

EXHIBIT 6

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(90) 456 final

Brussels, 8 October 1990

COMMISSION GREEN PAPER ON
THE DEVELOPMENT OF EUROPEAN STANDARDIZATION :
ACTION FOR FASTER TECHNOLOGICAL INTEGRATION
IN EUROPE

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INTRODUCTION

The credibility and success of the White Paper on completing the internal market do not come from the fact that three hundred subjects were identified for legislative harmonization, but that a thousand or more Community Directives were abandoned which might have been necessary if the old approach, based on detailed harmonization, had been followed.

The new approach is based on two principles:

- mutual recognition of national rules is the basic principle. This presupposes that the objectives of national legislation - health, safety and so on - are equivalent and that only the means of achieving them are different;
- legislative harmonization at Community level only occurs exceptionally in those areas where the objectives of national legislation are not equivalent; when harmonization is necessary, Community legislation must be limited to laying down essential requirements for safety, health, and so on. It is up to producers to choose by what means they wish to comply with these requirements.

Let us take domestic electrical appliances as an example. Technical safety requires the presence in the electrical lead of a third wire, connected to the earth. Before taking legislative initiatives, the Commission will see whether the twelve Member States all require this third wire. If so, there is no need for legislation to be harmonized; if not, Community legislation will provide for an earth connection for this type of appliance throughout the Community, without going into the details of whether the third pole should be round or square, or placed in the middle or at the edge of the plug.

This policy will bring about a single Europe for traders, but not for manufacturers or consumers. A Community citizen may purchase a washing-machine in the country-next-door and bring it across frontiers without difficulty, but he may still find that the plug of the appliance does not fit the socket in his house.

Thus neither mutual recognition nor the new approach to harmonization can operate satisfactorily unless manufacturers come together and agree upon common instruments - plugs and sockets - which are intended to achieve the legislator's objectives. That is the role of the standardization organizations.

Only European standards will bring about a common economic area. National standards on the contrary compartmentalise the common market. They cannot be the subject of mutual recognition, since, not laid down by the authorities, they are not obligatory; each producer is free to fulfill

essential requirements by other means and no purchaser can be obliged to recognize foreign products. Standards will only fulfill their role in the common market if they are agreed at the European level and published as European standards.

That is why the Community encourages the work of CEN, CENELEC and ETSI, which brings together the standardization bodies of the eighteen member countries of the Community and EFTA.

The output of the European standardization bodies has risen spectacularly. Over 800 standards have been adopted in the last six years, three times as many as in the previous twenty years. But the completion of the Internal Market requires the adoption of at least 800 additional standards, or about one standard a day until 31 December 1992.

The Commission is responsible for the operation of the common market, not only for traders but also for producers and consumers. In order not to have to return to the old approach of detailed harmonization, it wishes to assist standards organizations to respond to the growing demand for standardization in anticipation of 1992. In this Green Paper, the Commission proposes for discussion suggestions for improving the efficiency of standardization organizations as well as their cooperation and cohesion.

COMMISSION GREEN PAPER ON THE DEVELOPMENT OF
EUROPEAN STANDARDIZATION

EXECUTIVE SUMMARY

The single Community market will become a reality for European industry only insofar as common technical standards can be developed progressively at European rather than national level.

Less than 900 days from the Community's deadline for achievement of the internal market, European standardization has become central to that objective. Hundreds of European Standards are today being drawn up to accompany the Community's technical legislation which will come into force before 1 January 1993. This is the immediate goal of the European standardization process.

But as the regulatory barriers to the free circulation of industrial products within the Community are removed, differences in national technical standards still constitute a significant obstacle to the acceptability of those products in the market.

Although under Community law Member State authorities are required to accept on their market products which conform to the legislation and standards of other Member States where these are intended to achieve equivalent objectives, the same principle of "mutual recognition" cannot be applied to the individual purchaser in the market, who remains free to set his own requirements, often by reference to national standards. Only through the gradual voluntary harmonization of standards can the Community market fully achieve the economic rationalization and competition which are prime objectives of the EEC Treaty.

The objectives of the Green Paper

The main purpose of this Green Paper - a consultation document addressed to all interested parties - is to draw to the attention of producers and users of industrial products in the private and public sector the strategic significance of European standardization for the realization of the internal market. Nothing less than the future technological environment for products on the European market is at stake.

A second purpose of this Green Paper is to accelerate the delivery of European standards, especially those required for the implementation of EEC product legislation. The European standardization bodies have made major efforts to respond to the increased demand for their services in recent years, for which they are to be congratulated, but demand for European standards is outstripping supply.

A third objective of this paper is to stimulate debate on how to ensure long-term dynamism and stability in European Standardization so that this economically-important activity can be sustained at the pace which will be required during the next decade.

Contents of the Green Paper

The Green Paper examines a number of issues relating to the organizational structure, financing and policies and practices of standardization bodies, both at European and national level, and assesses what changes may be needed to make standardization serve the European market more effectively.

It is divided into two parts.

Part One identifies the challenges and problems facing European standardization. Section I explains the importance of European standardization for the Community's internal market, both for EEC Directives adopted under the so-called New Approach to technical harmonization and in terms of common technical standards in the Community market. Section II briefly describes the structure and operation of the European standardization bodies, CEN, CENELEC and ETSI.

Part Two puts forward possible solutions to the challenges facing European standardization in the 1990's and addresses the role of European industry and other parties in the standardization process, the organization of European standardization and the role of public authorities.

The Commission's main recommendations can be summarized as follows:

European Industry is called upon to give European standardization a much higher priority in its strategy for the internal market. Without greater involvement of industry in standardization work, and the commitment of more money and expertise to that process, the ambitious objectives which the Commission and European standardization bodies have set themselves may not be met. Lack of involvement at a strategic level by European industry is likely to be a high-cost option, and will reduce the potential of the internal market.

- . Standardization bodies are asked to take further steps to improve their efficiency and to consider restructuring the European standardization system to permit sectoral autonomy in standards-making while ensuring coordination through new European-level structures (a European Standardization Council and Board) which will lay down the strategic direction of European standardization.
- . Other recommendations include greater direct participation of interested parties in European standardization work, the creation of self-standing European Standards and a long-term policy for the financing of European standardization bodies, which should allow future Community funding of European standardization to decline from its present high levels over the next few years.
- . The Commission also recommends measures by which the European Standardization bodies might respond to their changing external environment, especially in Eastern Europe.
- . Governments are asked to step up their promotion and support of standardization at national and at European level. At the Community level, the Commission recommends that the Council of Ministers should decide upon the basic principles for future cooperation between the European standardization system and public authorities and commit itself to long-term financial support.

(A full summary of Commission recommendations is given in Section V of the paper).

Follow-up to the Green Paper

This Green Paper will be widely distributed by the Commission. Interested parties will be consulted in the three months following publication, with a view to identifying the main points of consensus.

The Commission will at the same time consult the European standardization bodies on the priority issues (efficiency, new structures and external relations) with a view to agreeing appropriate action as soon as possible.

The Commission will, in the light of the discussion of the Green Paper, also consider making proposals to the Council of Ministers for decisions to formalize its recognition and support of European standardization.

For further copies of the Green Paper, please apply preferably by letter or telefax to:

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PART ONE: THE CHALLENGE

1. THE IMPORTANCE OF EUROPEAN STANDARDIZATION FOR THE INTERNAL MARKET

1. The elimination of technical barriers to trade has been recognized at the highest political level of the Community as a priority task in the programme for the completion of a market without internal frontiers by 31 December 1992. Since the adoption by the Council of the so-called "New Approach to technical harmonization and standardization" in 1985, the harmonization of European industrial standards in the areas covered by Community technical legislation has become an essential instrument in achieving that objective.

As 1993 approaches, European standardization is also being perceived as a tool by which to obtain the full economic benefits of that market. As well as being a means of eliminating regulatory barriers to trade, European standards are becoming an economic objective in their own right.

(1) European standards for legislation

2. In the Council Resolution of 7 May 1985 on the new approach to technical harmonization and standardization, which is now the basis of most Community technical legislation, reference to voluntary standards was accepted as the appropriate method of giving technical expression to the essential requirements of Community Directives. Under the new approach, EEC legislation confines itself to laying down the essential requirements to which products must comply in order to ensure the protection of public health or safety, of the environment or the consumer. European standards are developed in respect of each Directive in order to provide manufacturers with a set of technical specifications recognized in the Directive as giving a presumption of conformity to the essential requirements. The European standards concerned, the so-called "harmonized standards", remain voluntary; manufacturers are still able to put on the Community market products which either met other standards or no standards at all, subject to fulfilling the procedures for assessment of conformity laid down by the Directive.
3. The Council has now adopted several Directives based on the new approach (toys, simple pressure vessels, construction products, electro-magnetic compatibility, machines, personal protective equipment and gas appliances). Further Directives for medical devices and telecommunications terminal equipment are likely to be adopted this year. A large amount of work has been given to the European standardization bodies by means of individual "standardization mandates" from the Commission, which, after consultation of the standardization body concerned, establish the scope of the work, lay down any supplementary guidelines and fix the timetable by which the standards should be adopted.

(It should be noted that the EFTA countries, whose national standardization bodies are also members of the European standardization organizations, have consistently supported the Community's approach and contribute to the financing of mandated standardization work).

4. In a separate Initiative, the Community has given harmonized European standards a prominent role in the opening up of public procurement markets. The revised Community Directives on public supplies and works⁽¹⁾, and the proposed Directive which will shortly extend the same disciplines to such sectors as telecommunications, transport, energy and water supply, require purchasing entities to refer to national standards transposing European standards where they exist, subject to some limited exceptions.
5. The final success of the new approach and of the use of European standards in public procurement policy depends largely on the European standardization bodies. The pace at which the Community has adopted its legislation has resulted in an unprecedented increase in their workload. Since 1986 about 30 standardization mandates related to EEC legislation have been given to the two main European standardization bodies, CEN (Comité Européen de Normalisation) and CENELEC (Comité Européen de Normalisation Electrotechnique) for approximately 800 European Standards, most of which are to be completed by 1993⁽²⁾. More mandates are being prepared, which are likely to bring the total to over 1,000 standards. This demand for new standards work has led to a doubling of CEN/CENELEC Technical Committees and working groups; between December 1987 and December 1989 the number of Technical Committees alone rose from 122 to 239. The number of draft European standards in course of development in CEN rose from 220 in 1986 to 950 in 1989. Several thousand people currently participate in standardization work directly related to mandated European Standards.
6. Despite this response from the standards bodies the overwhelming part of this standardization work for the EEC internal market still has to be done before 1993. The annual output of new European standards is still low (about 150 were published by CEN/CENELEC in 1989) compared to the target of at least 800 additional standards needed for EEC legislation or the production of national standards in the main standards-producing countries of the Community⁽³⁾. Even though current CEN/CENELEC output represents a rapid increase from previous levels (19 in 1985, 102 in 1988), demand for European standards is increasing faster than supply.

(1) Reference: OJEC N° L 127, 20/5/88, p. 1.

(2) A list of the subjects for which standardization mandates have been given is contained in Annex I.

(3) Purely national standards published by France, Germany and the United Kingdom in 1989 were approximately 350, 650 and 400 respectively.

(II) European standards in an integrated market

7. The Community's interest in common European standards is not limited to those to which can be referred to in Community product legislation. More European standardization will benefit the single European market in all sectors, not only in those subject to regulation, by bringing about the very economic rationalization and competition which are prime objectives of the EEC Treaty.
8. The main motive for promoting any standardization activity is economic. The motivation for standardizing products, processes or services at the national level - namely, to reduce costs for producers and to improve transparency of the market for consumers - clearly exists at the European level. Given the current fragmentation of the European market, economic gains should be much higher from European standardization than from further national standardization. Common European standards will reduce research, production and distribution costs for producers, and promote more intensive competition, to the benefit of consumers, in respect of the non-standard features of products.
9. A second reason is that, even in the absence of technical regulations imposed by governments, national standards inhibit intra-Community trade and add to costs for manufacturers. National standards tend to shape customer preference for products. Important customers in national markets, such as government agencies, reinforce this effect by favouring national standards in public procurement. Pressure in favour of known national standards is also exercised by bodies such as insurance companies. More European standardization can gradually eliminate these hidden technical barriers to trade, by building up a degree of commonality in technical specifications where the market considers it useful.
10. For newly-developing technologies (information technology, telecommunications or new industrial materials) standards are often a pre-condition for industrial production or marketing. It is crucial that in these sectors, where markets are becoming global, standardization should, where possible, proceed at the international or at least the European level from the outset.

While Europe may have to come to terms with an inheritance of conflicting national standards in more traditional technologies for some time, it must not repeat history in the technologies of tomorrow. Standards for new technologies must also be delivered more quickly than ever before if they are to meet the needs of the market.(1)

11. For all the reasons alluded to above, the work which the European standards bodies are being called upon to do is extensive and growing quickly. For most of it (two-thirds of CEN's activity and one-half of CENELEC's is covered by standardization mandates from the Community and EFTA) the European standards bodies have contracted to complete the job within the next two-and-a-half years. This task alone requires more than doubling the current annual output of European standards. To this must be added the growing demand from industry for European standards in other areas, which, although perhaps less urgent, is of long-term economic importance.

European standardization is faced with a huge challenge. It is unlikely to succeed without a heightened level of commitment from those who want the standards and from the standardization bodies themselves.

(1) The Community's research and development programmes already have an important role in pre-standardization. One of the objectives of the Community Bureau of Reference (BCR) is to facilitate the implementation of standards, and links between research, standardization and certification policies are currently being reinforced.

II. EUROPEAN STANDARDIZATION TODAY

In this Section the origin and current structure of the three European standardization bodies (CEN, CENELEC and ETSI) is briefly reviewed, and the main constraints on expansion of their activity are identified.

(I) CEN and CENELEC

Establishment and early development

12. The European standardization organizations were set up to ensure more effective implementation of international standards by national standardization bodies in Europe, the harmonization of divergent national standards or the preparation of standards where none existed. An association of European national standards, bodies from the member countries of the EEC and EFTA, the Comité Européen de Normalisation - CEN, was established in 1961, to be followed in 1962 by a similar organization for the electrotechnical area (CENELCOM, which became CENELEC in 1973).
13. In the first twenty years the output of these European organizations was low. CEN adopted 96 European standards between 1961 and 1982; CENELEC adopted in the same period 37 European standards and 303 harmonized documents (texts which, while containing common elements, allow for national deviations on a permanent or temporary basis). An important distinguishing feature of both organizations, however, was that their decisions on common European standards, once adopted, became binding on those members which had voted for them. Outside the limited area covered by common standardization work, national standardization bodies continued to develop their own standards independently.

Recognition by the Community

14. A stronger regional orientation was given to European standardization after 1983, as a result of initiatives taken by the Community in order to eliminate technical barriers to Intra-Community trade.

15. The first of these was the adoption, on 28 March 1983, of Council Directive 83/189/EEC laying down an information procedure for standards and technical regulations. This Directive established the procedures for cooperation between the members of CEN/CENELEC and the Commission which still apply today. In particular, it provided for:

- the collection by the European standardization bodies of information from their members concerning their planned and current activity (Articles 2 and 4);
- requests from national standards bodies to be associated with the work of another body, or to have work taken up at European level (Article 3);
- a Standing Committee on Technical Regulations and Standards, composed of Member State representatives and chaired by the Commission, in whose work the European and national standards organizations could participate (Article 5);
- requests from the Commission, after consultation of the Standing Committee, to the European standardization bodies to draw up standards on specific subjects (Article 6) ;
- best efforts by Member State authorities to ensure that national standardization did not continue on subjects for which the Commission had requested European standards (Article 7).

Directive 83/189/EEC provided a mechanism through which national standardization could become open to collective scrutiny and the Community authorities could initiate European standardization work.

16. The Council of Ministers has formally recognized the role of European standardization in Community legislation. The Conclusions of the Council on Standardization of 1984 and the Resolution on the New Approach of May 1985 refer to the place to be given to voluntary standardization in future Community legislation, to the advantages of standardization for industrial competitiveness in the Community and in external markets, and to the need for "a very rapid strengthening of the capacity to standardize, preferably at European level".

17. In 1984 the Commission defined its relationship with CEN/CENELEC in General Guidelines for Cooperation. The Commission committed itself to following the New Approach as widely as possible, and to giving financial support to CEN/CENELEC. CEN/CENELEC agreed to coordinate their activity, to increase their resources, to align as far as possible with international standards, to ensure that all interested parties were associated with their work, and to maintain an effective information service. The financial aspects of Commission-CEN/CENELEC cooperation were laid down in a Framework Contract, first agreed in 1985 and renewed in 1989.
18. Following ratification of the European Single Act in 1987, the internal regulations of CEN/CENELEC were revised at the request of the Commission to permit the adoption and obligatory transposition of European standards by weighted majority vote. Under CEN/CENELEC rules, a draft European standard which receives a favourable vote from a qualified majority of member bodies is deemed to be adopted and is implemented by all. In the event that a standard does not receive a favourable vote from a majority of the entire CEN/CENELEC membership, the votes of members from the EEC Member States are counted separately and a qualified majority in favour requires the adoption of the standard by all EEC Member bodies and those EFTA member bodies which had voted in favour.⁽¹⁾ A similar procedure is also provided for in the rules of the European Telecommunications Standardization Institute (ETSI).

Present structure

19. The structure of CEN and CENELEC is that of associations of national standards bodies or electrotechnical committees, which have the last word on all questions relating to standardization activity at the European level. The budget of each European organization is voted by the national members, as are its internal rules, work programmes, and decisions on the allocation of resources. In contrast to the situation at national level, the governing bodies of CEN contain no direct representation of other interests than of professional standardizers (such as public authorities, manufacturers, or other users of standards), although CENELEC is closely associated with the electrotechnical industry and appoints some of its office-holders from industry.

⁽¹⁾ It should be noted, however, that the weighted majority voting procedure used in CEN/CENELEC is not identical to that of the EEC Treaty. In particular, the condition for a proposal to be adopted that no more than 3 members may vote negatively constitutes a more restrictive approach than that of Article 148. The Commission has asked, so far unsuccessfully, for this condition to be removed from the CEN/CENELEC regulations.

20. CEN and CENELEC have responded with energy and commitment to the increasing demand for common European standards. The secretariats of both organizations have expanded quickly ; In the period 1985 - 89, staff members have increased from 10 to 70 in CEN, from 13 to 32 in CENELEC. A comparison of the annual output of the organizations in 1989 with that of, say, 1982 is also eloquent: CEN last year adopted almost seven times as many standards as in 1982 (130 instead of 19) and CENELEC six times as many standards and Harmonized Documents (126 compared to 20). But the distance between today's achievement and tomorrow's goal is still great. There are today about 1250 adopted European standardization documents of which about 800 in the electrotechnical area ; the number of national standards in Germany, France and United Kingdom, is about 20,000, 13,000 and 10,000 respectively (a significant proportion of these is identical to or related to international or European standards).
21. CEN and CENELEC have in recent years recognized the value of using the services of other organizations, the so-called "Associated Standardization Bodies" (ASB's), in the preparation of technical documents destined to become European Standards. A number of such bodies have been given this status, such as ECISS - European Committee on Iron and Steel Standardization, AECMA - Association Européenne des Constructeurs de Matériel Aérospatial, and EWOS - European Workshop for Open Systems, and have been responsible for the programming and drafting of documents which have only to be submitted to public enquiry by CEN and voting and CENELEC before becoming European Standards. Some of these bodies provide for direct participation in their work of interested parties at the European level. Approximately 100 European Standards so far adopted by CEN and CENELEC have been provided by ASB's.
22. Despite this impressive response to the challenge, the limits to CEN and CENELEC's flexibility are becoming apparent as European activity has intensified:
 - In spite of the introduction of weighted majority voting for final decisions on standards, a concern to achieve consensus on draft standards has led to long delays ;

- CEN/CENELEC have not yet applied the "project team" approach to work up initial drafts of standards system outside information technology field; instead the organizations continue to apply a "collegiate" system, in which every stage of the standardization process assures parity of treatment on a national basis;
- Procedures for public enquiry, examination of comments and final voting are widely judged to be slow and to delay the delivery of European standards, particularly for new technologies ;
- The requirement that adopted European standards be transposed as national standards in each member country before they can be applied leads to delays in their availability for use ;
- Procedures for the collection and distribution of information on national standardization activity under Directive 83/189/EEC have been applied loosely (in 1989 an independent report described the information as not responding to the needs of the market);
- Information on European standardization activity is not yet made available in a clear and comprehensive way to European industry.

These and other difficulties are the subject of further analysis and recommendations for change in PART TWO of this document.

(ii) ETSI (European Telecommunications Standards Institute)

23. In its Green Paper on the development of a Community telecommunications policy (1987) the Commission proposed that the development of harmonised specifications would be accelerated by the creation of a new European standardization body. In response, the members of the European Conference of Postal and Telecommunications Administrations (CEPT) decided to establish such a body, which represented a radical change in approach to European standardization insofar as it provided for the direct participation at European level of all interested parties in standardization work rather than for representation through national delegations headed by the national standards body.

24. The establishment of ETSI in March 1988 outside the CEN/CENELEC framework posed a number of problems for the coherence of European standardization. In the first place, coordination between ETSI and CEN/CENELEC was necessary to avoid duplication of effort in standardization, particularly as the extension of telecommunications technology into other technologies made overlapping increasingly likely. A second problem was the need to ensure that the basic principles of standardization, such as transparency and independence of particular interests, were respected by the new body. Finally, there was a concern to ensure that the standards produced by ETSI would be effectively integrated into the corpus of European and national standards.
25. During 1988 and early 1989 the Commission negotiated with ETSI in order to resolve these issues. This led to amendments to the ETSI rules of procedure and to a commitment by ETSI to cooperate with CEN and CENELEC. Two years after the establishment of ETSI, the three European standardization bodies have recently decided to establish a Joint Presidents Group in which matters of common interest can be discussed, and have negotiated a cooperation agreement for the handling of technical work. Because of the pragmatic approach followed in recent months the dangers of duplication of work appear to have been avoided. At the time of writing, however, the Commission is still concerned that the role of national standards bodies in ETSI's standardization activity should be fully recognized.
26. ETSI has in two years already developed into a substantial organization. It currently has 212 members and 31 observers, representing PTT administrations, public network operators, manufacturers, users and other organizations. Its programme of work aims to deliver nearly 300 European Telecommunications Standards, of which 40 will be adopted this year and a further 260 are at the stage of public enquiry. The Commission has provisionally concluded a framework agreement with ETSI for one year, and has issued nine standardization mandates to it.

PART TWO: MEETING THE CHALLENGE

III. THE MAIN ISSUES FOR EUROPEAN STANDARDIZATION IN THE
1990'S

27. This central section of the Green Paper is divided into
three parts

- A. - The role of European Industry and other interested
parties
- B. - The organization of European standardization
- C. - The role of public authorities.

A. The role of European industry and other interested parties

28. Effective standardization depends on the motivation and commitment of those who use standards. The Commission believes that companies intending to exploit the benefits of a single European market, and other interests, such as users and consumers of industrial products, should ask themselves whether they are giving European standardization the attention it deserves and whether that attention is exercised at a sufficiently strategic level within the organization.
29. In view of the impact of European standardization on the acceptability of products in the market (and therefore on profitability) companies should accord standardization a higher priority in their planning for the Internal Market. Standards have now become too important to be the exclusive preserve of technical experts. The European standards developed over the next decade will have a decisive influence on the technological structure of the entire European market; they will change the conditions of trade not just in export markets but in each national market as well. European standardization work is already under way in a wide and growing number of sectors. The speed and scale of this process means that companies need to be attentive to what is going on in their sector and, above all, must become involved in this negotiation. Standards are not written by or for professional standardizers, but by and for those motivated enough to seek a place at the negotiating table.
30. The long-term benefits of standardization require investment by individual companies, just as improvements in productivity, marketing or distribution systems. Standards organizations need personnel and physical resources to provide an efficient service. But direct financial contributions to the costs of standardization bodies, either at European or national level, is not the main expense. That comes from participation in the standardization negotiations themselves, through the release of technical experts to assist in the drafting of European standards or in discussion of them in Technical Committees and working groups. Although streamlining the procedures of the European standardization bodies may reduce the time taken to produce European standards in future, the cost of participation in standards-making will still appear high. Companies wishing to influence their future technical environment, however, should ask themselves whether they really have a choice.

31. Besides influencing the pace of European standardization, European industry and other interested parties will be asked to play a bigger role in deciding its future direction. Although much current European work is dictated by the needs of EEC legislation, this will not always be the case. Even now, a number of industries are proposing subjects for harmonization of standards to CEN, CENELEC and ETSI. The possibilities outlined later in this document for more sectoral autonomy within the European standardization system should encourage industry to identify where the absence of European standardization is inhibiting economic rationalization and, if necessary, to set up its own organizations to do something about it. Nor is European standardization a concern limited to large companies; it should also interest small and medium companies, since it offers an opportunity to agree on common technical specifications openly and democratically. In the absence of standardization, specifications will be set by the most powerful forces in the market.
32. European industry is faced with a choice. It can accept the present structure of standardization in Europe, from which European standards will emerge relatively slowly over the next few years, or it can decide to commit itself wholeheartedly to the rapid development of common European standards. The second choice will be more expensive in the short term than the first, and may well be perceived by some parts of industry as more of a threat than a benefit. The Commission considers, however, that companies which delay in coming to terms with what is an inevitable process will find themselves at a major disadvantage compared to their more enlightened competitors.
33. Other interests, too, such as consumers, users, or workers, will have to be prepared to organize themselves more effectively to participate in European standardization. The Commission has already provided financial assistance to European Trades Union Confederation for the establishment of a Technical Bureau intended to monitor European standardization work which affects the interests of organized labour. The Commission later in this paper recommends that the European standardization bodies be more open to participation in their work by non-manufacturing interests. Any greater access to the standardization process for such interests will only lead to an improved system, however, if those concerned take up the opportunities that are offered, and ensure that their needs are articulated.

B. - The organization of European standardization

34. Not all of these challenges facing European standardization are of the same immediacy or importance. A distinction is, therefore, made between priority and other issues. Priorities which mainly concern improving the capacity of European standardization organizations to meet their commitment to deliver harmonized standards for the Internal Market. The other issues, while important, are more relevant to the period immediately following 1992; for some of these too, however, it would be useful to make progress in the near future to lay the foundation for the longer term.

Priority Issues

(1) Efficiency

35. Efficiency in the production of European standards is, from the Commission's point-of-view, the highest priority; the operation of Community product legislation effectively depends upon it. In spite of the mobilization of an army of technical experts to work on standards for the Directives that will enter into force in 1991 and beyond (such as construction products, machines, electromagnetic compatibility, gas appliances or medical devices), it is probable that without a fairly radical change in working methods delays will occur which will have a tangible economic cost for Community manufacturers.

36. There seems a real risk that the current working methods of European standardizers may not be capable of delivering the large number of European standards needed before 1993. It usually takes CEN about two to three years to produce a draft standard from the initiation of work at European level, another year between the beginning of a public enquiry on that draft and the adoption of a standard, and at least six months between adoption and transposition of the standard in all member countries of CEN/CENELEC. Delays can occur at several stages: the setting-up of a new Technical Committee, the ratification of a work programme by executive bodies, or the translation of working documents. Although the speed of standardization work ultimately depends on the difficulty in obtaining consensus on the technical issues, the procedural rules under which technical discussions take place can and do affect delivery times.
37. New working methods are indispensable and urgent for European standardization if it is to match the current pace of European integration. At a time when important decisions at the political level are taken on the basis of majority vote, there needs to be a shift away from an unqualified commitment to consensus in European standardization, although the Commission accepts that the use of standards is related to the degree of consensus reached in their elaboration.
38. The Commission recommends for urgent consideration by the European standardization bodies:

(i) New methods for establishing common working documents

The traditional Committee-based procedure bringing together 18 national delegations (12 from the EEC, 6 from EFTA) to discuss conflicting solutions to a technical problem is costly, laborious and at times inefficient. Technical Committees, although an indispensable part of the standards-making process, need to be assisted in their deliberations by working documents which already put forward common solutions. One way of doing this would be to use "drafting secretariats", "project teams", or even outside consultants to bring together a summary of the technical issues in a single document which did not give a particular advantage to a given national solution.

The viability of this approach, however, is directly related to the availability of technical experts from industry. Without greater commitment from European industry, there can be no significant improvement in the present situation.

(II) Greater use of Associated Standards Bodies

CEN and CENELEC could actively encourage more industry-based associations to offer their services as Associated Standards Bodies to develop technical documents as the basis for future European standards. Such an initiative would not only reduce the administrative and financial burden on European standardization bodies themselves, but also provide the advantages of a more decentralized approach, such as direct industry involvement in priority-setting and the execution of work. (CEN and CENELEC have recently indicated that they are prepared to reexamine their rules on Associated Standards Bodies in order to ensure that sufficient flexibility is given to potential candidate organizations).

(III) Use of new technology to accelerate discussion on working documents

The distribution by conventional means of working documents to a membership spread across Europe takes time. Some of this time could be gained by more systematic use of modern communications technology, such as electronic mail. It would be possible to circulate both working documents and final drafts by this means, and to encourage the development of discussion outside formal meetings by exploiting this channel of communications.

(IV) Majority voting on proposed draft standards

Much time is spent in Technical Committees trying to arrive at a consensus⁽¹⁾ before a draft European standard is put out to public enquiry. This may be appropriate where a standard is not particularly urgent; in the case of most of the European standards now under discussion, however, decisions are indeed urgent if the single European market is to become a reality.

Majority voting on proposed draft standards should therefore be used as a matter of course if consensus (which remains the ideal objective) is difficult to achieve within the time available; this would be particularly important in the case of mandated standardization work.

⁽¹⁾ Consensus is defined by the ISO as the absence of sustained opposition to a particular proposal.

The executive bodies of the European standardization bodies (Technical Boards in the case of CEN/CENELEC, the Technical Assembly in the case of ETSI) could, for example, regularly review progress in Technical Committees and require a vote to be taken where appropriate. Voting might also take place at the request of a quorum of members, to be fixed by each standardization body. (The Commission assumes that weighted national voting rules would be aligned with those of the EEC Treaty).

(v) Shorter and more flexible public enquiries

If all interested parties have an opportunity to be represented in European standardization work and the quality of information about that work is improved, there is scope for the public enquiry for a draft European standard to be reduced from the present six months. Such enquiries could also take more account of the degree of consensus which has already been reached on the draft. Where consensus has been reached without voting, then a two months public enquiry might be sufficient ; where a draft standard has been agreed on the basis of a majority vote, a longer enquiry (but no more than four months) might be necessary.

(vi) More rapid handling of comments

At present, the speed with which comments received in an enquiry are processed depends on the Technical Committee concerned. Some acceleration of the examination of comments (which can now take up to six months) would result by establishing a general rule that comments must be examined and responded to within two months of the conclusion of a public enquiry. Exceptions would have to be decided case-by-case by the executive of the standardization body concerned.

(vii) Immediate application of adopted standards

Standards agreed at European level currently have to be "transposed" as national standards before they become official. A period of six months is usually allowed for this, although longer periods may be granted and national bodies often do not respect the agreed timetable. National transposition should no longer be a pre-condition for the use of a European standard (See "Status of the European standard"). This would eliminate the time-lag between adoption of a European standard and its availability to users.

39. The adoption of some, or all, of these procedural recommendations in the short term would speed up the delivery of European Standards. But care must also be taken to avoid overburdening the European standardization system. It is indispensable to set priority objectives for the first generation of harmonized European standards, and to discard objectives which are not strictly related to priorities.

In respect of standardization mandates related to EEC legislation, for instance, the technical expression of essential requirements of a given Directive has to be incorporated into European standards within the timescale agreed. Other aspects of standardization related to, for example, the efficiency or fitness for use of products, can be dealt with only if the delivery of mandated work on time is not compromised. Responsibility for sticking to priorities lies mainly with the European standards bodies themselves, but the Commission, with the advice of the Standing Committee on Technical Regulations and Standards, may give further guidance on priorities to the standards bodies through supplementary mandates. The Commission will also limit the issuing of new standardization mandates in the next two years as far as possible to items that are essential to achievement of the Internal Market.

40. Those concerned with keeping to priorities may have to discourage attempts to include every feature of existing national standards in early European standards. Even if a full convergence of technical standards in Europe is desirable in the long-term, to try to proceed quickly on all fronts will jeopardize agreement on the essential minimum for the functioning of the Internal Market. Concentrating on performance rather than design parameters in European standards-making would also assist the process of reaching agreement.

(II) Coordination and structure

41. Improvement in the coordination of European standardization and organizational stability are a high priority for the Commission. Efficiency and structural issues are to some extent linked. The Commission recognizes, however, that more time may be needed before the recommendations in this section can be implemented. Nevertheless, ideas on this matter need to be developed and discussed as soon as possible.
42. Of the three European standardization organizations, CEN and CENELEC have a common set of rules for their activity, while ETSI has a separate set of rules reflecting a different structure. Although some adjustment of the ETSI rules has already taken place to bring that organization into line with commonly-accepted principles of standardization, and further changes are being considered, the approach to European standardization is fundamentally different between ETSI and CEN/CENELEC. In future other branches of the economy than telecommunications (such as information technology, or the food industry) may propose that they, too, need to organize their own standardization activity at European level. The Commission, while wishing in the spirit of the New Approach to encourage voluntary standardization as a preferred alternative to regulation in bringing order to markets, is also concerned that new standardization activities should be properly integrated into the rest of the standardization system.
43. Standardization activity can only gain public recognition and legitimacy if it is governed by a clear set of rules, known and approved by all interested parties. Standards that are established in an open way, providing all parties with an opportunity to influence the final outcome, have a far better chance of being applied in the market than those which are not; standardization is a process by which technical documents acquire legitimacy through adequate consultation. A variety of organizations, such as individual companies, trade or professional associations, may develop technical specifications for their own purposes, but if these are to become standards they must be subject to review through a formal process open to all interested parties.

44. The absence, in 1990, of a fixed and generally-agreed framework for European standardization results in a loss of efficiency in the service offered by standardization to industry, governments, and other interested parties. The organization of more standardization work on a sectoral basis could be a positive development, allowing for more direct participation by industry and perhaps more commitment to the work. Because of growing pressure for common European standards in the coming years, there may be more demand for such sectorally-based standardization. Unless such standardization is coordinated, however, and made subject to certain ground-rules, the risk of duplication or contradiction between different European standardization activities will increase. The United States of America, with nearly 400 active standardization bodies, shows the risks of fragmentation in standards-making ; Europe, which is now trying to move beyond its heritage of nationally-based technologies, needs to ensure that scarce human and capital resources are not wasted in duplication of work.
45. For this reason the Commission considers that the customers for European standards, as well as the institutions which currently supply them, should now consider whether the time has not come to establish a European Standardization system, in which the role of all participants at national and European level would be clearly defined in terms of agreed objectives, the most important of which would be the accelerated integration of European technology through agreement on common standards.

Such a system could

- allow for diversity of organization and autonomy of management within sectorally-based standardization bodies at the European level, and
- assure the coordination, transparency and the legitimacy of European standardization by applying common rules to all standardization bodies within the System, these rules to be developed and maintained by a new central body, the European Standardization Council.

The clearer the common rules governing the European standardization, the more freedom can be given to sectors to organize themselves in the most appropriate way.

46. The concept of a "European Standardization System" implies a coherent whole made up of a number of component parts. The system could consist of several European standardization bodies, provided that they were subject to common rules as far as the formal process of turning documents into European standards is concerned. The decision to establish new European-level bodies would depend on the quality of the service obtained from the existing organizations. If CEN, for example, as a multi-sectoral European standardization organization, can respond promptly and efficiently to the demands of European industry, it is unlikely that many, if any, sectors will wish to take the trouble to establish a new standardization body. Where a sector can demonstrate, however, that its needs can only be met through a separate European standardization body, it should be free to set one up, subject to compliance with the rules of the European Standardization System.
47. The Commission has recently discussed these ideas with the European standardization organizations, and a degree of consensus appears to be emerging on the need for a new structure for European standardization which can respond to the concerns already expressed. The Commission therefore puts forward the following outline of a new structure for the future coordination of European standardization (a fuller description of which is given in Annex 2):
- the European Standardization Council would be a new body responsible for the overall policy of European standardization ; it would comprise persons reflecting the views of European industry and social partners, representatives of the EEC Commission and EFTA Secretariat and the European standardization bodies;
 - a European Standardization Board would act as the executive body of the Council, responsible for the management and coordination of European standardization; its membership would comprise of the officers of the European standardization bodies (for the time being, CEN, CENELEC and ETSI) and the Secretary of the Standardization Council;
 - the European standardization bodies would be those bodies organized at European level and recognized by the Council as responsible for standardization in their particular field ; they would enjoy full autonomy in the programming, financing, preparation and adoption of European standards, subject to compliance with the rules of the European Standardization System and to formal agreements with the national standardization bodies;

- the national standardization bodies would carry out particular tasks on behalf of the European standardization bodies at national level (public enquiry, expression of national vote), provide regular information concerning their national activity and comply with "standstill" rules during the development of European standards.

48. The main benefits of this approach, in the Commission's view, would be that:

- strategic direction of European standardization would be assured by representatives of the main economic and political interests it is intended to serve;
- existing sectoral standardization bodies (CENELEC, ETSI) could maintain their autonomy and dynamism, and the possibility of admitting further sectoral organizations into the system would not be excluded;
- a set of common rules for the creation of European standards would apply to existing and future European standardization bodies (acceptance of the rules would be a condition for recognition under the system);
- the day-to-day operation of CEN, CENELEC and ETSI would remain essentially unchanged;
- the European Standardization Council would require limited resources, thereby avoiding unnecessary bureaucracy and expense;
- the role of national standardization bodies in European standardization would be recognized in every sector.

49. Further detailed discussion will be necessary to elaborate on these ideas, in particular to define more exactly the role and organizational shape of the European Standardization Council. With the cooperation of all concerned, the Commission believes it is now possible to foresee the establishment of this new framework during the course of 1991.

(III) Membership and International cooperation

50. The development of European standardization must take account of the external as well as internal environment. The rapid political changes taking place in Central and Eastern Europe will, over time, lead to a larger, more closely-integrated European market economy than exists today, and common technical standards are one of the means of assuring an orderly transition to that state-of-affairs. This raises important and pressing questions concerning the relationship between the present members of the European Standardization System and other European countries. Closer cooperation with these countries is desirable, and their inclusion within the System has to be considered.

Technical assistance to Central and Eastern Europe in the standardization field will also be a high priority in the years ahead: Community financial and technical assistance under the PHARE operation has already been requested by both the Polish and Hungarian governments for the improvement of standards and measures, particularly with a view to satisfying Community product requirements. There is growing interest in technical assistance from non-European countries, too.

Finally, the cooperative relationship between European and international standardization bodies will have to be further developed to ensure an effective two-way flow of information and, where possible, agreement on the best allocation of standardization work in order to avoid duplication of effort.

Membership of European standardization bodies

51. Membership of the three European standardization bodies is mainly confined to the member countries of the EEC and EFTA; CEN and CENELEC membership is limited to these countries, while ETSI also has Cyprus, Malta and Turkey as members. A number of Central and Eastern European countries have, however, recently expressed an interest in becoming members of all three European standardization organizations, and Turkey has been a candidate for CEN/CENELEC membership for some time. CEN and CENELEC have repeatedly stated that membership of their organizations is related to that of membership of the EEC and EFTA.

52. It is in the interests of all countries, European or non-European, that the present pace of development of European standards is sustained and, if possible, increased. The harmonization of conflicting national standards within Europe, based upon international standards as far as possible, is a formidable contribution to promoting international trade and global economic growth. The Commission considers that extension of the full membership of the European standardization bodies in the short term would compromise that objective, insofar as it would increase the difficulties facing the present membership of coming to agreement on complex technical issues. Although desirable in the longer term, wider membership should not be an immediate priority.
53. Nevertheless, those European countries which are not members of the European standardization system but wish to take over European standards should be closely associated with the work of European standardization bodies, in order to allow them to adapt to new European standards quickly and to obtain the economic benefits of using them. The widespread adoption and use of European standards outside the member countries of the EEC and EFTA is in Western Europe's economic interest. It should also be recalled that the Community has concluded Association Agreements with some European countries, and may conclude similar Agreements with others. For these reasons, it would be desirable for the European standardization bodies to offer European countries the possibility of participation in their work with a status that would be less than full membership.

The Commission believes that "associate member" status, which would imply a right to participate in the work of European standardization without the right to vote, would reflect the interest of the Community and the countries in question in moving towards a closer economic relationship, while making allowances for the uncertainties surrounding those countries' structural and economic development. Depending on general economic and political developments, a transition to full membership could take place after some years, when the countries concerned will have demonstrated their willingness and ability to apply European standards.

54. As far as non-European countries are concerned, the Commission believes that it is primarily up to the European standardization bodies to decide whether it is in their interest to offer a limited degree of input into their work to the standardization bodies of these countries. One European body, ETSI, already admits observer representatives from non-European countries to some of its meetings, on the basis of reciprocity. Such an approach has potential costs as well as benefits.

Against the undoubted advantages of improved transparency and the opportunity for state-of-the-art input from non-European sources must be weighed the possible risk of delay in arriving at consensus and concern that discussions proper to the international standardization bodies might take place instead at the European level. In a more decentralized, sectorally-based standardization structure within Europe, however, it seems appropriate for each European standardization body to take its own decision on this matter, provided that reciprocity is assured. Meanwhile the admission of observers from the international standardization bodies to the technical work of CEN and CENELEC, as proposed below, would in itself allow other countries to be kept informed of the progress of European work.

Technical Cooperation

55. The standardization organizations of Western Europe are being called upon to offer technical assistance to other countries on an increasing scale as the positive implications for international trade of the Community's 1992 programme becomes better understood. The demand from Central and East European Countries is already great, but similar interest has been expressed in other regions (in the Mediterranean, and South America) and the Commission already manages cooperation programmes in the standardization field with India, the ASEAN countries and the Andean Pact. The main focus of this interest is on information on current and planned European standards and the training of industry and standardization experts in their application.
56. The Community is, in principle, prepared to include technical assistance in this field within its cooperation programmes with third countries, although it must be remembered that the technical resources for this task are limited. The Commission has to rely upon the expertise available in the private sector (and in standardization bodies in particular) for the execution of such cooperation; CEN and CENELEC and their members have already assisted the Commission in the past.
57. In view of the European dimension to this activity the Commission believes that the European standardization bodies should assume responsibility for the coordination and management of such technical assistance, even if the experts concerned are largely supplied by national standardization bodies. The Commission intends to support financially the development of an appropriate infrastructure within the European bodies to service requests for information and assistance, which although an additional burden for the bodies concerned constitutes an important instrument of the Community's external economic relations. It hopes that national standardization bodies and the Member States will cooperate by contributing to collective action and avoiding uncoordinated national initiatives.

Relations with international standardization bodies

58. The links between the European standardization bodies and their international counterparts are indirect, since only national standardization bodies participate in the International Standards Organization (ISO) and the International Electrotechnical Commission (IEC) and national authorities in the International Telegraph and Telephone Consultative Committee (CCITT). Nevertheless, cooperation between the international and European bodies has increased as the volume and scope of European standardization have expanded. In the last two years, in particular, arrangements have been concluded between ISO and CEN and IEC and CENELEC which provide for regular discussions in order to compare work programmes and to coordinate them where possible. This indicates the willingness of both sides to establish a cooperative dialogue with a view to avoiding duplication and the waste of scarce expertise.

59. Other steps may need to be taken by the European Standardization System, however, to reassure the international standardization community that European-level work is a substitute for national, not global, standardization.

A first step would be to keep the international standards organizations fully informed of the progress of European work, by inviting observers from the relevant ISO or IEC Technical Committees to European working groups or Technical Committees whenever there is a common interest.

Another positive step would be to continue to ask the international standards bodies to take on some of the work which is now being proposed at European level, particularly in standardization activity that is not related to EEC product legislation. If the international standardization bodies can respond by accelerating work on projects which are of high priority for Europe, with a view to delivering results within the timetable set by European requirements, European-level standardization can be avoided.

60. If Europe is to promote further international standardization, however, others must do the same. The Community expects that its leading economic partners, and particularly the United States and Japan, will be prepared to commit more resources to international standardization in the coming years, and, equally important, to implement international standards at the national level. Unless all the parties concerned act with the same commitment to international standardization as Europe has done in the past, this important mechanism cannot be properly exploited as a means of promoting international trade and economic growth.

Other Important Issues

The following issues, while important for the future development of European standardization, are perhaps less urgent than those presented in the previous section. It may be possible to adopt a less pressing timetable for their resolution, although lack of progress on any of them would seriously inhibit the growth of standardization as a force in the European economy.

(iv): Accountability

61. Standardization is a service to industry, and, more widely, to society. The demand for standards may have traditionally arisen from manufacturing interests, but now includes a much wider range of "customers", such as public authorities, workers, users of equipment, private consumers, or researchers. All of these customers for standards want this service to reflect their needs and to be delivered efficiently.
62. These various interests are usually represented in the governing bodies of the national standards bodies, either directly or through a representative of government. At the technical level, too, participation in national standardization work is generally open to all interested parties. At the European level, however, direct representation of different interests in standardization is much weaker. The situation in the three European standardization bodies can be summarized as follows:

	<u>Participation in Technical Committees/ Working groups</u>	<u>Representation in Governing body</u>
CEN	- Delegations from national standards bodies - Observers from recognised European manufacturers or users associations	Representatives of national standards bodies
CENELEC	- Delegations from national electro-technical committees	Representatives of national electrotechnical committees
ETSI	- Members - Observers from recognized interested parties within and outside Europe	Members (EEC Commission and EFTA as Counsellors)

63. The proposals already made for representation on the European Standardization Council represent a first step towards greater accountability of European Standardization, but there is a need for European standardization to be opened up to its "customer base" at all levels. In view of the importance of European standardization for Community product safety legislation, for instance, all parties concerned with safety issues, including worker or consumer representatives, for instance, should be given the opportunity to participate in the technical work going on at European level through their European-level organizations. It does not seem appropriate that some interests (manufacturers, industrial users) should be permitted to observe this work through their European organizations while others (trades unions, consumer organizations) are not. Greater openness in the process of European standardization is necessary in order to enhance wider public interest and confidence in European Standards.
64. The same point can be made with respect to governing bodies. If standardization is a service, then the customers for European standards should have a voice in the setting of priorities and the allocation of resources for standardization work. With the exception of ETSI, the European standardization bodies are managed exclusively by representatives of the national standardization bodies (CEN) or of the industrial sector concerned (CENELEC). In order better to reflect the growing public importance of European standardization, provision should also be made for the direct representation within European standardization bodies of major interest groups and public authorities (which are, after all, important financial contributors to the work). The method of such representation can be negotiated later; the principle, however, must be firmly established now.
65. It is important that national standardization bodies, too, which form an integral part of the European Standardization System, should maintain the principle of openness towards other parts of the system. Participation in national standardization work going on within an integrated Community market should not be restricted on the basis of the nationality or the place of establishment of the interested party. Any party from within the Community wishing to participate in national standardization which can demonstrate an interest in the work and is willing to comply with the normal rules for participation should be allowed to do so. This principle was already provided for under Directive 83/189/EEC; it is now time to apply it.

(v): Financing

66. Standardization is not cheap. The expansion of European Standardization must be based on a clear commitment from all concerned to support it financially. Considering the present scale of European standardization and its foreseeable growth, the current method of funding it appears relatively unstable, particularly in the case of CEN and CENELEC activities.

At present, only the national member bodies of CEN/CENELEC receive revenue directly from the private sector (from membership fees and sales of standards) and they fund CEN and CENELEC through annual membership contributions. Such indirect and short-term funding may no longer be appropriate for the scale of European standardization work that is foreseeable in the 1990's.

On the other hand, the volume of standardization work mandated by the EEC and EFTA means that a large part of the expenses of CEN and CENELEC (70 per cent of CEN's annual budget and 55 per cent of CENELEC's), as well as some costs for national members taking on technical secretariats, are met by revenue from the Commission and the EFTA countries. Although the budget of the European standardization bodies is only a small part of the total cost of European standardization (much heavier costs are incurred at national level in the coordination of national positions and in participation in European discussions), the dependence of these bodies on public money is a matter of growing concern to the Commission⁽¹⁾.

67. This last tendency is particularly disturbing as it is becoming clear that the scale of financing required for European standardization may soon exceed available resources within the EEC budget. (The Community is expected to commit at least 20 million ECU to European standardization work in 1990, and significantly more in 1991). A more effective channelling of private money into European Standardization has to be found. The Commission considers that this objective must be promoted by:

- a commitment to long-term financial planning by members of the European standardization bodies;
- changing the present attribution of revenue from the sales of European standards, to allow a part of this revenue to be channelled directly to European standardization bodies;
- instituting membership fees for industry participants in European standardization (as is already the case for ETSI).

(1) ETSI, although directly financed in part by its membership, is also heavily dependent upon extraordinary contributions from national administrations.

In parallel with such developments, the Council of Ministers should be prepared to offer a clear (but limited) commitment of public financial support over several years (see Section C, "The role of public authorities", below).

68. The members of CEN and CENELEC, whose activity and development is increasingly linked to that of the European standardization bodies to which they belong, will undoubtedly have to commit more resources to European work in the coming years. Rather than taking budgetary decisions on an ad hoc annual basis as they do now, it might be more appropriate to develop a long-term financial plan based on existing and anticipated work programmes, on the basis of which the likely contribution of each national member over a number of years could be estimated. This would assist financial planning at the national level, and would also provide a tangible target for campaigns to obtain funds from industry at the national level. (The Commission understands that longer-term financial planning is now under study within CEN).
69. Funding by annual membership contributions is not, however, the only way to provide money for European standardization. National standardization bodies obtain most of their revenue from the sale of their products, that is, standards and information about standards. Direct funding of the European standardization bodies by annual member contributions could be to some extent offset by providing for some of the revenue from sales of European standards to accrue directly (at least in part) to the European bodies that are responsible for their production. This would not, of course, affect the amount transferred from national to European bodies, but it could facilitate the transfer, by making it automatic with every sale of a European standard.
70. This would not mean that national standards bodies would no longer receive income from sales of European standards. National bodies play an indispensable role in the preparation of such standards, acting as a bridge between national interests and the negotiating process at European level. They are also indispensable for the marketing of standards, whether national, European or international. It would be appropriate to allocate sales revenue between the European-level bodies and the national bodies in a way which recognized the essential contribution of the latter, for instance by sharing revenue between the European standardization body responsible for the standard, the organization (European or national) that makes the sale and all national standardization bodies.

71. Such a system would have several advantages:

- It would to a limited (but growing) extent provide the European standardization bodies with regular independent income;
- It would maintain a financial incentive for standards bodies to pursue a dynamic sales policy for European Standards;
- It would give all national standards bodies a share in the income deriving from sale of a European standard, whatever the point-of-sale ;
- It would remove the current anomaly whereby public funds for European standardization generate income for national standards bodies, particularly those which publish their standards in the working languages of CEN.

It would, in other words, reflect the interdependence of the European Standardization System in financial terms.

72. A condition for success in following this approach would be the introduction of more competition between sellers of European standards, which would reduce the cost to European industry of purchasing standards and probably increase the total market. Further market growth would be stimulated by direct sales by European standards bodies of their own standards, where this was judged by their membership to be appropriate, which is not permitted under the present rules of CEN and CENELEC (although the Commission understands that this policy is under review).

73. Additional financing from industrial membership fees would be a natural consequence of greater use of Associated Standards Bodies, which provide for direct participation of individual members other than through national delegations. This already happens, for example, in the case of the European Telecommunications Standards Institute (ETSI) and the European Workshop for Open Systems (EWOS). The right to participate directly in standardization work should bring with it increased financial responsibility for standardization. If industry and other interested parties believe that their economic interests are served by European standardization, they will be prepared to contribute directly to the costs of the European standardization organizations.

(vi): Information

74. Standardization, by defining state-of-the-art technology, serves to make the economy more transparent. But standards can only fulfill this function if information about them is accessible, clear, and complete. The present structure of standardization in Europe, based on national standardization bodies, has led to information being focussed upon each country's national activity, and clear and complete information concerning common European standards or the national standards of other European countries is not easy to obtain. If the Community is committed to the creation of a single European market, and, in the longer term, of an integrated European economy, it is essential that the technological information contained in standards be managed from the European perspective and provide a complete picture of activity at all levels, national or European.
75. As far as information about national standardization activity is concerned, Council Directive 83/189/EEC required national standard bodies to supply the European standardization bodies with information about their activity, with a view to promoting closer cooperation between them and the transfer of activity of common interest from national to European level. This procedure has not, however, fulfilled expectations. Input into the CEN/CENELEC database from the national standards bodies has often been incomplete, tardy and unclear. A report made in January 1990 by the CEN/CENELEC secretariat (five years after the procedure began) pointed out widespread cases of non-notification, late notification, and erroneous classification. Poor input into the system has led to poor output; far from being a "map" of current European activity, the bulky registers compiled from the information procedure contain information which is unintelligible to a non-specialist and often out-of-date. Recommendations have been made recently within CEN and CENELEC decided to improve the database, but it remains to be seen how soon decisions will be taken and implemented.
76. It should be noted, however, that CENELEC has since 1988 adopted a parallel information procedure for the electrotechnical field which imposes more constraints than the 83/189 information procedure, such as a three-month "standstill" on national work once another member has expressed interest and the automatic conversion into European projects of work involving more than one member country. The Commission would welcome the extension of the same disciplines to other sectors where national standardization activity is still significant.

77. The distribution of information about European standardization has been regarded by the members of CEN/CENELEC as a national rather than a collective responsibility. For instance:
- the European standardization bodies may not sell copies of European standards, but must refer those seeking them to the national member bodies ;
 - European Standards are not always clearly identified in national catalogues, in spite of a CEN/CENELEC decision of 1987 that they should be ;
 - Information obtained under the "Information procedure" Directive is distributed to the public by the national members, not by the CEN/CENELEC secretariat.

In the past year some initial steps have been taken by CEN/CENELEC to improve the visibility of their activity, such as the issuing of a monthly newsletter ("Review of Current Activities") which lists new work items, new draft European Standards in public enquiry and newly-adopted European Standards. It is still, however, difficult to obtain from the European standardization bodies a regular and complete overview of their activity.

78. The Commission considers that in information policy, as in other aspects of European standardization, responsibility should be shared more evenly between European and national bodies. Better-quality information about standardization in Europe, which includes not only information about European-level activity but also about the disparity between national standards, will increase the demand for European standardization. Such information should be collected and made available at both the European and national level.
79. The Commission therefore suggests that information on standardization activity be gathered and distributed along the following lines:
- The information procedure initiated under Directive 83/189/EEC should be properly implemented and reinforced, to provide for a minimum 3-month "stand-still" period during which other national standards bodies could comment on proposed new national standardization activity. The Commission would welcome any initiatives taken by the standardization bodies in this direction; in their absence, it may decide to propose amendments to Directive 83/189/EEC.

- A single European Standardization Database (ESD), containing bibliographic data on national and European standards and summaries of current standardization activity, should be compiled under supervision of the European Standardization Council. This information would be available to all interested parties in a form and on terms to be decided jointly by the standards bodies.
- Arrangements for the marketing of ESD information would depend on whether the standard or activity concerned were European or national. In both cases, however, responsibility for the supply of information to the market about standards and standardization should be shared between the European and national bodies

Such an approach would not stand in the way of European or national standardization bodies pursuing their own information policies.

(vii) : Status of the European Standard

80. Most people are surprised to learn that, in 1990, the European Standard does not yet exist in its own right. European-level standardization work aims at the harmonization of separate national standards. The standards agreed within CEN, CENELEC and ETSI have no formal status until the national standardization bodies transpose their content as one or more national standards and withdraw any conflicting provisions.
81. This "two-stage" standardization in Europe has disadvantages. The first is delay; at least six months, and sometimes longer, is allowed under CEN/CENELEC rules for national transposition, and the rules are not always observed. Transposition can also lead to lack of clarity about which standards are harmonized at the European level and which are not, although CEN and CENELEC have laid down rules on the matter. Some national standards bodies do not fully apply the rules for identification of harmonized European Standards. If European industry cannot know at the end of the European standardization process which standards are identical across Europe, then an essential point has been lost.
82. More fundamentally, one may question whether national transposition is in the interests of the customers for European standards in every respect. By pursuing harmonization through the alignment of national standards national standardization bodies maintain copyright of the harmonized standards (and thereby exclusive rights to sales revenue) and reinforce the image of the national mark of conformity in the market place. The situation can therefore arise that the manufacturer of a product

conforming to a European standard sold in all parts of the Community may have to obtain several different national marks of conformity in order to show the customer what he is buying; this is not what the 1992 programme is about.

83. The Commission considers that all future European standards should exist in their own right and should not have to be transposed at national level before they can be used. Copyright of European standards should be vested in the European standardization body responsible for them (as is the case for ETSI) rather than in each of its national members (as is the case with CEN/CENELEC). Such standards could be published at the European level immediately after their adoption in the working language(s) of the European standardization body concerned. Although national transposition may still be necessary in order, for example, to make the European Standard available in the national language and to ensure that the national standards body withdraws national standards which conflict with the European Standard, the European standard should be transposed as such with its European-level identifying reference unaccompanied by any national reference. European Standards would then stand out as separate entities in national standards catalogues, quite distinct from national standards.
84. This approach would lead to the development of a stock of truly European standards universally recognizable as a measure of European technological integration. Purely national standards would remain equally visible as indicators that such integration had not yet been achieved or was not necessary. By following such a course the Community, and Europe as a whole, would be able to assess both its achievements and its remaining objectives in the field of standardization.
85. A logical consequence of self-standing European standards should be the development of a common mark of conformity to such standards. The Commission has already urged CEN and CENELEC to follow this path, as part of the Community's global approach to conformity assessment which was approved by the Council in December 1989. A single conformity mark to a European standard would contribute to a clearer public perception of European standardization, just as national marks have done for national standardization. It would save manufacturers the time and money spent in obtaining several national marks of conformity to the same standard. And it would probably increase demand for third-party certification of conformity to standards, as the common mark of conformity to a European standard became recognized as a symbol of customer acceptability for the entire European market.

86. A final comment under this heading concerns the importance of having a single set of European standards. The European Standardization System is intended to be a homogeneous, all-embracing one. It should provide the market with a single product - the European standard - which is universally recognizable, whatever the subject. It follows that there should be a single designation of that standard, without variation. This would mean that the recent distinction between European Standards ("EN's") produced by CEN/CENELEC and European Telecommunications Standards ("ETS's") produced by ETSI should disappear, both being subsumed into a new single designation, the "European Standard" ("ES"?).

(viii) Testing and certification

87. The statutes of CEN and CENELEC provide for those organizations to cover activities in all fields relating to the implementation of European standards, including testing and certification issues. This is not the case for ETSI, as the CEPT has kept these questions within its area of direct responsibility. CEN and CENELEC have set up a number of mutual recognition arrangements and certification systems; the CENELEC Certification Agreement (CCA), the CENELEC HAR agreement for electrical cords and cables, the Cenelec Electronics Components Certification agreement and the CEN CCC agreements. Other agreements are in preparation. All these agreements include provisions on marks of conformity. Thus, for example, the HAR agreement is based on a common mark (HAR) accompanied by national marking, the CCA is based on the mutual recognition of test reports which leads to products carrying a series of national marks and the CEN CCC agreements are based on a single CEN mark denoting conformity to the appropriate CEN standards. Both organizations have also set up structures to cater for more general questions such as the Marks Committee (CENELEC) and the CENCER Committee (CEN).
88. These agreements and structures have proved their usefulness within their limited ambit, but have not led to the development of a really European culture in matters relating to testing and certification. This is hardly surprising as CEN and CENELEC are made up of the national standardization bodies which represent the interests of manufacturers more than testing laboratories and certification bodies. It would be difficult for the standardization bodies to represent the latter, as some of their members are major testers and certifiers in their own right. CEN and CENELEC certification agreements have therefore tended to be restricted in practice, closer to the needs of self-elected clubs than to those of a free European market.

89. In December 1986 the Commission drew attention to this situation and suggested that a new European organization should be created in order to complement the European Standards Bodies by constituting a focal point for all those active in testing and certification. This led to the Commission inviting CEN and CENELEC to draw up proposals for such an organization which they presented in outline to the Symposium on Testing and Certification organized in Brussels in June 1988. The conclusions of the Symposium were that one of the main conditions for credibility of this organization was that it be autonomous, although maintaining close links to standardization activities. On 24 July 1989, the Commission sent to the Council its Communication (COM (89) 209) on the Global Approach to testing and certification in which it confirmed the need for the creation of an autonomous body. The Council agreed on 21 December 1989 to the setting up of the European Organization for Testing and Certification (EOTC), which led to the formal signature of the Memorandum of Understanding between CEN, CENELEC, EFTA and the Commission on 25 April 1990.

This new organization, which will operate alongside CEN and CENELEC, has now been set up by the four signatories for an experimental period which should end on 31 December 1992 with the constitution of a legally autonomous organization. In the meantime CEN and CENELEC accept, on a contractual basis, to provide the necessary administrative support.

90. The Commission considers that CEN and CENELEC should start, as of now, to examine their future relations with EOTC and in particular how they can receive and use its results and effectively contribute to its work. It would also be appropriate for CEN and CENELEC to bring their work in testing, certification and quality assurance into line with the principles of the Global Approach which the Council of Ministers approved in December 1989, and to examine how this could be transferred to EOTC. It would be difficult for two structures dealing with these questions to coexist, quite apart from the problem of the cost to European industry of financing two systems, directly or indirectly. The transfer of CEN and CENELEC's agreements to EOTC would contribute considerably to the credibility of that organization.
91. As mentioned in the previous section, further thought should be given by CEN and CENELEC to a common marking system for conformity to European standards. There is already a large degree of confusion on the question of marking, underlined by three different regimes existing within CEN/CENELEC circles. Moreover, it is difficult to imagine that European industry can continue to live with a system of national marks of conformity to a common European standard which do not all carry the same significance, especially within the context of Community legislation providing for the CE mark.

(ix) Intellectual property rights and patents

92. The problem of Industrial and Intellectual property rights (IPR) as well as patents has become a serious issue within the context of standardization. Inclusion of such elements within a standard can lead to reinforcement of a dominant position within the market unless satisfactory conditions for use of such property have been agreed. In many cases, the lack of adequate procedures to resolve such problems has slowed down work and hampered the convergence toward harmonized solutions. The European Standardization System should take due account of IPR and patent problems and develop practical rules to cope with a situation which is already of importance for the new technologies but also extending rapidly to traditional areas. The reference to European and international standards in Community Directives increases the urgency of finding adequate solutions and practical means to resolve IPR and patent issues.

The Commission outlines below an approach to the issue for further discussion:

- Technical specifications included in standards should, as a matter of principle, be publicly available and allow all parties who wish to apply the standards to do so freely. Contributing technical specifications to a standardization body ensures a wide diffusion of the technical know-how which is generally very favourable to the promoter's idea.
- Whenever a contribution to a European standardization body is covered by IPR or patents, sufficient information should be provided to allow the experts at the working group level to base their opinion as to whether to include specifications covered by IPR or patent rights on the actual situation, including, when appropriate, the applicable licensing conditions. Public inquiry should be envisaged only if fair and reasonable conditions have been achieved and duly registered. (It should be noted that this solution is closely related to the ISO rules which should be rigorously applied in the European context, especially in the case of work covered by mandates.)
- In the exceptional cases where it proves difficult to reach agreement, pragmatic procedures should be at hand to find solutions which reconcile the need to adopt effective standards, the legitimate interests of IPR as patent owners, and the need to maintain the transparency of procedures and compliance with competition policy.

C. The role of public authorities

93. European Governments have long recognized the importance of standardization for the economy, and relations between EEC Member States and their national standards bodies are close. Some Member States have recognized their national standards bodies as having a particular independent status (and, in one or two cases, a legal monopoly of standardization) while all of them give direct financial support to standards bodies. Standardization is generally accepted as a useful mechanism for maximising economic efficiency and meeting other social goals. At the Community level, the Council of Ministers has given responsibility to the European Standardization organizations for the drafting of technical specifications for EEC product safety legislation.
94. As the transition from national to European-level standardization accelerates, however, it is likely that exceptional efforts will be needed from national and Community-level authorities to ensure that this change occurs smoothly and without disruption to existing structures. Governments have to encourage a greater awareness among the various interests concerned of the important changes now taking place, while at the same time reassuring their national standardization bodies that they continue to have an important role and that their future is secure.

Action at Community level

95. In order to give a clear political signal of support for standardization activity it would be appropriate for the Community, through an appropriate act of the Council of Ministers, to formalize its relationship with the European Standardization System. Such a political act could lay down the basic principles for cooperation between the standardization community and public authorities within the Community. By defining the roles and objectives of all parts of the system, it would open a new chapter in the development of European standardization, and focus the attention of interested parties on the opportunities which the European Standardization System presents.
96. Community recognition should include an undertaking to give financial support to the European Standardization System for a determinate period, which the Commission suggests should be no less than five years. Such a clear indication of financial support would have a double advantage; it would confirm the Community's interest in the further development of standardization on the one hand, but would fix a ceiling on Community assistance, on the other hand, thereby providing some reassurance to the Community budgetary authorities, who, in the face of the rapidly-escalating cost of Community funding, must

determine the level of the annual appropriations for this action within the ceilings set by the Community Financial Perspectives. The Commission considers that future financial support to European standardization should take the form of subsidy calculated on the basis of costs already incurred by standardization bodies. This would be a stimulus to find additional private funding for European standardization bodies, would simplify the administrative burden of both the Commission and the standards bodies.

Action at national level

97. National standardization bodies will remain a crucial part of the European standardization system. They will not only process draft European standards through public enquiry and national voting, but will also coordinate national input into the technical preparation of European standards where the direct participation of interests at European level is not considered necessary. It is indispensable that national organizations remain effective and that public authorities continue to offer them support.
98. Revenue from the sales of national standards represents the most important source of income for most national bodies. If the recommendations made in this document for changes in the status of European Standards and in arrangements for their sale were followed, this would have an impact on national bodies' income over time as the number of European Standards increased (although this is impossible to estimate without knowing the proportion of sales revenue to be allocated to European and to national bodies respectively). Direct funding by European industry and other interested parties of European standardization bodies would also tend to reduce national bodies' income. National authorities may in future be called upon to compensate for such loss of income, unless they take steps to encourage a more active commitment to standardization activity as a whole by the private sector.
99. The promotion of a keen interest in European standardization is clearly in the interest of all Member States. Those who are most aware of European activity, and most prepared to contribute to it, will be in the best position to defend their own (and their country's) economic interests at European level. National standards bodies will remain, for most, the preferred route by which to obtain information about what is going on and to provide technical input into the European standards-making process. But Member States must contribute to public awareness of the critical phase in European standardization which is now beginning, and encourage support of the national, as well as the European, parts of the European standardization system.

IV. THE NEXT STEPS

100. This Green Paper is intended to provoke a wide-ranging discussion with a view to generating agreement on how to take the next steps in the development of European standardization. As these next steps will be the collective responsibility of all those concerned - governments, standards bodies, manufacturers, users of standards, organized labour and the private citizen - all are invited to reflect on this Green Paper and to offer comments on it.
101. The Commission will consult the main parties concerned directly over the coming months, with a view to identifying the main points of consensus by the end of this year. It also intends to ask the three European standardization bodies to propose basic rules for the European Standardization System and to come forward as soon as possible with proposals for changes in their own procedures and working methods. It may be appropriate to organize a major conference after the conclusion of the consultation process in order to allow interested parties to react to concrete proposals for action.
102. As has been indicated before, decisions on the organization of European standardization must be voluntary, and will depend on the views of all those who wish to use standards. The Community is, however, fully committed to the promotion of European standardization because of its economic importance. The next stage in its development should, therefore, be accompanied a clear demonstration of interest, cooperation and support at the political level.

In the light of public debate on this Green Paper the Commission will consider making proposals for appropriate decisions to the Council of Ministers. Such decisions could, for example, take the form of

- (I) a Council Decision laying down the basic principles for cooperation between Community public authorities and the European Standardization System, and, in particular, defining the role of European standards within the legislative framework; and
- (II) a Council Decision committing the Community to a multiannual action in favour of European standardization, both at the national level and within a revised organizational framework at the European level. Such a decision would, in particular, commit the Community to the principle of funding the European Standardization System for a fixed period. The actual level of funding would be determined annually by the Community Budgetary Authority in accordance with the ceilings of the current and any future Financial Perspectives agreed between the Community institutions.

V. SUMMARY OF COMMISSION RECOMMENDATIONS

A. To European Industry and other interested parties

- European Standardization should be given a much higher priority in company strategy for the single European market
- Greater involvement is needed in standardization in terms of
 - . direct funding of standardization bodies (national and European)
 - . proposing priorities for standardization work
 - . releasing experts for standardization work (especially project teams)

B. To European and national standardization bodies

(1) Efficiency

Procedural changes are required urgently to speed up delivery of European standards, such as

- the use of "drafting secretariats" or "project teams" to accelerate drafting of common working documents
- active encouragement of more sectoral "Associated Standardization Bodies" by CEN/CENELEC
- use of new communications technology to accelerate discussion on working documents
- more systematic use of majority voting to agree draft European Standards, particularly for mandated work
- alignment of majority voting rules to those of the EEC Treaty.
- shorter public enquiry periods (2 months for consensus drafts, no more than 4 months for majority vote drafts)
- a maximum 2-month period for response to comments
- direct applicability of adopted European standards, without waiting for national transposition.

In addition, priority must be given to work mandated by the EEC and EFTA, and to performance rather than descriptive standards.

(II) Coordination and structure

Establishment by the end of 1991 of a European Standardization System, comprising of

- . A European Standardization Council, made up of persons reflecting the views of major economic interest groups, the EEC Commission and EFTA Secretariat, and the Presidents of the European Standardization bodies, with responsibility for the strategic direction of European standardization;
- . A European Standardization Board, made up of representatives of the European standardization bodies, responsible for management and coordination of the European Standardization System on behalf of the Council;
- . European standardization bodies, recognized by the Council as exclusively competent in their area, which comply with the common rules of the European Standardization System;
- . National standardization bodies, which have exclusive responsibility for carrying out certain tasks for the European standardization bodies at the national level (public enquiry, voting).

(III) Membership and International Cooperation

Membership

- No enlargement of full membership of European standardization bodies for the moment.
- Associate membership (participation without voting rights) for non-member European countries.

Technical cooperation

- European standardization bodies to assume responsibility for the coordination of technical assistance programmes to non-member countries.

International cooperation

- Observers from international standardization organizations (ISO and IEC) to participate in European working groups.
- Continue European requests to international standardization bodies to take on work required by Europe outside the legislative framework.

(iv) Accountability

- Participation in the work and management of European level standards bodies to be opened up to interested parties, i.e.
 - . direct participation of individual membership in the work of Technical Bodies, where appropriate
 - . observership of all technical work for European-level organizations such as trades unions, consumers
 - . representation of main economic interests and public authorities in the management boards of European bodies (following practice at national level)
- National standards bodies to be open to participation by interested parties from other European Countries.

(v) Financing

A new approach to financing European standardization work is necessary to ensure long-term stability, in particular by:

- more long-term planning by the members of European standardization bodies
- providing for part of the revenue from sale of European standards to be directed to European standardization bodies
- increasing competition in the sales of European standards
- wider use of direct financial contributions to European standardization work from European industry (such as through more Associated Standardization Bodies)
- a long-term commitment to financial support of standardization by Community public authorities.

(vi) Information

- information procedure for standardization activity under Directive 83/189/EEC to be reinforced, to provide for a 3-month standstill period following notification
- a European Standardization Database, with bibliographic data on current national and European standards and summaries of current activity, to be developed under the aegis of the European Standardization Council

- Information to be made available to all interested parties

(vii) Status of the European standard

- European standards to exist in their own right (i.e. no requirement that they be transposed into national standards before use)
- When transposed, European standards to be identified in national catalogues only by their European reference number
- A common mark of conformity to European standards to replace national marks
- A single set of European standards ("ES"?) to be established, removing current distinction between "EN's" (CEN + CENELEC) and "ETS's" (ETSI).

(viii) Testing and Certification

- European standardization bodies should define their relationship with the European Organization for Testing and Certification (EOTC)
- Transfer of CEN/CENELEC certification agreements to EOTC

(ix) Intellectual property rights and patents

- The inclusion of IPR and patents within standards should be subject to clear rules, which provide for the right of use of IPR and patents either free or on fair and reasonable terms.

C. To Member State authorities

- The new European Standardization System should be formally recognized in Community law, and the terms of cooperation with public authorities laid down in a Council Decision
- a second Council Decision on a multiannual action is necessary, which could commit the Community to the principle of funding the development of European standardization for a fixed period (1991-1995) within the limits set annually by the Community Budgetary Authority.
- Community funding of "mandated" European standardization to be changed to reimbursement of incurred expenses.
- More active promotion of European standardization by Member States.

Annex 1

Standardization Order Vouchers given to CEN and CENELEC
since 1986

- Standardization programmes on iron and steel.
- Safety of toys : chemical and mechanical properties, flammability, migration of certain metals, chemical toys, electric toys.
- Cold water meters.
- Woven polypropylene sacks intended for use in food aid.
- Tactile danger warnings on packaging, requirements.
- Simple pressure vessels
- Pressure vessels (reference standards).
- Self-propelled industrial trucks; rules for the construction and lay-out of pedals.
- Gas burning appliances for instantaneous production of hot water.
- Heat exchangers.
- Standardization programme in the field of motor vehicle fuels.
- Standardization programme in the field of construction products ; timber, concrete, masonry, pitched roofing products, cement and building limes.
- Evaluation criteria for testing laboratories and certification bodies.
- Standardization tasks in the aeronautic field.
- Personnel protective equipment.
- Machines.
- Public procurement : standardization programmes in the field of drinking water supply, energy and transport, water supply and drainage/sewerage.
- Electrical equipment (low-voltage).
- Storage heater safety standards.
- Safety standards for earth-leakage circuit-breakers.

- Airborne noise emitted by household appliances.
- Safety for fans.
- Electromagnetic compatibility.
- Low voltage air-break disconnectors.
- Standardization programme in the field of advanced ceramics.
- Medical devices: horizontal standards, standards for active implantable devices
- Advanced technical ceramics
- Non-automatic weighing instruments
- Eurocodes
- Information Technology
 - * Application Functions
 - * Combined Functions
 - * Application Extension Functions
 - * Relay Functions
 - * Character and Control Repertoire Specification
 - * Telecommunication Functions
 - * Programming Languages
 - * Information Processing Systems -Computer Graphic
 - * Magnetic support media
 - * Identification and Banking cards
 - * Trade data interchange
 - * Ergonomics of visual display units (VDU)
 - * OSI reference model
 - * CD-ROM
 - * ISDN Connector

- * Small computer systems Interface
- * Safety of T equipment
- * ISDN -PABX (Private Automatic Branch Exchange)
- * ISDN - ISPBX
- * Audiovideo - computer (A.V.C.)
- * Electromagnetic compatibility (EMC)
- * Technical specification for Electronic components
- * Bar Codes

Annex 2

PROPOSED ORGANIZATIONAL STRUCTURE FOR THE EUROPEAN
STANDARDIZATION SYSTEM (*)

The European Standardization System should be composed of:

- the European Standardization Council
- the European Standardization Board
- European Standardization Bodies
- National Standardization Bodies

European Standardization Council

The European Standardization Council will be responsible for the strategic direction of the European Standardization System.

In particular, it shall be concerned with promoting the development of the European Standardization System in response to market needs. It will establish and maintain the common principles or rules of European standardization, decide on the method of arbitration in cases of disputes between the Bodies, and decide on the admission of further European Standardization Bodies into the European Standardization System.

The Council will request the European Standardization Board to take action in order to achieve the broad strategic objectives it lays down.

The Council will be made up of persons reflecting the views of the main economic interests in European standardization (industry, consumers, users, trades unions), representatives of the Commission of the European Communities and the Secretariat of European Free Trade Association, and the Presidents of the European Standardization Bodies. Its President will be a European industrialist. (The proposed membership of the Council is outlined in the Annex).

* See also table 1 attached

European Standardization Board

The European Standardization Board will be the executive body of the Council.

It will be responsible for coordinating the work of the European Standardization Bodies and for carrying out the policy of the Council, in particular in respect of:

- . the development of more detailed rules for European standardization ;
- . monitoring compliance with those rules ;
- . developing a common European Standardization Database ;
- . promoting awareness and knowledge of European standardization.

The Board will be made up of representatives of the European Standardization Bodies and the Secretary of the Council.

European Standardization Bodies

European Standardization Bodies are those bodies organized to carry out standardization work at the European level and recognized by the European Standardization Council as conforming to the common rules of the European Standardization System.

The European Standardization Bodies shall have exclusive competence within their area of responsibility. They will be free to determine their membership and working methods, subject to compliance with the common rules of the System. They shall, however, ensure that all interested parties are adequately represented in their work. They shall have formal links with the National Standardization Bodies, and shall be represented in the European Standardization Council and European Standardization Board. They shall also ensure effective cooperation with international standardization bodies.

They shall be responsible for:

- . programming, financing and organizing standardization work within their area of competence,
- . delivering draft European Standards to the National Standardization Bodies for public enquiry and final vote, in accordance with the common rules of the System,
- . ensuring publication of adopted European Standards, in cooperation with the National Standardization Bodies, and managing the copyright of those standards,
- . promoting European standardization in their area of competence.

National Standardization Bodies

National Standardization Bodies are those organizations recognized as exclusively competent to promulgate standards at national level.

They shall carry out certain tasks at national level within the European Standardization System, such as:

- . public enquiry and the expression of the national vote on draft European Standards .
- . publication at national level of adopted European Standards, in agreement with the European Standardization Bodies.

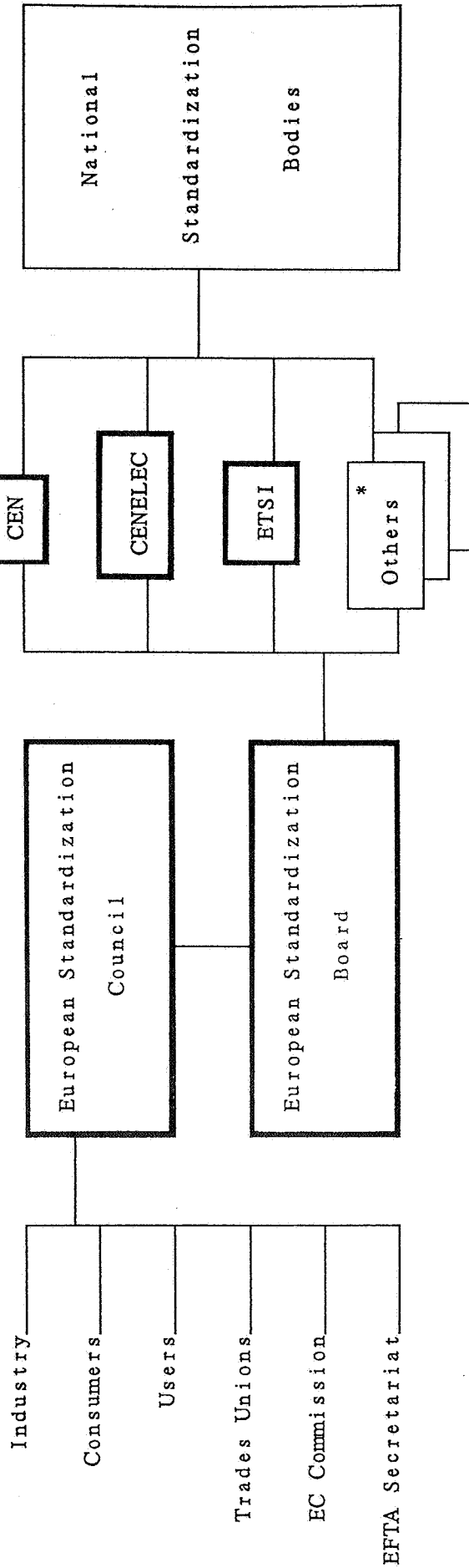
They shall comply with common rules for the provision of information on their standardization activity to the European Standardization Database and with the standstill obligations of the European Standardization Bodies.

Where provided in the rules of a European Standardization Body, they also assume the secretariat of European-level Technical Committees, Sub-committees and Working Groups.

Table I

Proposed European Standardization System.

(European Standardization Bodies)



* Bodies recognized by the European Standardization Council

A N N E X

Proposed composition of the European Standardization Council

- . 7 representatives of European industry (one of whom represents small and medium-sized companies)
- . 2 representatives of industrial users of goods and services
- . 2 representatives of consumers
- . 2 representatives of trades unions
- . 1 representative of the Commission of the European Communities
- . 1 representative of the EFTA Secretariat
- . 1 representative of each European Standardization Body (plus a Secretary of the Council)

The President of the Council shall be a representative of European industry.

Proposed composition of the European Standardization Board

- . An equal number of representatives of each of the European Standardization Bodies
- . The Secretary of the Council