/34/EC has been consulted on the requests to be submitted to the European standardisation bodies.

Article 4

Financing

The appropriations allocated to the activities referred to in this Decision shall be determined each year by the budgetary authority within the limits of the financial framework.

Article 5

Financing arrangements

1. Community financing shall be provided:

- (a) in the form of grants without a call for proposals, to European standardisation bodies to carry out the activities referred to in Article 3 and to bodies mandated in a basic act in accordance with Article 49 of the Financial Regulation to carry out, in collaboration with the European standardisation bodies, the work referred to in Article 3(1)(b) of this Decision;
- (b) in the form of grants after a call for proposals, or by public procurement procedures, to other bodies to carry out, in collaboration with the European standardisation bodies, the standardisation work referred to in Article 3(1)(b) or the programmes referred to in Article 3(1)(f).

2. The activities of the central secretariats of the European standardisation bodies referred to in Article 3(1)(c) may be financed on the basis either of grants for actions or of operating grants. In the event of renewal, operating grants shall not be automatically decreased.

3. The Commission shall decide on the financing arrangements referred to in paragraphs 1 and 2, on the amounts and, where necessary, on the maximum percentage of financing by type of activity. The decisions of the Commission in this regard shall be made public.

4. Grant agreements may authorise flat-rate cover of the beneficiary's overheads up to a maximum of 30 % of total eligible direct costs for actions, except where the indirect costs of the beneficiary are covered through an operating grant financed from the general budget of the European Union.

5. Co-financing in the form of contributions in kind shall be acceptable. The evaluation of contributions in kind shall be performed in accordance with Regulation (EC, Euratom) No 2342/2002.

6. The common cooperation objectives and the administrative and financial conditions relating to the grants awarded to European standardisation bodies shall be defined in the framework partnership agreements signed by the Commission and the European standardisation bodies, in accordance with the Financial Regulation and Regulation (EC, Euratom) No 2342/2002. The European Parliament and the Council shall be informed of the conclusion of these agreements.

*Article 6***Management and monitoring**

1. The appropriations determined by the budgetary authority for the financing of standardisation activities may also cover the administrative expenses relating to the preparation, monitoring, inspection, auditing and evaluation which are directly necessary for achieving the objectives of this Decision, and particularly studies, meetings, information and publication activities, expenses relating to informatics networks for the exchange of information and any other expenditure on administrative and technical assistance which the Commission may use for standardisation activities.

2. The Commission shall evaluate the relevance of the standardisation activities receiving Community financing in the light of the requirements of Community policies and legislation and inform the European Parliament and the Council about the outcome of such evaluation at least every five years.

*Article 7***Protection of the Community's financial interests**

1. The Commission shall ensure that, when the activities financed under this Decision are implemented, the Community's financial interests are protected by the application of preventive measures against fraud, corruption and other illegal activities, by effective checks and by the recovery of amounts unduly paid and, if irregularities are detected, by effective, proportionate and dissuasive penalties, in accordance with Regulations (EC,

Euratom) No 2988/95, (Euratom, EC) No 2185/96 and (EC) No 1073/1999.

2. For the Community activities financed pursuant to this Decision, the notion of irregularity referred to in Article 1(2) of Regulation (EC, Euratom) No 2988/95 shall mean any infringement of a provision of Community law or any breach of a contractual obligation resulting from an act or omission by an economic operator which has, or would have, the effect of prejudicing the general budget of the European Union or budgets managed by it by an unjustified item of expenditure.

3. Any agreements and contracts resulting from this Decision shall provide for monitoring and financial control by the Commission or any representative which it authorises and for audits by the Court of Auditors, which if necessary may be conducted on the spot.

*Article 8***Entry into force**

This Decision shall enter into force on the 20th day following its publication in the *Official Journal of the European Union*.

Done at Strasbourg, 24 October 2006.

For the European Parliament

The President

J. BORRELL FONTELLES

For the Council

The President

P. LEHTOMÄKI