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Teknikföretagen

The Association of Swedish Engineering Industries' (Teknikföretagen) feedback on the European Commission's roadmap for the upcoming standardization strategy

Summary

The Association of Swedish Engineering Industries (Teknikföretagen) represents over 4,200 member companies that constitute one third of Sweden's exports, making Teknikföretagen the primary representative of Swedish industry. Our member companies comprise both major, renowned, global corporations as well as a majority of micro, small and medium-sized enterprises. A common denominator is that they develop technologically advanced products and services exported in fierce global competition.

The mission of Teknikföretagen as an organization is to strengthen the competitiveness of our member companies. To that end, a well-functioning European standardization system (ESS) conducive to a standards development process that can swiftly adopt the most recent technological advancements, ensuring the interoperability of existing and emerging technologies, whilst aligning with international requirements, is imperative.

Teknikföretagen welcomes the European Commission's acknowledgement of the strategic importance of affecting the technical content of international standards in an increasingly competitive global environment, and the need for an agile and efficient ESS to support EU strategic interests, improving innovation and the competitive position of EU industry.

Teknikföretagen is deeply concerned by the current systemic issues facing the ESS, caused by an increasingly detailed management and overly prescriptive approach by the European Commission. This has resulted in a cumbersome process for developing European harmonized standards (hENs), imposing considerable delays and diminishing the ability to adopt state-of-the-art standards that reflect the latest technological advancements. Consequently, the current European Commission approach is counterproductive to its expressed strategic interests of technological leadership and setting global standards, ultimately leading to a regulatory framework in the EU that is less favorable for an innovative, competitive and resilient European industry.

Therefore, Teknikföretagen stresses the urgency for the European Commission to take this opportunity to restore trust in the ESS and the functionality of the system, building on the tangible recommendations presented by both a majority of EU Member States and European industry to address the bottlenecks in the ESS. This primarily pertains to the flexibility in standardization requests, clear and reliable criteria for the assessment of harmonized standards, transparent communication between experts, harmonized standards (HAS) consultants and the European Commission, and short processing time for citation of harmonized standards in the Official Journal of the European Union (OJEU); while utilizing other policy areas such as industrial, trade and development policy to further promote the use of market driven international standards to facilitate global trade flows.

General comments

The ESS is an essential structural component for a well-functioning Single Market and a core framework condition for an innovative and long-term competitive European industry. The European Standardization Organizations (ESOs), recognized by the European Commission in the legal framework for the ESS (Regulation 1025/2012), bring together knowledge and expertise from industry and other stakeholders, in order to develop European standards for products, materials, services and processes that encompass the latest techniques and technologies.

When correctly applied, European standards ensure quality, performance and interoperability, promote innovation and strengthen the competitiveness of European industry. They help to protect the environment, as well as the health and safety of consumers and workers. ESOs also have a central role in supporting international standardization, notably through the Vienna and Frankfurt agreements on technical cooperation between CEN/CENELEC and ISO/IEC.

The agreements recognize the primacy of international standards, aiming at publishing standards simultaneously at European and international levels. This avoids duplication of standardization activities at European and international levels and harmonizes technical requirements in European and international standards, to the benefit of contributors and users of standards and the efficiency of the standardization system. Additionally, the system increases interoperability between products, systems and technologies, limiting adaptation costs and opening up market access.

Ensuring the functionality of the ESS and a smooth standards development process in Europe is thereby intrinsic to the functionality of the Vienna and Frankfurt agreements and for a strong European influence in international standardization. In this regard, it is important to distinguish between the process by which to develop European standards (EN) and European harmonized standards (hEN). The former is subject to continuous improvement through ESOs and international standardization organizations' ability to adapt internal processes and procedures, responding to challenges posed by increasingly rapid technological advancements and emerging technologies. The latter, created upon request by the European Commission to demonstrate that products, services, or processes comply with relevant EU legislation, is in addition contingent upon a highly functional and expedient Public-Private Partnership (PPP) built on mutual trust among the actors involved.

Teknikföretagen asserts that the legal framework provided by Regulation 1025/2012 on European Standardization is still fit for purpose and that many of the issues identified by the European Commission in the roadmap are consequences of the (legalistic) interpretation of the regulation by the Commission, which European industry has contested¹ on numerous occasions and continues to disagree with. Teknikföretagen is deeply concerned by the current systemic issues facing the ESS, primarily pertaining to the process for requesting, developing, and

¹ See joint industry letter from BusinessEurope, DigitalEurope, Orgalim, European Round Table for Industry, APPLiA, CECIMO, COCIR, Toy Industries of Europe, EUROM, EGMF, EuropaCable, Euralarm, ELA, AESGP, EHIMA, FEM, FIDE and CAPIEL to the Council Presidency [here](#).

finally publishing hENs in the OJEU. We maintain this to be caused by an increasingly detailed management and prescriptive approach by the European Commission. This has resulted in a cumbersome process for developing hENs, imposing considerable delays and diminishing the ability to adopt state-of-the-art standards that reflect the latest technological advancements. This also limits alignment with international standards and Europe's global standard-setting ability. Consequently, the current European Commission's approach is counterproductive to its expressed strategic interests of technological leadership and setting global standards, ultimately leading to a regulatory framework in the EU that is less favorable for an innovative, competitive and resilient European industry. The approach undermines the basic principles of the New Approach², the New Legislative Framework³, and, thus, the functionality of the European Single Market.

Teknikföretagen recognizes that to achieve EU political objectives in a timely and efficient manner, such as those enshrined in the European Green Deal and the Digital Decade, Europe requires a strong and well-functioning ESS. We also recognize that global standardization is becoming increasingly competitive, and that European industry can benefit from a more strategic and better coordinated approach to international standard-setting. Nevertheless, we believe that the increased strategic value of standardization should not hinder the market driven, consensus-based processes that is the flagship of our system.

Additionally, Teknikföretagen notes that several legislative initiatives on the Single Market, such as the proposal for an AI Regulation and the Battery Regulation, leave room for developing common specifications. Teknikföretagen stresses the importance to adhere to well-established standardization principles and to promote standardization in open and transparent fora. This is especially important in order to actively support trade with third countries requiring solutions on global level.

Being highly integrated into global value networks, the competitiveness of European industry is contingent upon access to global markets and collaborations, including on standards and value adding research and development collaborations. Therefore, Teknikföretagen welcomes the strong focus on promoting European leadership in global standard-setting and affecting the technical content of international standards. With that being said, we also stress that it is imperative that European standards adhere to international standards, ensuring identical technical requirements in European and international standards to the largest extent possible. Our member companies are global actors, that require global solutions.

As stated in the European Commission Trade Policy Review, already in 2024, 85 percent of the worlds GDP growth is expected to come from outside the EU. This highlights the need to ensure free and open trade flows with partners outside the EU to stimulate European growth and prosperity. Teknikföretagen is concerned by the prominence of the concepts strategic autonomy and technological sovereignty in the ongoing strategic work of the European Commission that encompass predominant features of an increased political intervention in the European economy. Teknikföretagen has on numerous occasions cautioned that

² Please find more information on the basic principles of the New Approach [here](#).

³ Please find more information on the New Legislative Framework [here](#).

measures aimed at strengthening regional European value chains and strategic domestic production capabilities in politically identified industrial ecosystems may be disadvantageous for the functionality of global value networks and lead to centralized value chains that are less resilient to disturbances to global trade. Targeted financial measures may also distort competition on the Single Market, to the detriment of an innovative and long-term globally competitive European industry and may ultimately result in a less vibrant and dynamic European economy.⁴

Teknikföretagen is concerned that the application of the concepts of strategic autonomy and technological sovereignty in the field of standardization will lead to further political intervention and detailed management of the ESS that is not conducive to an agile standards development process in Europe and alignment with international standards. Consequently, it may be detrimental to an innovative and long-term competitive European industry – which is instrumental to achieving highly set political goals such as meeting the twin green and digital transitions. The concepts have been interpreted by some that the EU and its Member States should be self-sufficient in terms of critical technologies, which in practice would instead diminish technological development in Europe. Teknikföretagen asserts that international exchange through trade is necessary in order to be at the cutting edge of technological development. Therefore, the discussion should rather focus on increased technological leadership and capacity through research and development, innovation, and free trade, relying on market driven, international standards.

It is imperative that the potential application of the concepts – regardless of political interpretation – does not inhibit European industry’s access to global value networks in any way. Although this may be considered self-evident, recently the European Commission has showed indications to limit the possibility of European industry to collaborate with non-EU actors in strategic areas within the Horizon Europe program. This would have very harmful effects on the functionality of European industry’s global value networks, that entail both global supply chains and value adding research and development cooperation. Such protectionist applications of the concepts must be deterred and must not be applied in the field of technical standardization. This includes primacy of the use of European standards above international standards, non-alignment between European and international standards, or disincentivizing European industry from collaborating with non-EU actors.

This is crucial for Teknikföretagen, since industries based in Sweden have built and will continue to build competitiveness, innovative strength and industrial leadership through global competition and open markets, resource efficiency, cutting edge technology, high-skilled personnel, effectiveness and commercially business-driven decisions without political interference. Exported industrial goods are often contingent upon imported intermediate goods and raw materials, and sourcing from global value networks. Restricting sourcing from non-EU countries

⁴ See previous concerns expressed by Teknikföretagen in the organization’s answer to the European Commission’s consultation on the Trade Policy Review [here](#), comments on the European Commission’s Communication on Updating the 2020 New Industrial Strategy [here](#), and answer to the European Commission’s consultation on the Review of the Communication on Important Projects of Common European Interest [here](#).

or collaboration with non-EU partners would therefore severely diminish European industry's competitiveness, ultimately undermining the EU's set political ambitions and targets.

Thus, the functionality of the ESS is central to achieving highly set European political ambitions, explicitly by strengthening the framework conditions for a an innovative and competitive European industry that can develop new technologies addressing the twin green and digital transitions to be exported globally.

Detailed comments

Question 1: Whether the current European standardization system is fit for purpose to support European strategic interests

Teknikföretagen notes that the European Commission intends to assess whether amendments to Regulation 1025/2021 are required. Teknikföretagen asserts that the current legal framework provided by Regulation 1025/2012 on European standardization is still fit for purpose and that many of the issues identified in the roadmap are consequences of the European Commission's interpretation of the regulation, which European industry has contested on several occasions and continues to disagree with. As such, Teknikföretagen does not consider the main issue to be legal uncertainty, but rather the different interpretations of the regulation. Therefore, it is our assessment that the ESS would be better served by issuing guidelines on the existing regulation, rather than revising or amending the legal text. These guidelines need to be developed in close dialogue among all actors involved, including the European Commission, ESOs, and European industry. For suggestions on improving the system for harmonized standardization, please see the answer to Question 3 below.

Without changing the regulation, the ESS can be improved to ensure the system's ability to support European strategic interests. Notably:

- **Industry should be directly involved in standardization priority-setting** as it is the actor that contributes the most to standard development in terms of know-how and that ultimately uses the standards to the benefit of the whole community. Early involvement of industry, suggestively through the Standards Market Relevance Roundtable (SMARRT), will enable better prioritization, higher quality of the standards, and restored trust in the system. This will also contribute to finding a balance between market relevance and political interest.
- **Fragmentation of initiatives by the different ESOs should be avoided.** We currently see a proliferation of initiatives on new technologies across standardization organizations which often overlap. While the existence of the three ESOs helps addressing sectoral specificities, additional efforts to increase synergies and cooperation across CEN, CENELEC and ETSI can be made, mirroring initiatives on international level.
- **Early involvement of ESOs and industry in pre-standardization** activities linked to research, development and innovation should be encouraged. There is a disconnection between research, development and innovation projects, particularly those financed by the EU framework programs, and standardization activities. A better coordination on

standardization requirements linked to new technologies and innovative systems would support the market uptake of project outcomes, therefore accelerating the spread of innovation across the Single Market.

- **Standards-related education, skills and expertise should be fostered.** Although efforts are made by ESOs to provide training opportunities to experts, we recognize that there is a need for additional training and education for all parties involved in standardization activities. We also notice that there sometimes is a scarcity of experts involved in the development of standards. This is partially due to the highly technical and often very specific knowledge requirements, but also to the increasingly challenging environment, particularly when it comes to the development of harmonized standards. A better functioning ESS and increased transparency may contribute to attracting more experts.

Question 2: How the EU can leverage and promote global leadership in standards-setting

As previously expressed, European leadership in global standards-setting necessitates a well-functioning ESS, which is intrinsic to supporting the New Approach and the New Legislative Framework and a cornerstone for the Single Market. It is paramount that the system for developing and publishing standards in Europe aligns with international standardization activities and the technical requirements in international standards. At the moment, there are several systemic issues pertaining to harmonized standardization leading to dysfunctionalities that severely hinders the system's ability to be timely, effective, and efficient, negatively impacting European leadership in international standardization. For suggestions on improving the system for harmonized standardization, please see the answer to Question 3 below.

Teknikföretagen recognizes that the area of technical standardization is becoming increasingly politicized as global competition is intensifying. The changed global geopolitical environment coupled with the growing economic importance of new technologies and the rising environmental awareness have considerably changed the way in which countries view international standardization. While in the past, standardization was considered a technical tool, driven by the interests of the private sector, countries are increasingly perceiving and using standardization as an instrument to strengthen their influence in strategic technology areas or economic sectors.

While recognizing this trend, Teknikföretagen would like to underline that by and large, standards remain technical tools and are primarily discussed and adopted on the basis of best technical qualities, rather than on political calculation. Furthermore, the excellent existing cooperation between CEN and the International Organization for Standardization (ISO) on the one hand, and CENELEC and the International Electrotechnical Commission (IEC) on the other constitute valuable assets for European influence in the development of global standards. Therefore, the best way for the EU to remain a leader in global standard-setting is to ensure that the European standardization system attracts the best experts and is effective and efficient.

In addition to removing bottlenecks in the ESS as means of maintaining and strengthening European influence in international standardization, the European

Commission can utilize other policy areas to support global uptake of international standards to the benefit of European industry. This can include stronger provisions in EU trade and investment agreements, requirements to use international standards in international development projects, and referencing international standards in EU public procurement.

Enhancing economic integration through increased regulatory cooperation with EU trading partners, including stronger provisions on the use of international standards and mutual recognition of conformity assessment can have positive spillover effects on the respective quality infrastructure systems, incentivizing strategic collaboration in the field of technical standardization while eliminating technical barriers to trade.

This can be further developed through an increased focus on alliance building as means of diversification to limit strategic dependencies and strengthening the resilience of European industry through EU trade and industrial policy. In this regard, Teknikföretagen supports the establishment of a Trade and Technology Council between the EU and US and future cooperation on standards. Additionally, the EU should utilize the committee structure under the Trade and Cooperation Agreement with the UK to strengthen regulatory cooperation, enhancing the ability for industry to find technical solutions to limit barriers to trade between the EU and the UK. Further, Teknikföretagen supports the European Commission's ambition to deepening the economic integration with EU neighboring regions, notably the Eastern Partnership, Western Balkans, and Africa. In this regard, international development efforts through supporting quality infrastructure projects should be encouraged.

Question 3: Whether changes in governance and working methods are required to improve the performance of the European standardization system

Teknikföretagen continues to stress that we consider many of the issues negatively affecting the ESS a result of the European Commission's interpretation of Regulation 1025/2012, with which we continue to disagree. However, we do also consider that some of them can be improved, by changes in governance and working methods. For this reason, several European industry organizations have developed a joint industry proposal, to which Teknikföretagen has contributed, with tangible recommendations to remove bottlenecks in harmonized standardization. The recommendations pertain to the flexibility in standardization requests, clear and reliable criteria for the assessment of harmonized standards, transparent communication between experts, HAS consultants and the European Commission, and short processing time for citation of harmonized standards in the OJEU.

Teknikföretagen would like to express our full support for these joint industry recommendations for effective harmonized standardization⁵ from BusinessEurope, DigitalEurope, Orgalim, APPLiA, COCIR and Toy Industries of Europe published on July 6, 2021. Teknikföretagen also welcomes the recommendations made by seventeen EU delegation on EU industry competitiveness and effective

⁵ Please find the joint industry recommendations for effective harmonized standardization from BusinessEurope, DigitalEurope, Orgalim, APPLiA, COCIR and Toy Industries of Europe [here](#).

harmonized standardization⁶ at the Competitiveness Council on May 27, 2021, in order to improve the system for harmonized standards.

In view of the upcoming standardization strategy, a constructive dialogue to find synergies will be necessary to fulfil the strategic value of standardization, as highlighted in the European Commission's industrial strategy, and the delivery of stakeholder know-how on technical solutions. Teknikföretagen sincerely hopes that the upcoming standardization strategy will provide an opportunity to address these systemic issues facing harmonized standardization.

⁶ Please find the recommendations made by seventeen EU delegations (CY, CZ, DE, DK, EE, ES, FI, HU, IE, LU, NL, PL, PT, RO, SE, SI, SK) on EU industry competitiveness and effective harmonized standardization [here](#).