

---

# Orgalime address to the EP IMCO Hearing on the ‘Goods Package’

21 March 2018

by Philippe Portalier, Director Internal Market and Standardisation, Orgalime

Dear Madame Chair, honourable members of the European Parliament, thank you for giving Orgalime the opportunity to briefly present our views to you today.

## Orgalime in short

The industry represented by Orgalime supplies a broad spectrum of industrial and consumer goods in the mechanical engineering, electrical and electronic engineering and metalworking industries: from lawn mowers to cranes, from gas appliances to collaborative robots. Almost all of our industries’ products are covered by Union harmonisation legislation, so our address focuses on the Commission proposal on ‘Compliance with and Enforcement of Union legislation on products’.

## What is at stake for us?

Over the past 10 years:

- the EU population rose by 10 million
- pushing up the volume of EU household consumption by 10%,
- fed by an increase in the total container throughput in the EU of 14%

Meanwhile:

- Member States cut their authorities’ budgets by 7%, reducing their customs staff by 10% and their market surveillance inspectors by 3%!

**We say: enough!** Our members’ experience is that the Union legislation applying to our products is ever more complex and costly to comply with: but what is the point if the resources are not there to ensure effective compliance checks on the ground in Member States?

Member States’ first priority must be to ensure no dangerous or otherwise non-compliant products are available on their markets that may harm consumers and professional users – but they also have an important duty to protect legitimate manufacturers from unfair competition.

So, when market surveillance authorities are short on the money, staff and technical competence necessary to carry out their duties and protect legitimate manufacturers’ investment in compliance with EU law, the only solution is to **make them smarter** – meaning to enable them to **cooperate** in a **consistent** and **proportionate** manner with market stakeholders.

Our industry has three main recommendations to make this a reality:

**First, COOPERATION is a must: physical checks and dialogue** between the authority and the economic operator under inspection **should prevail** over unspecified automated or superficial administrative controls.

---

*Orgalime, the European Engineering Industries Association, speaks for 42 trade federations representing the mechanical, electrical, electronic, metalworking & metal articles industries of 23 European countries. The industry employs nearly 11 million people in the EU and in 2016 accounted for some €2,000 billion of output. The industry represents over a quarter of the output of manufactured products and over a third of the manufactured exports of the European Union.*

---

[www.orgalime.org](http://www.orgalime.org)

**Efficient physical checks** require three key enabling elements: **competence, financial resources and legitimacy**.

Industry could provide **both the competence and the financial resources**, on a voluntary basis, as demonstrated today with the Market Surveillance Support Initiative **MSSI Electrical** (<http://mssi-electrical.org/fr>), which aims to remove dangerous circuit breakers from the EU market. **However...** we lack the legitimacy!

This is why it is essential to **enable public-private cooperation between** authorities and business organisations and **legitimate** both to conclude **memoranda of understanding** under Article 8 of the Proposal.

Of course, this should happen **under certain clear, unbiased and peer-scrutinized conditions** to be agreed upon by Member States under the **Union Product Compliance Network** referred to in Article 31.

**Second, CONSISTENCY in market surveillance practices** is needed, across the whole European Union territory and at its external borders. This is provided under Chapter Four to Eight of the Proposal.

We especially welcome **Article 31 and 32 on the Union Product Compliance Network**, which would involve, where appropriate, representatives of the relevant business associations and of consumer associations.

We also would like to see **coherence in the way authorities apply the proportionality principle**, for instance in the use of evidence and investigation findings under Article 25.

**Third, PROPORTIONALITY** – We believe that the proposal should ‘**enable**’ rather than ‘**empower**’ market surveillance authorities:

**Therefore** we particularly welcome **strengthening the border controls** and **administrative checks** in tandem with customs authorities under Chapter 7.

However, **we believe** that there is **no need** under Chapter Two of **this proposal to add obligations to European-based economic operators on top of existing Union legislation**, which serves a similar purpose.

- the idea of a person responsible for compliance information established on the EU territory is fine, but this needs to be aligned with Union harmonisation legislation (especially the provision under Article 4, paragraph 6);
- Obliging manufacturers to publish the declaration of conformity on their website, under Article 5, would be unnecessarily costly – especially for SMEs – and could not be enforced in the case of operators established outside the EU. The goal of this measure is already adequately addressed by Decision 768/2008/EC and the product-specific Union harmonisation legislation aligned to it.

The proposal in Article 14 to confer to the market surveillance authorities more consistent “powers and duties” across the EU is welcome, **but that there is no need to expand these powers beyond what is necessary and proportionate**. Examples of disproportionate expansion of powers include “system audits of economic operators’ organisations” under Article 14 paragraph 3(b) or the possibility “to request any (...) member of staff of the economic operator to give explanations” under Article 14 paragraph 3 (e)(3).

So to conclude, there is no point in devising legislation unless it is simple and cost-efficient to apply and enforce to the benefit of all – industry, professional customers and consumers.

We call on you, members of the Parliament to support the achievement of a workable compromise with the Council by the end of the year on this ambitious Commission proposal, with the aim of bringing intelligence and efficiency into market surveillance at Member State level.

Thank you for your attention!

*The European Engineering Industries Association*

**ORGALIME** aisbl | BluePoint Brussels | Boulevard A Reyers 80 | B1030 | Brussels | Belgium  
Tel: +32 2 206 68 83 | e-mail: [secretariat@orgalime.org](mailto:secretariat@orgalime.org)  
Ass. Intern. A.R. 12.7.74 | VAT BE 0414 341 438