Standardization: A Key Instrument to Promote Innovation and Competitiveness

European Parliament Public Hearing on the Future of European Standardization

Elena SANTIAGO
CEN-CENELEC Director General
1. **The values of the system**

The key values for the European Standardization System are: **Independent, innovative, coherent, effective and efficient**. These values, together with the principles of transparency and openness that European standardization applies, are the actual guarantors of a system that delivers state-of-the-art and widely accepted standards that have helped shape and consolidate the European Single Market.

2. **European Standardization increases industry’s competitiveness**

2.1 **Shapes the single market - one standard for 31 countries**

This comprehensive and consensus-based process and the commitment of the national members to **identically implement** European standards as national ones gives industry market access to 31 countries and an opportunity to reach over 500 million consumers who in turn benefit from healthy, safe and environment-friendly products and services.

2.2 **It is knowledge-based**

It is based on private sectors’ involvement, investment and commitment.

2.3 **Capitalises on its international dimension**

Europe is the region that has the larger percentage of implementation of international standards. For example at the end of 2009, over 80% of European electrotechnical standards were identical to or based on IEC international standards. This **international dimension of European Standards projects industry’s competitiveness beyond Europe’s borders**, offering the private sector a strategic marketing tool most valuable in our context of globalisation.

European standardization contributes to Europe's positioning and influence on the world scene and markets.

2.4 **Disseminates innovation**

I would like to say that the role of standardization is to make sure that innovation does not solely remain in the hands of an elite, but that it is actually spread and channelled to the market for the benefit of the public. European Standardization is the appropriate platform to enable companies to achieve differentiation through: Knowledge-transfer, cost and risk reduction, faster time to market and high value innovations, creating a level playing-field for all market actors.

In this respect, the standardization community pays particular attention to SMEs who are vital contributors to our economy. They are the economic engine that is exploring innovation and that, due to their limited resources, needs an easily accessible platform that will support the fulfilment and dissemination of their innovation. CEN and CENELEC, and their National members, have implemented various initiatives to facilitate the access and use of standards, as well as to ensure a proper representation in the system.
To provide an appropriate response to new and innovative sectors, we have also increased our technical cooperation to ensure that a system approach is offered whenever relevant. CEN and CENELEC have embarked in standardization activities in many promising sectors such as electric vehicles, smart meters, smart grids to name just a few. Efficient cooperation is also ongoing with relevant fora and consortia to complement their work and inject it in the formal standardization system.

The remaining challenge that we now have to overcome is to find effective ways of bridging the gap between Research and Standardization and bring R&D results in the standardization process at a much earlier stage.

2.5 Integrates all stakeholders’ interests

National delegation principle: Easy access (in own language) and fair representation of all stakeholders

2.6 It’s a highly Effective co-regulation tool

Another unique aspect of our system of which industry enjoys full benefits, is its support of European legislation. Through the New Approach regulatory model, the European Standards Organisations deliver “harmonised” European Standards that have proved to be an efficient co-regulation tool. These harmonised standards specify how to meet the essential requirements laid out in the European directives and thereby convey presumption of conformity for any product that has been manufactured according to the European Standard. Legislation follows the state-of-the-art. Access and conformance to the European market is therefore highly simplified. Along the same lines, the benefits of using European Standards can also be extended to national authorities in their market surveillance activities to ensure the safety and compliance of products that enter the European market.

2.7 Provides Economic Benefit

As shown in various studies investment in accessing standardization or in purchasing standards brings industry’s business considerable value. Numbers speak for themselves: 25% of GDP growth! NSBs and NCs offer products and services at a very competitive and affordable price for the consumer and user.

On top of that providing safer products to the market is seen as “valuable” for industry to invest in the system and.

2.8 Benefits consumers and society at large

This benefits not only Europe’s economy but also its society. The growing number of European standards, which has actually doubled over the past decade, has contributed to increase the safety of consumers whose evolving needs are being reflected in the standardization work. Accessibility requirements are at the heart of standardization activities and the principle of interoperability and compatibility ensured by European standards.
3. **How we achieve these values**

Through an open, knowledge-based, accessible, transparent and flexible standard-setting process:

- **Open because:**
  Anyone can propose a new standard: business, users, consumers, NGOs, legislators – anyone who has a need

- **Knowledge-based because:**
  Experts and industry representatives develop and write the content of European Standards thereby transferring their expertise and know-how into a document that is then widely available to any stakeholder.

- **Accessible because:**
  All parties and market actors are represented in the system at national and European level and can be actively involved in the work of CEN and CENELEC Technical Committees: trade associations, consumer bodies, SMEs, etc.

- **Transparent because:**
  The process is made of 6 phases which are consistently applied to any new work item and which foresees a public consultation phase at national level.

  These phases are:
  - **The proposal assessment** during which specific needs, feasibility and resources are assessed.
  - **The drafting and building of agreement.** The work is allocated to a Technical Body at European level or international whenever relevant, experts are volunteering, draft standards are being developed and monitored at the national mirror committees’ level, until agreement is reached.
  - **The public enquiry** when the draft is issued to CEN and CENELEC members through which an enquiry is launched at national level during 5 months and the public and Technical Committee comments are centralised.
  - **The analysis of comments** that enables the experts to improve the draft and leads to the final draft to be approved as European Standard.
  - **The approval of the final draft,** which is issued to CEN and CENELEC members for formal vote. The European Standards is then approved.
  - And finally **the publication stage** during which European Standards are published as national standards and conflicting national standards are withdrawn. These standards are subsequently sold by CEN and CENELEC members to their national stakeholders thereby ensuring the financial sustainability of the system.

- **And flexible because:**
  The system offers other sets of deliverables to meet the specific requirements of fast-evolving technologies and respond to the urgent need for the creation of new markets in specific sectors. These vary from Technical Specifications to CWAs and offer an adequate time to market based on the market specificity.
4. Recommendations

With these considerations, I hope that I have succeeded in giving you a good overview of what makes the strengths and the uniqueness of the current Standardization System,

If so, I would like to finish here with three requests that will help the European Standardisation system to be more accessible, visible effective and efficient:

1. The European Standardization system –with its public-private partnership, international commitment and National delegation Principle- shall be further promoted and supported:
   - Extending its use to new sectors, activities when there is a genuine interest expressed/identified by the market
   - Applying the system in a coherent way

2. Formal links with Innovation, Research and Education Programmes are needed to ensure we get the best use of the System. This maybe done through specific reference to standardisation in the R&D&I framework programmes and in the National Education Programmes.

3. The Financial sustainability of the system is essential to ensure its effectiveness and efficiency. We need stability and simplification.

THANK YOU!