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Delegations will find attached a proposal from the Commission, submitted under a covering letter from Mr Jordi AYET PUIGARNAU, Director, to Mr Pierre de BOISSIEU, Secretary-General of the Council of the European Union.

Encl.: COM(2011) 315 final



EUROPEAN COMMISSION

Brussels, 1.6.2011
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2011/0150 (COD)

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on European Standardisation and amending Council Directives 89/686/EEC and 93/15/EEC and Directives 94/9/EC, 94/25/EC, 95/16/EC, 97/23/EC, 98/34/EC, 2004/22/EC, 2007/23/EC, 2009/105/EC and 2009/23/EC of the European Parliament and of the Council

(Text with EEA relevance)

{SEC(2011) 671 final}

{SEC(2011) 672 final}

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

- **Grounds for and objectives of the proposal**

European standardisation results from voluntary cooperation between industry, public authorities and other interested parties collaborating within a system founded on openness, transparency and consensus. For European industry, standards summarise best practice in a specific area, because they encapsulate the collective expertise of the participating actors.

In the future, European standardisation will play a crucial role in a wide variety of areas, wider than today, ranging from supporting European competitiveness, protecting the consumer, improving accessibility for disabled and elderly people to tackling climate change. To respond rapidly to evolving needs in all areas, a comprehensive, inclusive, efficient and technically up-to-date European standardisation system will be required. This system will build on the strengths of the existing system, but will also need to be flexible and responsive in addressing future challenges as they arise.

In its EUROPE 2020 strategy for smart, sustainable and inclusive growth [COM(2010) 2020], the Commission highlighted the necessity to improve the method of standard setting and the use of standards in Europe to leverage European and international standards for the long-term competitiveness of European industry and for the achievement of important policy goals in areas such as e-government, e-health or e-accessibility.

On 21 October 2010, the European Parliament adopted a report on the future of European standardisation [A7-0276/2010] which indicated that the review of European standardisation should preserve its many successful elements, remedy its deficiencies and strike the right balance between the European, national and international dimensions. Furthermore, it recognises that interoperability is key to innovation and competitiveness, especially in the ICT sector.

In its communication of 13 April 2011 on the 'Single market Act: Twelve levers to boost growth and confidence', the Commission included among its twelve key priority actions to be adopted by the EU institutions before the end of 2012 the extension of the European standardisation system to services.

- **General context**

Standards and standardisation are very effective policy tools for the EU. Although standards and standardisation have much wider benefits for the European economy, they are used as policy instruments to ensure, inter alia, the functioning of the single market of products, the interoperability of networks and systems, in particular in the field of ICT, a high level of consumer and environmental protection, and more innovation and social inclusion.

Standards are indispensable in the digital society to ensure the interoperability of networks and systems, especially in the field of ICT. In a digitally driven society, ICT solutions are used in any economic sector as well as in our daily lives. ICT solutions, applications and services have to be able to communicate with each other; they should be interoperable. Interoperability requires standards.

European standards play a very important part in the functioning of the internal market for industrial products. European standards replace national and often conflicting standards which, as such, may create technical impediments to a national market.

For the purpose of this Regulation, there are 2 types of standards: European standards developed at the request of the Commission, on the basis of a so-called "mandate" in which the ESOs are requested to draw up, and the other European standards developed at the initiative of other actors (businesses, national standardisation bodies, stakeholders, etc.).

This proposal addresses three major problems:

1. In a rapidly changing world and society, especially in sectors characterized by very short product lives and development cycles, standards must keep pace with rapid technological development. Some stakeholders argue that the entire process of creating European standards developed at the request of the Commission is too slow. The main negative consequence of a slow standard-setting process is that conflicting national standards continue, which may create technical barriers in the supply chain or barriers to trade if the national standard is used as a protectionist instrument. Another consequence is that, in the absence of harmonised standards, businesses cannot use the relevant standard to confer a presumption of conformity and must demonstrate compliance with the essential requirements in accordance with the conformity assessment module set out in the applicable EU legislation. In both cases, businesses are prevented from saving costs incurred due to fragmentation of the internal market or conformity assessment procedures. Conflicting national standards or the absence of harmonised standards lead to higher transaction costs and higher per-unit costs caused by the need to produce divergent batches. Industry reacts to this situation by establishing informal standardisation channels for the rapid development of technical specifications to ensure interoperability which gain an international reach.

2. SMEs encounter a series of problems with respect to standards and standardisation. One of the most important problems, according to many stakeholders, is that SMEs are in general under-represented in standardisation activities, in particular at European level. Furthermore, standards often relate to the safety and well-being of citizens, the efficiency of networks, the environment and other public policy fields. Although standards play a major role in society, the opinion of relevant societal stakeholders is not sufficiently integrated in the standardisation process in the EU. In order to address the problem of insufficient representation of SMEs and societal stakeholders in standardisation activities, financial contributions are paid to organisations representing SMEs and societal stakeholders. The criteria for eligibility for these grants, the conditions for their use and the type of financial contributions available vary widely. Some organisations receive grants for actions while others also receive operating grants. The most negative consequence of the problem of insufficient participation of SMEs and societal stakeholders is their lack of influence on the process.

3. In the field of ICT, many standards ensuring interoperability are not elaborated by the ESOs but by other organisations that develop standards (hereinafter "global fora and consortia"). A concrete example are Internet and World Wide Web related standards. Due mostly to a lack of highly specialized expertise, the traditional standard-setting organisations do not cover the ICT domain and so currently a major part of the global ICT standardisation work is done outside the formal European or International standardisation system. At the moment, referring to "Fora and Consortia Standards" in public procurement which is subject to Directive 2004/18/CE is only possible in exceptional circumstances. Since these standards

do not, as such, fit into any of the categories of standards to which public authorities may refer in their calls for tenders, cautious public authorities will refrain from referring to them. The consequence is that the ITC that they are procuring may not be interoperable with ITC purchased by other authorities. This difficulty often prevents public authorities from defining their ICT strategies and architectures, including cross-border interoperability between organisations.

- **Existing provisions in the area of the proposal**

This proposal replaces a part of Directive 98/34/EC and repeals Decisions No 1673/2006/EC and 87/95/EEC.

- **Consistency with the other policies and objectives of the Union**

This initiative implements the Europe 2020 Flagship Initiatives on the Innovation Union [COM(2010)546], Industrial Policy [COM(2010)614], a Digital Agenda for Europe [COM(2010)245] and a Resource Efficient Europe [COM(2011)21]. It also implements the Single Market Act [COM(2011)206], as well as the Disability Strategy 2010-2020 [COM(2010)636]. It is part of a CWP 2011 Strategic initiative.

2. CONSULTATION OF INTERESTED PARTIES AND IMPACT ASSESSMENT

- **Consultation of interested parties**

Consultation methods, main sectors targeted and general profile of respondents

Two general public consultations were held in 2009 and 2010 while a more specific consultation of national authorities, European Standards Organisations, National Standards Bodies, stakeholder organisations and Fora and Consortia was organised in 2010. In 2009, the White Paper on "Modernising ICT Standardisation in the EU – The Way Forward" was adopted.

Moreover, this regulation builds on the work of an independent expert group, the Expert Panel for the Review of the European Standardisation System (EXPRESS), was composed of 30 experts from European, national and international standards organisations, industry, SMEs, NGOs, trade unions, academia, fora and consortia and public authorities from EU Member States. EXPRESS delivered its report "Standardisation for a competitive and innovative Europe: a vision for 2020" to the European Commission in February 2010.

Summary of responses and how they have been taken into account

The responses to the consultations, the White Paper on "Modernising ICT Standardisation in the EU – The Way Forward" the EXPRESS report "Standardisation for a competitive and innovative Europe: a vision for 2020" and the report of the European Parliament constitute the basis for the policy options that were eventually selected.

An open consultation was conducted over the internet from 23/03/2010 to 21/05/2010. The Commission received 483 responses. The results are available on http://ec.europa.eu/enterprise/policies/european-standards/public-consultation/index_en.htm.

- **Collection and use of expertise**

There was no need for external expertise.

- **Impact assessment**

The impact assessment and its executive summary give an overview of the different options.

Only the combination of policy Options 1.A (deadlines on the delivery of European standards) and 1.C (transparent and simplified procedures for harmonised standards and other European standards requested by the Commission), and policy options 2.C (strengthen the position of organisations representing SMEs and societal stakeholders within the ESOs by providing for the possibility of an operating grant) and 3.B (referencing of "Fora and Consortia Standards" in public procurement) meet the criteria of effectiveness, efficiency and consistency. Therefore, these 4 options constitute the basis of this proposal.

The Commission carried out an impact assessment listed in the Work Programme, whose report is accessible on http://ec.europa.eu/enterprise/policies/european-standards/index_en.htm.

3. LEGAL ELEMENTS OF THE PROPOSAL

- **Summary of the proposed action**

1. The cooperation between national standardisation bodies will become more transparent;

2. The use of standards developed by other organisations in the field of information and communication technologies will be possible in public procurement, provided that these standards comply with a set of criteria based on the WTO principles for international standardisation processes, in domains where there are no European standards, where European standards have not gained market uptake or where these standards have become obsolete.

3. The planning will be improved: the Commission will establish an annual Work Programme, which will identify priorities for European standardisation and the mandates required.

4. SMEs and societal stakeholders should be better represented in European standardisation, and the financial support to organisations representing SMEs and societal stakeholders will be ensured.

5. A reduction of the administrative burden imposed on the Commission and the ESOs, for example by the possibility of a robust simplification of lump sums, clearly disconnected from any verification of actual costs of implementation. This proposal constitutes a further shift towards a performance-based system, based on the definition of agreed indicators and objectives (outputs and outcomes). The speed and the efficiency of the standard-setting process could constitute such an objective.

6. Although European standards are already widely used for transport and logistics, postal services and electronic communications networks and services, the voluntary European standards have played a less prominent role in supporting the completion of the single market

for services. This proposal therefore includes service standards within its scope in order to enable the Commission to issue mandates requesting the development of European service standards and to finance a part of the cost of this development.

- **Legal basis**

Article 114 TFEU

- **Subsidiarity principle**

The subsidiarity principle applies insofar as the proposal does not fall under the exclusive competence of the EU.

The objectives of the proposal cannot be sufficiently achieved by the Member States for the following reason(s).

European standardisation supports European legislation establishing the Single Market and contributes to increasing the competitiveness of European industry. The harmonisation of standards of products at European level overcomes technical barriers to trade which could be caused by conflicting national standards. Therefore, problems relating to standardisation at European level require a solution at European level.

EU action will better achieve the objectives of the proposal for the following reason(s).

The objective of ensuring the functioning of the internal market by reducing obstacles to intra-EU trade arising from different national standards on products could not be sufficiently achieved by Member States. It was therefore felt appropriate in accordance with the principle of subsidiarity, by reason of the scale and effects of the problem, to achieve this at EU level.

European standards play a very important part in the functioning of the internal market for industrial products. European standards replace national and often conflicting standards which, as such, may create technical impediments to enter a national market. Harmonised standards ensure that products meet the essential requirements set out in EU legislation. Compliance with a European "harmonised" standard guarantees the required level of safety of products. However, use of harmonised standards is still voluntary and a manufacturer may use any other technical solution which demonstrates that his product meets the essential requirements.

During the impact assessment process, many non-legislative options were discarded for reasons related to subsidiarity as set out in detail in the impact assessment.

The proposal therefore complies with the subsidiarity principle.

- **Proportionality principle**

The proposal complies with the proportionality principle for the following reason(s).

The proposal only relates to the functioning of standardisation at European level and the cooperation between national standardisation bodies in order to avoid conflicting national standards.

This proposal does not lead to any new administrative burden for economic operators, national governments, regional and local authorities and citizens.

- **Choice of instruments**

Proposed instruments: regulation.

Other means would not be adequate for the following reason(s).

The suggested options as well as the simplification items do not require an amendment of the legislation of Member States. This instrument only concerns the European standardisation organisations, the cooperation between the national standardisation bodies, the involvement of organisations representing SMEs and societal stakeholders in European standardisation, and the Commission. Therefore, a Directive would not be an appropriate instrument in this case.

The legal instrument would have to be of general application, in particular for the part on the use of Fora and Consortia standards in procurement which would have to be directly applicable in all Member States. In addition, the legislative instrument would contain a number of obligations that would be directly applicable to the European standardisation organisations, the national standardisation bodies, organisations representing SMEs and societal stakeholders in European standardisation, and the Commission. Therefore, the most appropriate legal instrument is a regulation. Alternative options would not have been sufficient to achieve the proposed objectives.

4. BUDGETARY IMPLICATION

The budgetary implications are set out in the financial statement.

5. ADDITIONAL INFORMATION

- **Simplification**

The proposal provides for simplification of legislation.

Standardisation will be extended to services. The financial management will be simplified. For further details, see below.

The proposal is included in the Commission's rolling programme for up-date and simplification of the EU acquis and its Work and Legislative Programme under the reference 2010/ENTR/0021.

- **Repeal of existing legislation**

The adoption of the proposal will lead to the repeal of existing legislation.

- **Review/revision/sunset clause**

The proposal includes a review clause.

- **European Economic Area**

The proposed act concerns an EEA matter and should therefore extend to the European Economic Area.

- **Detailed explanation of the proposal**

This proposal aims at revising and merging:

1. Council Decision 87/95/EEC on standardisation in the field of information technology and telecommunications, by the repeal of almost all its (outdated) provisions and the introduction of a new system allowing the use, in the field of public procurement, of ICT standards developed by organisations other than the European standardisation bodies.

2. Directive 98/34/EC laying down a procedure for the provision of information in the field of technical standards and regulations and of rules on Information Society services (whereby all articles related to the notification of draft technical regulations fall outside the scope of the proposal and remain unaltered), through the following measures: the European cooperation on standardisation will be extended to services, the cooperation between national standardisation bodies will become more transparent, SMEs and societal stakeholders will be better represented in European standardisation, and the financial support to organisations representing SMEs and societal stakeholders will be ensured.

3. Decision No 1673/2006/EC on the financing of European standardisation. The main principles of this Decision will remain unaltered but the following novelties will be introduced in line with the proposed new Financial Regulation: a reduction of the administrative burden imposed on operational services and the European standardisation bodies, for example by the possibility of a robust simplification of lump sums, clearly disconnected from any verification of actual costs of implementation. This proposal constitutes a further shift towards a performance-based system, based on the definition of agreed indicators and objectives (outputs and outcomes). The speed and the efficiency of the standard-setting process constitute such an objective.

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on European Standardisation and amending Council Directives 89/686/EEC and 93/15/EEC and Directives 94/9/EC, 94/25/EC, 95/16/EC, 97/23/EC, 98/34/EC, 2004/22/EC, 2007/23/EC, 2009/105/EC and 2009/23/EC of the European Parliament and of the Council

(Text with EEA relevance)

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 114 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national Parliaments,

Having regard to the opinion of the European Economic and Social Committee¹,

Acting in accordance with the ordinary legislative procedure,

Whereas:

- (1) The primary objective of standardisation is the definition of voluntary technical or quality specifications with which current or future products, production processes or services may comply. Standardisation can cover various issues, such as standardisation of different grades or sizes of a particular product or technical specifications in product or services markets where compatibility and interoperability with other products or systems is essential.
- (2) European standardisation also helps to boost the competitiveness of enterprises by facilitating in particular the free movement of goods and services, network interoperability, means of communication, technological development and innovation. Standards produce significant positive economic effects, for example by promoting economic interpenetration on the internal market and encouraging the development of new and improved products or markets and improved supply conditions. Standards thus normally increase competition and lower output and sales costs, benefiting economies as a whole. Standards may maintain and enhance quality, provide

¹ OJ C [...], [...], p. [...].

information and ensure interoperability and compatibility, thereby increasing value for consumers.

- (3) European standards should continue to be adopted by the European standardisation bodies, namely European Committee for Standardisation (CEN), the European Committee for Electrotechnical Standardisation (CENELEC) and the European Telecommunications Standards Institute (ETSI).
- (4) European standards play a very important role within the internal market, mainly through the presumption of conformity of products to be made available on the market with the essential requirements of those products laid down in Union harmonisation legislation.
- (5) European standardisation is governed by a specific legal framework consisting of three different legal acts, namely Directive 98/34/EC of the European Parliament and the Council of 22 June 1998 laying down a procedure for the provision of information in the field of technical standards and regulations and of rules on Information Society services², Decision No 1673/2006/EC of the European Parliament and of the Council of 24 October 2006 on the financing of European standardisation³ and Council Decision 87/95 EEC of 22 December 1986 on standardisation in the field of information technology and telecommunications⁴. However, the current regulatory framework is no longer up to date with the developments of European standardisation during the last decades. Therefore, the regulatory framework should be simplified and adapted in order to cover new aspects of standardisation to reflect the latest developments and future challenges in European standardisation. That relates in particular to the increased development of service standards and the evolution of standardisation products other than formal standards.
- (6) In order to ensure the effectiveness of standards and standardisation as policy tools for the Union, it is necessary to have an effective and efficient standardisation system which provides a flexible and transparent platform for consensus building between all participants and which is financially viable.
- (7) Directive 2006/123/EC of the European Parliament and of the Council of 12 December 2006 on services in the internal market⁵ establishes general provisions facilitating the exercise of the freedom of establishment for service providers and the free movement of services, while maintaining a high quality of services. It obliges the Member States, in cooperation with the Commission, to encourage the development of voluntary European standards with the aim of facilitating compatibility between services supplied by providers in different Member States, information to the recipient and the quality of service provision. However, Directive 98/34/EC only applies to standards for products while standards for services are not expressly covered by it. However, the delineation between services and goods is becoming less relevant in the reality of the internal market. In practice, it is not always possible to clearly distinguish standards on products from standards on services. Many product standards have a service component while standards on services often also partly relate to

² OJ L 24, 21.7.1998, p. 37.

³ OJ L 315, 15.11.2006, p. 9.

⁴ OJ L 36, 7.2.1987, p. 31.

⁵ OJ L376, 27.12.2006.

products. Thus, it is necessary to adapt the legal framework to these new circumstances by extending its scope to standards on services.

- (8) The development of voluntary standards on services should be market-driven whereby the needs of the economic operators and stakeholders directly or indirectly affected by the standard prevail and should take into account the public interest and be based on consensus. They should primarily focus on services linked to products and processes.
- (9) The European standardisation bodies are subject to competition law to the extent that they can be considered to be an undertaking or an association of undertakings within the meaning of Articles 101 and 102 of the Treaty.
- (10) Within the Union, national standards are adopted by national standardisation bodies which could lead to conflicting standards and technical impediments in the internal market. Therefore, it is necessary for the internal market and for the effectiveness of standardisation within the Union to confirm the existing regular exchange of information between the national standardisation bodies, the European standardisation bodies and the Commission, about current and future standardisation work. This exchange of information should be aligned with Annex 3 to Agreement on Technical Barriers to Trade approved by Council Decision No 80/271/EEC of 10 December 1979 concerning the conclusion of the Multilateral Agreements resulting from the 1973 to 1979 trade negotiations⁶.
- (11) The regular exchange of information between the national standardisation bodies, the European standardisation bodies and the Commission should not prevent standardisation bodies to comply with other obligations and commitments, and in particular with Annex 3 to the Agreement on Technical Barriers to Trade.
- (12) Standards can contribute to helping European policy address the major societal challenges such as climate change, sustainable resource use, ageing, and innovation in general. By driving the development of European or international standards for goods and technologies in these expanding markets, Europe could create a competitive advantage for its companies and facilitate trade.
- (13) Standards are important tools for undertakings and especially small and medium-sized enterprises (hereinafter 'SME') which, however, are not adequately involved in the standardisation system so that the risk exists that standards do not take into account the needs and concerns of SME. Consequently, it is essential to improve their representation and participation in the standardisation process, particularly in the technical committees.
- (14) European standards are of vital interest for the competitiveness of SMEs which, however, are in general under-represented in standardisation activities, in particular at European level. Thus, this Regulation should ensure an appropriate representation of SME in the European standardisation process by an entity with appropriate qualifications.
- (15) Standards can have a broad impact on society, in particular on the safety and well-being of citizens, the efficiency of networks, the environment, accessibility and other

⁶ OJ L 71, 17.3.1980, p. 1.

public policy fields. Therefore, it is necessary to ensure that the role and the input of societal stakeholders in the elaboration of standards is strengthened, through the support of organisations representing the interests of consumers, the environment and societal stakeholders.

- (16) Standards should as far as possible take into account environmental impacts throughout the life cycle of products and services. Important and publicly available tools for evaluating such impacts throughout the life cycle have been developed by the Commission's Joint Research Centre.
- (17) The viability of the cooperation between the Commission and the European standardisation system depends on careful planning of future requests for the development of standards. This planning could be improved, in particular through the input of interested parties. Since Directive 98/34/EC already provides for the possibility to request the European standardisation bodies to elaborate European standards, it is appropriate to put in place a better and more transparent planning in an annual work programme which should contain an overview of all requests for standards which the Commission intends to submit to European standardisation bodies.
- (18) Several Directives harmonizing the conditions for the marketing of products specify that the Commission may request the adoption, by the European standardisation bodies, of harmonised European standards on the basis of which conformity with the applicable essential requirements is presumed. However, many of these legislative acts contain a wide variety of provisions on objections to these standards when the latter do not, or not entirely, cover all applicable requirements. Diverging provisions which lead to uncertainty for economic operators and European standardisation bodies are in particular contained in Council Directive 89/686/EEC of 21 December 1989 on the approximation of the laws of the Member States relating to personal protective equipment⁷, Council Directive 93/15/EEC of 5 April 1993 on the harmonisation of the provisions relating to the placing on the market and supervision of explosives for civil uses⁸, Directive 94/9/EC of the European Parliament and the Council of 23 March 1994 on the approximation of the laws of the Member States concerning equipment and protective systems intended for use in potentially explosive atmospheres⁹, Directive 94/25/EC of the European Parliament and of the Council of 16 June 1994 on the approximation of the laws, regulations and administrative provisions of the Member States relating to recreational craft¹⁰, Directive 95/16/EC of the European Parliament and of the Council of 29 June 1995 on the approximation of the laws of the Member States relating to lifts¹¹, Directive 97/23/EC of the European Parliament and of the Council of 29 May 1997 on the approximation of the laws of the Member States concerning pressure equipment¹², Directive 2004/22/EC of the European Parliament and of the Council of 31 March 2004 on measuring instruments¹³, Directive 2007/23/EC of the European Parliament and of the Council of 23 May 2007 on the

⁷ OJ L 399, 30.12.1989, p.18.

⁸ OJ L 121, 15.5.1993, p. 20.

⁹ OJ L 100, 19.4.1994, p. 1.

¹⁰ OJ L 164, 30.6.1994, p.15.

¹¹ OJ L 213, 7.9.1995, p. 1.

¹² OJ L 181, 9.7.1997, p. 1.

¹³ OJ L 135, 30.4.2004, p. 1.

placing on the market of pyrotechnic articles¹⁴, Directive 2009/105/EC of the European Parliament and of the Council of 16 September 2009 relating to simple pressure vessels¹⁵ and Directive 2009/23/EC of the European Parliament and of the Council of 23 April 2009 on non-automatic weighing instruments¹⁶. Therefore, it is necessary to include in this Regulation the uniform procedure provided for in Decision No 768/2008/EC of the European Parliament and of the Council of 9 July 2008 on a common framework for the marketing of products and repealing Council Decision 93/465/EEC¹⁷, and delete the relevant provisions in those Directives.

- (19) Public authorities should make best use of the full range of relevant standards when procuring hardware, software and information technology services, for example by selecting standards which can be implemented by all interested suppliers, allowing for more competition and reduced risk of lock-in. Directive 2004/17/EC of the European Parliament and of the Council of 31 March 2004 coordinating the procurement procedures of entities operating in the water, energy, transport and postal services sectors¹⁸ and Directive 2004/18/EC of the European Parliament and of the Council of 31 March 2004 on the coordination of procedures for the award of public works contracts, public supply contracts and public service contracts¹⁹ specify that technical specifications in public procurement should be formulated by reference to national standards transposing European standards, European technical approvals, common technical specifications, international standards, other technical reference systems established by the European standardisation bodies or - when these do not exist - to national standards, national technical approvals or national technical specifications relating to the design, calculation and execution of the works and use of the products, or equivalent. Standards in the field of information and communication technologies, however, are often developed by other standard developing organisations and do not fall in any of the categories of standards and approvals laid down in Directives 2004/17/EC and 2004/18/EC. Therefore, it is necessary to provide for the possibility that technical specifications for public procurement could refer to standards in the field of information and communication technologies, in order to respond to the fast evolution in the field of information and communication technologies, facilitate the provision of cross-border services, encourage competition and promote interoperability and innovation.
- (20) Some standards in the field of information and communication technologies are not developed according to the criteria set out in Annex 3 of the Agreement on Technical Barriers to Trade. Therefore, this Regulation should lay down a procedure for the selection of the standards in the field of information and communication technologies that could be used in public procurement, involving a broad consultation of a large spectrum of stakeholders, including the European standardisation bodies, enterprises and public authorities. This Regulation should also lay down requirements, in the form of a list of attributes, for such standards and their associated standardisation processes. These attributes should ensure that public policy objectives and societal needs are

¹⁴ OJ L 154, 14.6.2007, p. 1.

¹⁵ OJ L 264, 8.10.2009, p. 12.

¹⁶ OJ L 122, 16.5.2009, p. 6.

¹⁷ OJ L 218, 13.8.2008, p. 82.

¹⁸ OJ L 134, 30.4.2004, p. 1.

¹⁹ OJ L 134, 30.4.2004, p. 114.

respected, and should be founded on the criteria developed within the World Trade Organisation for international standardisation organisations.

- (21) In order to further innovation and competition between standardised solutions, the recognition of a particular technical specification should not disqualify a competing technical specification from being recognised in accordance with the provisions of this Regulation. Any recognition should be subject to the attributes being fulfilled and to the technical specification having achieved a minimum level of market acceptance. Market acceptance should not be interpreted as having been widely implemented in the market.
- (22) The selected standards in the field of information and communication technologies could contribute to the implementation of Decision No 922/2009/EC of the European Parliament and of the Council of 16 September 2009 on interoperability solutions for European public administrations (ISA)²⁰ which establishes, for the period 2010-2015, a programme on interoperability solutions for European public administrations and institutions and bodies of the Union, providing common and shared solutions facilitating interoperability.
- (23) Situations may arise in the field of information and communication technologies where it is appropriate to encourage the use of, or require, compliance with specified standards at Union level in order to ensure interoperability in the single market and to improve freedom of choice for users. In other circumstances, it may also happen that specified European standards no longer meet consumers' needs or are hampering technological development. For these reasons, Directive 2002/21/EC of the European Parliament and the Council of 7 March 2002 on a common regulatory framework for electronic communications networks and services²¹ enables the Commission, where necessary, to request European standardisation bodies to draw up standards, to establish a list of standards and/or specifications published in the Official Journal of the European Union with the view to encourage their use, or to make their implementation compulsory, or to remove standards and/or specifications from that list.
- (24) This Regulation should not prevent European standardisation bodies from continuing to develop standards in the field of information and communication technologies and to increase their cooperation with other standard developing bodies, especially in the field of information and communication technologies, in order to ensure coherence and avoid fragmentation or duplication during implementation of standards and specifications.
- (25) Decision No 1673/2006/EC establishes the rules concerning the contribution of the Union to the financing of European standardisation in order to ensure that European standards and other European standardisation deliverables are developed and revised in support of the objectives, legislation and policies of the Union. It is appropriate, for the purpose of administrative and budgetary simplification, to incorporate the provisions of that Decision into this Regulation in line with the proposed new Financial Regulation.

²⁰ OJ L 260, 3.10.2009, p. 20.

²¹ OJ L 108, 24.4.2002, p. 33.

- (26) In view of the very broad field of involvement of European standardisation in support of Union policies and legislation and the different types of standardisation activity, it is necessary to provide for different financing arrangements. This mainly concerns grants without calls for proposals to the European and national standardisation bodies in accordance with the second subparagraph of Article 110(1) of Council Regulation (EC, Euratom) No 1605/2002 of 25 June 2002 on the Financial Regulation applicable to the general budget of the European Communities²² and Article 168(1)(d) of Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of Council Regulation (EC, Euratom) No 1605/2002 on the Financial Regulation applicable to the general budget of the European Communities²³. Furthermore, the same provisions should apply to those bodies which, whilst not recognised as European standardisation bodies in this Regulation, have been mandated in a basic act and have been entrusted with carrying out preliminary work in support of European standardisation in cooperation with the European standardisation bodies.
- (27) Inasmuch as European standardisation bodies provide ongoing support for Union activities, they should have effective and efficient central secretariats. The Commission should therefore be allowed to provide grants to those bodies that are pursuing an objective of general European interest without applying, in the case of operating grants, the principle of annual reduction referred to in Article 113(2) of Regulation (EC, Euratom) No 1605/2002.
- (28) Decision No 1639/2006/EC of the European Parliament and of the Council of 24 October 2006 establishing a Competitiveness and Innovation Framework Programme (2007 to 2013)²⁴, Decision No 1926/2006/EC of the European Parliament and of the Council of 18 December 2006 establishing a programme of Community action in the field of consumer policy (2007-2013)²⁵ and Regulation (EC) No 614/2007 of the European Parliament and of the Council of 23 May 2007 concerning the Financial Instrument for the Environment (LIFE+)²⁶ already provide for the possibility of financial support of European organisations representing SME, consumers and environmental interests in standardisation, while specific grants are paid to European organisations representing social interests in standardisation. The financing under Decision No 1639/2006/EC, Decision No 1926/2006/EC and Regulation (EC) No 614/2007 will end on 31 December 2013. It is essential for the development of European standardisation to continue fostering and encouraging the active participation of European organisations representing SME, consumers and environmental and social interests. Such organisations pursue an aim of general European interest and constitute, by virtue of the specific mandate that national non-profit organisations have given them, a European network representing non-profit bodies active in the Member States and promoting principles and policies consistent with the objectives of the Treaties. Because of the context in which they operate and their statutory objectives, European organisations representing SME, consumers and environmental and social interests in European standardisation have a permanent role

²² OJ L 248, 16.9.2002, p. 1.

²³ OJ L 357, 31.12.2002, p. 1.

²⁴ OJ L 310, 9.11.2006, p. 15.

²⁵ OJ L 404, 30.12.2006, p. 39.

²⁶ OJ L 149, 9.6.2007, p. 1.

which is essential for Union activities and policies. Therefore, the Commission should be in a position to continue providing grants to those bodies without applying, in the case of operating grants, the principle of annual reduction referred to in Article 113(2) of Regulation (EC, Euratom) No 1605/2002.

- (29) The financing of standardisation activities should also be capable of covering preliminary or ancillary activities in connection with the establishment of standards or other standardisation products. This is necessary primarily for work involving research, the preparation of preliminary documents for legislation, inter-laboratory tests and the validation or evaluation of standards. The promotion of standardisation at European and international level should also continue through programmes relating to the technical assistance to, and cooperation with, third countries. With a view to improving market access and boosting the competitiveness of enterprises in the Union, it should be possible to give grants to other bodies through calls for proposals or, where necessary, by awarding contracts.
- (30) Union financing should seek to establish standards or other standardisation products, to facilitate their use by enterprises through their translation into the various official Union languages, to strengthen the cohesion of the European standardisation system and to ensure fair and transparent access to European standards for all market players throughout the Union. This is especially important in cases where the use of standards enables compliance with Union legislative acts.
- (31) In order to ensure the effective application of this Regulation, there should be the possibility of using the requisite expertise, particularly with regard to auditing and financial management, as well as administrative support resources capable of facilitating implementation, and of evaluating on a regular basis the relevance of the activities receiving Union financing in order to ensure their usefulness and impact.
- (32) Appropriate measures should also be taken to avoid fraud and irregularities and to recover funds unduly paid in accordance with Council Regulations (EC, Euratom) No 2988/95 of 18 December 1995 on the protection of the European Communities financial interests²⁷ and (Euratom, EC) No 2185/96 of 11 November 1996 concerning on-the-spot checks and inspections carried out by the Commission in order to protect the European Communities' financial interests against fraud and other irregularities²⁸ and Regulation (EC) No 1073/1999 of the European Parliament and of the Council of 25 May 1999 concerning investigations conducted by the European Anti-Fraud Office (OLAF)²⁹.
- (33) In order to update the lists of European standardisation bodies, to adapt the criteria for recognising standards in the field of information and communication technologies to technical developments and to adapt the criteria for organisations representing SME and societal stakeholders to further developments as regards their non-profit making nature and representativity, the power to adopt acts in accordance with Article 290 of the Treaty should be delegated to the Commission in respect of amendments to the

²⁷ OJ L 312, 23.12.1995, p. 1.

²⁸ OJ L 292, 15.11.1996, p. 2.

²⁹ OJ L 136, 31.5.1999, p. 1.

Annexes to this Regulation. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level.

- (34) The Commission, when preparing and drawing-up delegated acts, should ensure a simultaneous, timely and appropriate transmission of relevant documents to the European Parliament and Council.
- (35) In order to ensure uniform conditions for the implementation of this Regulation, implementing powers should be conferred on the Commission. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member States of the Commission's exercise of implementing powers³⁰.
- (36) The advisory procedure should be used for the implementing decisions with respect to the objections to harmonised standards which the Commission considers justified and where the references to the harmonised standard concerned were not yet published in the Official Journal of the European Union, given that the relevant standard did not yet lead to the presumption of conformity with the essential requirements set out in the applicable Union harmonisation legislation.
- (37) The examination procedure should be used for the implementing decisions with respect to the objections to harmonised standards which the Commission considers justified and where the references to the harmonised standard concerned were already published in the Official Journal of the European Union, given that such decision could have consequences on the presumption of conformity with the applicable essential requirements.
- (38) Since standardisation at European level cannot be sufficiently achieved by the Member States and can, therefore, by reason of its scale and effect, be better achieved at the Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union. In accordance with the principle of proportionality, as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective.
- (39) Directives 98/34/EC, 89/686/EEC, 93/15/EEC, 94/9/EC, 94/25/EC, 95/16/EC, 97/23/EC, 98/34/EC, 2004/22/EC, 2007/23/EC, 2009/105/EC and 2009/23/EC should therefore be amended accordingly.
- (40) Decision No 1673/2006/EC and Decision 87/95/EEC should therefore be repealed,

³⁰ OJ L 55, 28.2.2011, p. 13.

HAVE ADOPTED THIS REGULATION:

Chapter I

General Provisions

Article 1

Subject matter

This Regulation establishes rules with regard to the cooperation between European standardisation bodies, national standardisation bodies and the Commission, the establishment of European standards and European standardisation deliverables for products and for services in support of Union legislation and policies, the recognition of technical specifications in the field of information and communication technologies (hereinafter “ICT”) and financing of European standardisation.

Article 2

Definitions

For the purposes of this Regulation, the following definitions shall apply:

- (1) ‘standard’ means a technical specification for repeated or continuous application, with which compliance is not compulsory, and which is one of the following:
 - (a) ‘international standard’ means a standard adopted by an international standardisation body;
 - (b) ‘European standard’ means a standard adopted by one of the European standardisation bodies;
 - (c) ‘harmonised standard’ means a European standard adopted on the basis of a request made by the Commission for the application of Union harmonisation legislation;
 - (d) ‘national standard’ means a standard adopted by a national standardisation body;
 - (e) ‘ICT standard’ means a standard in the field of information and communication technologies.
- (2) ‘European standardisation deliverable’ means any other technical specification than a European standard, adopted by a European standardisation body for repeated or continuous application and with which compliance is not compulsory;
- (3) ‘draft standard’ means a document containing the text of the technical specifications concerning a given subject, which is being considered for adoption in accordance with the relevant standards procedure, as that document stands after the preparatory work and as circulated for public comment or scrutiny;

- (4) ‘technical specification’ means a specification contained in a document which lays down one of the following:
- (a) the characteristics required of a product including levels of quality, performance, interoperability, safety or dimensions, including the requirements applicable to the product as regards the name under which the product is sold, terminology, symbols, testing and test methods, packaging, marking or labelling and conformity assessment procedures;
 - (b) production methods and processes used in respect of agricultural products as referred to Article 38(1) of the Treaty, products intended for human and animal consumption, and medicinal products, as well as production methods and processes relating to other products, where these have an effect on their characteristics;
 - (c) the characteristics required of a service including levels of quality, performance, interoperability, safety, including the requirements applicable to the provider as regards the information to be made available to the recipient, as referred to in Article 22(1) to (3) of Directive 2006/123/EC;
 - (d) the methods and the criteria for assessing the performance of construction products, as defined in Article 2(1) of Regulation (EU) No 305/2011 of the European Parliament and of the Council of 9 March 2011 laying down harmonised conditions for the marketing of construction products and repealing Council Directive 89/106/EEC³¹, in relation to their essential characteristics.
- (5) ‘product’ means any industrially manufactured product and any agricultural product, including fish products;
- (6) ‘service’ means any self-employed economic activity normally provided for remuneration, as referred to in Article 57 of the Treaty;
- (7) ‘European standardisation body’ means a body referred to in Annex I;
- (8) ‘International standardisation body’ means the International Organisation for Standardization (ISO), the International Electrotechnical Commission (IEC) and the International Telecommunication Union (ITU);

Chapter II

Transparency and stakeholder participation

Article 3

Transparency of work programmes of standardisation bodies

1. At least once a year, each European and national standardisation body shall establish its work programme. That work programme shall contain information on the

³¹ OJ L 88, 4.4.2011, p. 5.

standards and European standardisation deliverables which it intends to prepare or amend, which it is preparing or amending and which it has adopted in the preceding period, unless these are identical or equivalent transpositions of international or European standards.

2. The work programme shall for each standard and European standardisation deliverable indicate:
 - (a) the subject matter;
 - (b) the stage attained in the development of the standards and European standardisation deliverables;
 - (c) the references of any international standards taken as a basis.
3. Each European and national standardisation body shall make its work programme available on its web site or any other publicly available web site and a notice of the existence of the work programme in a national or, where appropriate, European publication of standardization activities.
4. No later than at the time of publication of its work programme, any European and national standardisation body shall notify the existence thereof to the other European and national standardisation bodies and to the Commission.
5. National standardisation bodies may not object to the inclusion of a subject for standardisation in the work programme of a European standardisation body.

Article 4
Transparency of standards

1. Each European and national standardisation body shall send any draft national standard, European standard and European standardisation deliverable to other European and national standardisation bodies and the Commission, upon their request.
2. Each European and national standardisation body shall promptly reply to, and take due account of, any comments received from any other European and national standardisation body and the Commission with respect to any such draft.
3. National standardisation bodies shall ensure the following:
 - (a) the publication of draft standards in such a way that parties established in other Member States have the opportunity to submit comments;
 - (b) allow other national standardisation bodies to be involved passively or actively in the planned activities by sending an observer.

Article 5
Stakeholder Participation in European standardisation

1. European standardisation bodies shall ensure an appropriate representation of small and medium-sized enterprises (hereinafter 'SME'), consumer organisations and environmental and social stakeholders, in particular through the organisations referred to in Annex III, at the policy development level and at least at the following stages of the development of European standards or European standardisation deliverables:
 - (a) the proposal and acceptance of new work items;
 - (b) the technical discussion on proposals;
 - (c) the submission of comments on drafts;
 - (d) the revision of existing European standards or European standardisation deliverables;
 - (e) the dissemination of, and awareness-building about, adopted European standards or European standardisation deliverables.
2. European standardisation bodies shall ensure an appropriate representation, at technical level, of undertakings, research centres and universities and other legal entities, in standardisation activities concerning an emerging area with significant policy or technical innovation implications, if the legal entities concerned participated in a project that is related to that area and that is funded by the Union under a multiannual framework programme for activities in the area of research and technological development.

Chapter III
European standards and European standardisation deliverables
in support of Union legislation and policies

Article 6
European standardisation work programme of the Commission

1. The Commission shall adopt an annual European standardisation work programme which shall indicate the European standards and European standardisation deliverables that it intends to request from the European standardisation bodies in accordance with Article 7.
2. The European standardisation work programme referred to in paragraph 1 shall specify the specific objectives and policies for the European standards and other European standardisation deliverables that the Commission intends to request from the European standardisation bodies. In cases of urgency the Commission can issue requests without prior indication.

Article 7
Standardisation requests to European standardisation bodies

1. The Commission may request one or several European standardisation bodies to draft a European standard or European standardisation deliverable within a set deadline. They shall be market-driven, take into account the public interest and based on consensus.
2. The relevant European standardisation body shall indicate, within one month following its receipt, if it accepts the request referred to in paragraph 1.
3. The Commission shall inform the relevant European standardisation body, within three months following the receipt of the acceptance referred to in paragraph 2, about the award of a grant for drafting a European standard or European standardisation deliverable.
4. The European standardisation bodies shall inform the Commission about the activities undertaken for the development of the documents referred to in paragraph 1.

Article 8
Objections to harmonised standards

1. When a Member State considers that a harmonised standard does not entirely satisfy the requirements which it aims to cover and which are set out in the relevant Union legislation, it shall inform the Commission thereof.
2. When the Commission considers that the objections referred to in paragraph 1 are justified, it shall decide:
 - (a) not to publish or to publish with restriction the references to the harmonised standard concerned in the *Official Journal of the European Union*;
 - (b) to maintain with restriction or to withdraw the references to the harmonised standard concerned in or from the *Official Journal of the European Union*.
3. The Commission shall inform the European standardisation body concerned of the decision referred to in paragraph 2 and, if necessary, request the revision of the harmonised standards concerned.
4. The decision referred to in paragraph 2(a) of this Article shall be adopted in accordance with the advisory procedure referred to in Article 18(2).
5. The decision referred to in paragraph 2(b) of this Article shall be adopted in accordance with the examination procedure referred to in Article 18(3).

Chapter IV

Standards in the field of ICT

Article 9

Recognition of technical specifications in the field of ICT

Either on proposal from a public authority referred to in Directive 2004/18/EC or on its own initiative the Commission may decide to recognise technical specifications which are not national, European or international standards and meet the requirements set out in Annex II, as ICT standards.

Article 10

Use of ICT standards in public procurement

ICT standards referred to in Article 9 shall constitute common technical specifications referred to in Directives 2004/17/CE and 2004/18/CE, and Regulation (EC) No 2342/2002.

Chapter V

Financing of European standardisation

Article 11

Financing of Standardisation bodies by the Union

1. The financing by the Union may be granted to the European standardisation bodies for the following standardisation activities:
 - (a) the development and revision of European standards or European standardisation deliverables which is necessary and suitable for the support of policies and legislation of the Union;
 - (b) the verification of the quality, and conformity to the corresponding policies and legislation of the Union, of European standards or European standardisation deliverables;
 - (c) the performance of preliminary or ancillary work in connection with European standardisation, including studies, cooperation activities, seminars, evaluations, comparative analyses, research work, laboratory work, inter-laboratory tests, conformity evaluation work and measures to ensure that the periods for the development and the revision of European standards or European standardisation deliverables are shortened;
 - (d) the activities of the central secretariats of the European standardisation bodies, including policy development, the coordination of standardisation activities, the processing of technical work and the provision of information to interested parties;

- (e) the translation, where required, of European standards or European standardisation deliverables used in support of Union policies and legislation into the official Union languages other than the working languages of the European standardisation bodies or, in duly justified cases into languages other than the official Union languages,
- (f) the drawing up of information to explain, interpret and simplify European standards or European standardisation deliverables, including the drawing up of user guides, best practice information and awareness-building actions;
- (g) activities seeking to carry out programmes of technical assistance, cooperation with third countries and the promotion and enhancement of the European standardisation system and of European standards and European standardisation deliverables among interested parties in the Union and at international level.

2. The financing by the Union may also be granted to:

- (a) national standardisation bodies for the standardisation activities referred to in paragraph 1, which they jointly undertake with the European standardisation bodies;
- (b) other bodies which have been entrusted with carrying out the work referred to in points (a), (c) and (g) of paragraph 1, in cooperation with the European standardisation bodies.

Article 12

Financing of other European Organisations by the Union

The financing by the Union may be granted to the organisations referred to in Annex III for the following activities:

- (a) the functioning of these organisations and of their activities relating to European and international standardisation, including the processing of technical work and the provision of information to members and other interested parties;
- (b) legal and technical expertise, including studies, in relation to assessment of the need for, and the development of, European standards and European standardisation deliverables;
- (c) the participation in the technical work with respect to the development and revision of European standards and European standardisation deliverables which is necessary and suitable for the support of policies and legislation of the Union;
- (d) the verification of the quality, and conformity to the corresponding policies and legislation of the Union, of European standards and European standardisation deliverables;

- (e) the promotion of European standards and European standardisation deliverables, and the information on, and use of, standards among interested parties and SME.

Article 13
Financing arrangements

1. Financing by the Union shall be provided in the form of:
 - (a) grants without a call for proposals, or contracts after public procurement procedures, to:
 - (i) European and national Standardisation bodies to carry out the activities referred to in Article 11(1);
 - (ii) bodies identified by a basic act, within the meaning of Article 49 of Regulation (EC, Euratom) No 1605/2002 to carry out, in collaboration with the European standardisation bodies the work referred to in Article 11(1)(c) of this Regulation;
 - (b) grants after a call for proposals, or contracts after public procurement procedures, to other bodies referred to in Article 11(2)(b) to carry out, in collaboration with the European standardisation bodies:
 - (i) the production and revision of European standards and European standardisation deliverables referred to in Article 11(1)(a);
 - (ii) the preliminary or ancillary work referred to in Article 11(1)(c);
 - (iii) the activities referred to in Article 11(1)(g).
 - (c) grants after a call for proposals to the organisations referred to in Annex III to carry out the activities referred to in Article 12.
2. The activities of the bodies referred to in paragraph 1 may be financed by:
 - (a) grants for actions;
 - (b) operating grants for the European standardisation bodies and the organisations referred to in Annex III, in accordance with the rules set out in Regulation (EC, Euratom) No 1605/2002. In the event of renewal, operating grants shall not be automatically decreased.
3. The Commission shall decide on the financing arrangements referred to in paragraphs 1 and 2, on the amounts of the grants and, where necessary, on the maximum percentage of financing by type of activity.
4. Except in duly justified cases, grants awarded for the standardisation activities referred to in Article 11(1)(a) and (b) shall take the form of lump sums to be paid upon fulfilment of the following conditions:

- (a) European standards or European standardisation deliverables requested by the Commission in accordance with Article 7 are adopted or revised within a period not exceeding the period specified in the request referred to in Article 7;
 - (b) SME, consumer organisations and environmental and social stakeholders are appropriately represented in European standardisation work, as referred to in Article 5(1).
5. The common cooperation objectives and the administrative and financial conditions relating to the grants awarded to European standardisation bodies and the organisations referred to in Annex III shall be defined in the framework partnership agreements signed by the Commission and these bodies and organisations, in accordance with Regulation (EC, Euratom) No 1605/2002 and Regulation (EC, Euratom) No 2342/2002. The Commission shall inform the European Parliament and the Council of the conclusion of those agreements.

Article 14 Management

The appropriations determined by the budgetary authority for the financing of standardisation activities may also cover the administrative expenses relating to the preparation, monitoring, inspection, auditing and evaluation which are directly necessary for the purposes of implementing Articles 11, 12 and 13, including studies, meetings, information and publication activities, expenses relating to informatics networks for the exchange of information and any other expenditure on administrative and technical assistance which the Commission may use for standardisation activities.

Article 15 Protection of the financial interests of the Union

1. The Commission shall ensure that, when the activities financed under this Regulation are implemented, the financial interests of the Union are protected by the application of preventive measures against fraud, corruption and other illegal activities, by effective checks and by the recovery of amounts unduly paid and, if irregularities are detected, by effective, proportionate and dissuasive penalties, in accordance with Regulations (EC, Euratom) No 2988/95, (Euratom, EC) No 2185/96 and (EC) No 1073/1999.
2. For the Union activities financed pursuant to this Regulation, the notion of irregularity referred to in Article 1(2) of Regulation (EC, Euratom) No 2988/95 shall mean any infringement of a provision of Union law or any breach of a contractual obligation resulting from an act or omission by an economic operator which has, or would have, the effect of prejudicing the general budget of the Union or budgets managed by it by an unjustified item of expenditure.
3. Any agreements and contracts resulting from this Regulation shall provide for monitoring and financial control by the Commission or any representative which it authorises and for audits by the Court of Auditors, which if necessary may be conducted on the spot.

Chapter VI

Delegated acts, committee and reporting

Article 16 *Delegated acts*

The Commission shall be empowered to adopt delegated acts in accordance with Article 17 concerning amendments to the Annexes, in order to:

- (a) update the list of European standardisation bodies set out in Annex I;
- (b) adapt the criteria for recognising standards in the field of ICT set out in Annex II to technical developments;
- (c) adapt the criteria for organisations representing SME and societal stakeholders set out in Annex III to further developments as regards their non-profit making nature and representativity.

Article 17 *Exercise of the delegation*

1. The power to adopt delegated acts is conferred on the Commission subject to conditions laid down in this Article.
2. The delegation of power referred to in Article 16 shall be conferred on the Commission for an indeterminate period of time from 1 January 2013.
3. The delegation of powers referred to in Article 16 may be revoked at any time by the European Parliament or by the Council. A decision of revocation shall put an end to the delegation of the powers specified in that decision. It shall take effect the day following the publication of the Decision in the *Official Journal of the European Union* or at a later date specified therein. It shall not affect the validity of the delegated acts already in force.
4. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.
5. A delegated act adopted pursuant to Article 16 shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or the Council.

Article 18
Committee procedure

1. The Commission shall be assisted by a committee. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011.
2. Where reference is made to this paragraph, Article 4 of Regulation (EU) No 182/2011 shall apply.
3. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.
4. Where the opinion of the committee is to be obtained by written procedure, that procedure shall be terminated without result when, within the time-limit for delivery of the opinion, the chair of the committee so decides or a simple majority of committee members so request.

Article 19
Reports

1. The European Standardisation Bodies shall send an annual report on the implementation of this Regulation to the Commission. It shall contain detailed information on the following:
 - (a) the application of Articles 4, 5, 6, 11 and 13;
 - (b) the representation of SMEs, consumer organisations and environmental and social stakeholders in national standardisation bodies.
2. The organisations referred to in Annex III that received financing in accordance with this Regulation shall send an annual report on their activities to the Commission. This report shall contain in particular detailed information about the membership of these organisations and the activities referred to in Article 12.
3. By 31 December 2015 and every five years thereafter, the Commission shall present a report to the European Parliament and the Council on the implementation of this Regulation. This report shall contain an evaluation of the relevance of the standardisation activities receiving Union financing in the light of the requirements of policies and legislation of the Union.

Chapter VII
Final provisions

Article 20
Amendments

1. The following provisions are deleted:
 - (a) Article 6(1) of Directive 89/686/EEC;

- (b) Article 5 of Directive 93/15/EEC;
- (c) Article 6(1) of Directive 94/9/EC;
- (d) Article 6(1) of Directive 94/25/EC;
- (e) Article 6(1) of Directive 95/16/EC;
- (f) Article 6 of Directive 97/23/EC;
- (g) Article 14 of Directive 2004/22/EC;
- (h) Article 8(4) of Directive 2007/23/EC ;
- (i) Article 6 of Directive 2009/105/EC;
- (j) Article 7 of Directive 2009/23/EC.

2. Directive 98/34/EC is amended as follows:

- (a) Paragraphs 6 to 10 of Article 1 and Articles 2, 3 and 4 are deleted;
- (b) in Article 6(1), the words “with the representatives of the standards institutions referred to in Annexes I and II” are deleted;
- (c) In Article 6(3) the first indent is deleted;
- (d) In Article 6(4) points (a), (b) and (e) are deleted;
- (e) In Article 11, the second sentence is replaced by the following sentence: “The Commission shall publish annual statistics on the notifications received in the *Official Journal of the European Union*.”.
- (f) Annexes I and II are deleted.

Article 21
National standardisation bodies

Member States shall inform the Commission of their standardisation bodies.

The Commission shall publish a list of national standardisation bodies and any updates to that list in the *Official Journal of the European Union*.

Article 22
Transitional provisions

In Union acts that provide for a presumption of conformity with essential requirements through the application of harmonised standards adopted in accordance with Directive 98/34/EC, references to Directive 98/34/EC shall be construed as references to this Regulation, except references to the committee set up by Article 5 of Directive 98/34/EC.

Where other Union act provides for a procedure for objection to harmonised standards, Article 8 of this Regulation shall not apply to that act.

Article 23
Repeal

Decision No 1673/2006/EC and Decision 87/95/EEC are repealed.

References to the repealed Decisions shall be construed as references to this Regulation.

Article 24
Entry into force

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Union*.

It shall apply from 1 January 2013.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the European Parliament
The President

For the Council
The President

ANNEX I

EUROPEAN STANDARDISATION BODIES:

1. CEN - European Committee for Standardisation
2. CENELEC - European Committee for Electrotechnical Standardisation
3. ETSI - European Telecommunications Standards Institute

ANNEX II

REQUIREMENTS FOR THE RECOGNITION OF TECHNICAL SPECIFICATIONS IN THE FIELD OF ICT

1. the technical specifications have market acceptance and their implementations do not hamper interoperability with the implementations of existing European or international standards. Market acceptance can be demonstrated by operational examples of compliant implementations from different vendors.
2. the technical specifications were developed by a non-profit making organisation which is a professional society, industry or trade association or any other membership organisation that within its area of expertise develops standards in the field of information and communication technologies and which is not a European, national or international standardisation body, through processes which fulfil the following criteria:
 - (a) openness:

the technical specifications were developed on the basis of open decision-making accessible to all interested operators in the market or markets affected by the standard.
 - (b) consensus:

the standardisation process was collaborative and consensus based and did not favour any particular stakeholder. Consensus means a general agreement, characterised by the absence of sustained opposition to substantial issues by any important part of the concerned interests and by a process that involves seeking to take into account the views of all parties concerned and to reconcile any conflicting arguments. Consensus does not imply unanimity.
 - (c) transparency:
 - (i) all information concerning technical discussions and decision making was archived and identified.
 - (ii) information on (new) standardisation activities was widely announced through suitable and accessible means.
 - (iii) participation of all interested categories of interested stakeholders was sought with a view to achieving balance.
 - (iv) consideration and response were given to comments by interested parties.
3. the technical specifications reflect the following requirements:
 - (a) maintenance: Ongoing support and maintenance of published specifications are guaranteed over a long period.
 - (b) availability: Specifications are publicly available for implementation and use on reasonable terms (including for a reasonable fee or free of charge).

- (c) intellectual property rights essential to the implementation of specifications are licensed to applicants on a (fair) reasonable and non-discriminatory basis ((F)RAND), which includes, at the discretion of the intellectual property right-holder, licensing essential intellectual property without compensation.
- (d) relevance:
 - (i) the specifications are effective and relevant;
 - (ii) specifications need to respond to market needs and regulatory requirements;
- (e) neutrality and stability:
 - (i) specifications whenever possible are performance oriented rather than based on design or descriptive characteristics;
 - (ii) specifications do not distort the market or limit the possibilities for implementers to develop competition and innovation based upon them.
 - (iii) specifications are based on advanced scientific and technological developments.
- (f) quality:
 - (i) the quality and level of detail are sufficient to permit the development of a variety of competing implementations of interoperable products and services;
 - (ii) standardised interfaces are not hidden or controlled by anyone other than the organisations that adopted the technical specifications.

ANNEX III

EUROPEAN STAKEHOLDER ORGANISATIONS

- (a) A European organisation representing SME in European standardisation activities which:
 - (i) is non-governmental and non-profit-making.
 - (ii) has as its statutory objectives and activities to represent the interests of SME in the standardisation process at European level;
 - (iii) has been mandated by non-profit organisations representing SME in at least two thirds of the Member States, to represent the interests of SME in the standardisation process at European level.

- (b) A European organisation representing consumers in European standardisation activities which:
 - (i) is non-governmental, non-profit-making, and independent of industry, commercial and business or other conflicting interests.
 - (ii) has as its statutory objectives and activities to represent consumer interests in the standardisation process at European level;
 - (iii) has been mandated by national non-profit consumer organisations in at least two thirds of the Member States, to represent the interests of consumers in the standardisation process at European level.

- (c) A European organisation representing environmental interests in European standardisation activities which:
 - (i) is non-governmental, non-profit-making, and independent of industry, commercial and business or other conflicting interests.
 - (ii) has as its statutory objectives and activities to represent environmental interests in the standardisation process at European level;
 - (iii) has been mandated by national non-profit environmental organisations in at least two thirds of the Member States, to represent environmental interests in the standardisation process at European level.

- (d) A European organisation representing social interests in European standardisation activities which:
 - (i) is non-governmental, non-profit-making, and independent of industry, commercial and business or other conflicting interests.
 - (ii) has as its statutory objectives and activities to represent social interests in the standardisation process at European level;

- (iii) has been mandated by national non-profit social organisations in at least two thirds of the Member States, to represent social interests in the standardisation process at European level.

LEGISLATIVE FINANCIAL STATEMENT

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LEGISLATIVE FINANCIAL STATEMENT

1. FRAMEWORK OF THE PROPOSAL

1.1. Title of the proposal

Proposal for a Regulation of the European Parliament and the Council on European Standardisation and amending Council Directives 89/686/EEC and 93/15/EEC and Directives 94/9/EC, 94/25/EC, 95/16/EC, 97/23/EC, 98/34/EC, 2004/22/EC, 2007/23/EC, 2009/105/EC and 2009/23/EC of the European Parliament and of the Council.

1.2. Policy area(s) concerned in the ABM/ABB structure³²

Title 2 – Enterprise - Chapter 02 03: Internal market for goods and sectoral policies

1.3. Nature of the proposal

The proposal relates to **the extension of an existing action.**

It should be noted that the amounts set out in this legislative financial statement do not prejudice the forthcoming Commission proposal for the post-2013 multi-annual financial framework. Budgetary appropriations allocated to this action will be proposed by the Commission in the annual budgetary procedure. Consequently, this financial statement is limited to one year (2013).

1.4. Objectives

1.4.1. *The Commission's multiannual strategic objective(s) targeted by the proposal*

1a. Competitiveness for growth and employment

1.4.2. *Specific objective(s) and ABM/ABB activity(ies) concerned*

Specific objective No 1.

To continually review existing internal market acquis and propose new legislative or non-legislative action whenever appropriate.

³² ABM: Activity-Based Management – ABB: Activity-Based Budgeting.

1.4.3. *Expected result(s) and impact*

The proposal sets out the general framework for European standardisation. It contains a number of elements without budgetary impacts (e.g. the cooperation between the European standardisation bodies, the national standardisation bodies and the Commission) as well as the legal basis for the financing of part of the standardisation activities performed by the European standardisation bodies CEN, CENELEC and ETSI (hereinafter referred to as “ESOs”) and the legal basis for financial support to European organisations representing SMEs, consumers, environmental and social interests.

The financing of a part of the European standardisation system through the ESOs is vital for the internal market and should be continued. Nevertheless, the system should become more efficient. On the one hand, measures are taken to increase the speed of standard-setting for European standards elaborated at the request of the Commission. Financial tools will be used to encourage ESOs to search more actively for a consensus on contentious topics and to revise some internal processes. On the other hand, this proposal contains a shift to a radically simpler, faster and more stable arrangement to increase the efficiency of the financial support granted by the EU. A significantly simpler and less bureaucratic set of arrangements will alleviate the administrative burden imposed on operational services and beneficiaries. This burden prevents services from using their resources on policy objectives and on timely delivery, while it creates excessive red tape for the ESOs. This proposal reforms the financing of the ESOs by including the possibility to shift it gradually towards a performance-based system, based on the definition of agreed indicators and objectives (outputs and outcomes) and on a simplification of lump sums, clearly disconnected from any verification of actual costs of implementation.

The financial support to European organisations representing SMEs, consumers, environmental and social interests should also be continued. Until now, they were financed through various programmes, most of which expire on 31 December 2013. Consequently, it is appropriate to streamline these support schemes and to regroup them under the same legal basis. The criteria for eligibility for these grants, the conditions for their use and the type of financial contributions are aligned and adapted to the specific needs of the corresponding group of stakeholders so that, for example, operating grants can be given to one European organisation per field of economic or societal interest.

The principle of gradual decrease for operating grants which are not flat-rate grants pursuant to Article 113 of the Financial Regulation, does not apply to the ESOs, according to Decision No 1673/2006/EC of the European Parliament and of the Council of 24 October 2006 on the financing of European standardisation. This exception should be maintained for the future.

Moreover, the basic philosophy of operating grants is that they should provide temporary support for an organisation to allow it to achieve financial independence in the longer term. However, this degressivity would contradict the EU policy under which the position of SMEs and societal stakeholders must be strengthened in order to ensure the inclusiveness of the European standardisation system. In the likely event that more European standards will be developed in the future, the workload of organisations representing SMEs and societal stakeholders in the European standardisation system will increase. These organisations have a permanent role which is essential for EU activities and policies because of the context in

which they operate and their statutory objectives. It is essential for the development of European standardisation to continue fostering and encouraging the active participation of European organisations representing SME, consumers and environmental and social interests. Such organisations pursue an aim of general European interest and constitute, by virtue of the specific mandate that national non-profit organisations have given them or through their exclusive representation of the interests of SME and societal stakeholders, a European network representing non-profit bodies active in the Member States and promoting principles and policies consistent with the objectives of the Treaties. Because of the context in which they operate and their statutory objectives, European organisations representing SME, consumers and environmental and social interests in European standardisation have a permanent role which is essential for Union activities and policies. In addition, the development of a standard takes between 1 to 3 years which requires a long-term commitment to the technical process. On-going and active participation in a technical committee or working group requires a very significant commitment of time over a longer period. Therefore, it is necessary to extend the exception to the degressivity principle to the selected European organisations representing SMEs, consumers, environmental and social interests.

1.4.4. Indicators of results and impact

- (1) The number of European standards adopted by the ESOs following a request by the Commission;
- (2) The time between the acceptance, by the ESOs, of the request to draft a European standard and the formal adoption of the standard;
- (3) The actual participation rate of the European organisations representing SMEs, consumers, environmental and social interests in the European standardisation process;
- (4) The actual changes to the standardisation structures and governance and their impact on the number of adopted standards, the speed of standard-setting and the participation of the European organisations representing SMEs, consumers, environmental and social interests in the European standardisation process.

1.5. Grounds for the proposal

1.5.1. Requirement(s) to be met in the short or long term

The requirements to be met by the proposal can be summarised as follows;

- (1) European standardisation is an important and effective tool to support European policy and legislation. It has and will have a significant impact in underpinning the single market of goods and services and preventing the creation of barriers trade within the EU. Therefore, the adoption of European standards by the ESOs should continue and should be co-financed by the EU. In addition, the legal basis should not only cover standards on products but also standards on services.
- (2) Standardisation within the EU makes a significant contribution to the European economy. The use of standards is a powerful strategic tool for businesses to increase their competitiveness. It is therefore important that standards keep pace with ever faster

product development cycles and that the speed of European standard-setting is improved.

- (3) Standards will affect more and more groups in European society, including businesses of all sorts and many individual citizens. A standard is the result of a consensus reached by those participating in its development. A sufficiently wide range of participants is essential for a standard to be accepted both by businesses and consumers. The proposal should ensure that the European standardisation system therefore becomes as inclusive as possible, with all partners committed to a system rooted in the core values of openness, transparency and scientific solidity, and through a process of continuous improvement of standardisation structures and governance.
- (4) Standards need to be available to assure the interoperability between services and applications in the field of information and communications technologies so that Europe can reap the full benefits of ICT. The most relevant ICT standards developed by specialised fora and consortia should play a more prominent role in domains where the ESOs are not active, where ESO standards have not gained market uptake or where these standards have become obsolete. Consequently, these standards should be formally recognised so that they can be used by public authorities for public procurement purposes.

1.5.2. Added value of EU involvement

European standards play a very important part in the functioning of the internal market for industrial products. European standards replace national and often conflicting standards which, as such, may create technical impediments to a national market. European standards can be divided into 2 categories:

a) European standards developed at the request of the Commission, on the basis of a so-called “mandate” in which the ESOs are requested to draw up technical specifications of a normative nature that meet the requirements set out in the mandate. These standards can be subdivided into 2 subcategories:

- European harmonised standards which ensure that products meet the essential requirements set out in EU legislation. Compliance with a European “harmonised” standard guarantees the required level of safety of products. However, use of harmonised standards is still voluntary and a manufacturer may use any other technical solution which demonstrates that his product meets the essential requirements. The percentage of European harmonised standards has increased in the last two decades from 3.55% to 20% in 2009.

- Other European standards to support European policies.

b) The remaining European standards are adopted outside EU legislation on the initiative of undertakings, NSBs or other stakeholders, or at the request of the Commission.

European standards and especially harmonised standards are cornerstones for the functioning of the internal market for goods. Yet, elaborating standards is a labour-intensive and time-consuming activity done by national experts. Therefore, Decision No 1673/2006/EC sets out the legal basis for the financial support to the Central Secretariats of European standardisation

bodies with the aim of improving the quality of harmonised standards and promoting European standardisation at international level. The European Commission and EFTA establish Framework Partnership Agreements (FPAs) with each ESO, under which proposals for financing can be addressed to the Commission. The FPAs fix the administrative and financial rules concerning the financing of standardisation activities and set out the general context and terms under which financial support can be allocated. This proposal replaces Decision No 1673/2006/EC.

1.5.3. Lessons learned from similar experiences in the past

This proposal takes into account the evaluations that were made in the context of Decision No 1673/2006/EC and to which the impact assessment refers.

1.5.4. Coherence and possible synergy with other relevant instruments

This proposal is entirely coherent with the other relevant instruments, i.e. all legislative acts set out in Annex 4 of the accompanying impact assessment.

1.6. Duration and financial impact

Proposal of **unlimited duration**

1.7. Management mode(s) envisaged³³

Centralised direct management by the Commission

2. MANAGEMENT MEASURES

2.1. Monitoring and reporting rules

The common cooperation objectives and the administrative and financial conditions relating to the grants awarded to European standardisation bodies and the other organisations referred to in the proposal will be defined in the framework partnership agreements that will be signed by the Commission and these bodies and organisations, in accordance with the Financial Regulation and Regulation (EC, Euratom) No 2342/2002. These agreements as well as the grant agreements will specify the monitoring and reporting rules.

In addition, the proposal obliges the European standardisation bodies and the other organisations referred to in the proposal to submit annual reports to the Commission on the implementation of their obligations.

³³ Details of management modes and references to the Financial Regulation may be found on the BudgWeb site: http://www.cc.cec/budg/man/budgmanag/budgmanag_en.html

2.2. Management and control system

2.2.1. Risk(s) identified

The European standardisation bodies have a solid financial basis. The calls for proposals for the other organisations referred to in the proposal will contain financial selection criteria in order to prevent any financial risks. Consequently, no financial risks could be identified.

2.2.2. Control method(s) envisaged

The control methods envisaged are laid down in the Financial Regulation and Regulation (EC, Euratom) No 2342/2002. They will be specified in greater detail in the framework partnership agreements and the grant agreements that will be signed by the Commission and the European standardisation bodies and the other organisations referred to in the proposal. The proposal also expressly specifies that any agreements and contracts resulting from the Regulation must provide for monitoring and financial control by the Commission or any representative which it authorises and for audits by the Court of Auditors, which if necessary may be conducted on the spot.

2.3. Measures to prevent fraud and irregularities

This proposal contains a provision according to which the Commission must ensure that the financial interests of the Union are protected by the application of preventive measures against fraud, corruption and other illegal activities, by effective checks and by the recovery of amounts unduly paid and, if irregularities are detected, by effective, proportionate and dissuasive penalties, in accordance with Regulations (EC, Euratom) No 2988/95, (Euratom, EC) No 2185/96 and (EC) No 1073/1999.

3. ESTIMATED FINANCIAL IMPACT OF THE PROPOSAL

3.1. Heading(s) of the multiannual financial framework and expenditure budget line(s) affected

- Existing expenditure budget lines

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
		DA/NDA ⁽³⁴⁾	from EFTA ³⁵ countries	from candidate countries ³⁶	from third countries	within the meaning of Article 18(1)(aa) of the Financial Regulation
1a. Competitiveness for growth and employment	Article 02 03 04 — Standardisation and approximation of legislation	DA	YES	NO	NO	NO

- New budget lines requested: Article 02 03 04 should be divided into two separate articles:
 - Article 02 03 04 01 should replace the former Article 02 03 04 and should contain the credits earmarked to it, covering the financial support to the standardisation activities of CEN, CENELEC and ETSI;
 - Article 02 03 04 02 will consist of the following credits which were previously committed and paid under articles 02.02.01, 17.02.02.00 and 07.03.07 for activities related to standardisation: 2,1 EUR million from budget line 02.02.01, 1,4 EUR million from budget line 17.02.02.00 and 0,2 EUR million from budget line 07.03.07 will be transferred to the new budget line 02 03 04 02.
 - Articles 02.02.01, 17.02.02.00 and 07.03.07 will be decreased in the financial programming by the above amounts corresponding to standardisation activities. The latter articles will be decreased by the amounts corresponding to standardisation activities.
 - The credits for grants to other organisations representing societal stakeholders in the field of standardisation are included in other budgetary articles (e.g. 04.03.03.02).

³⁴ DA= Differentiated appropriations / DNA= Non-Differentiated Appropriations

³⁵ EFTA: European Free Trade Association.

³⁶ Candidate countries and, where applicable, potential candidate countries from the Western Balkans.

Heading of multiannual financial framework	Budget line	Type of expenditure	Contribution			
		Diff./non-diff.	from EFTA countries	from candidate countries	from third countries	within the meaning of Article 18(1)(aa) of the Financial Regulation
1a. Competitiveness for growth and employment	Article 02 03 04 01 — Support to standardisation activities performed by CEN, CENELEC and ETSI	DA	YES	NO	NO	NO
1a. Competitiveness for growth and employment	Article 02 03 04 02 — Support to organisations representing SMEs and societal stakeholders in standardisation activities	DA	YES	NO	NO	NO

3.2. Estimated impact on expenditure³⁷

3.2.1. Summary of estimated impact on expenditure

EUR million (to 3 decimal places)

Heading of multiannual financial framework:	Number	1a. Competitiveness for growth and employment
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			Year N ³⁸	Year N+1	Year N+2	Year N+3	Years N+4 to 6			TOTAL
Operational appropriations										
Article 02 03 04 01 — Support to standardisation activities performed by CEN, CENELEC and ETSI	Commitments	(1)	23.5	--	--	--	--	--	--	--
	Payments	(2)	9	--	--	--	--	--	--	--
Article 02 03 04 02 — Support to organisations representing SMEs and societal stakeholders in standardisation activities	Commitments	(1a)	3.7	--	--	--	--	--	--	--
	Payments	(2a)	3.7	--	--	--	--	--	--	--
Appropriations of an administrative nature financed from the envelop of specific programs ³⁹						--	--	--	--	--
Article 02 01 04 02 -		(3)	0.2	--	--	--	--	--	--	--
<i>For information purposes only, the following lines will be decreased (these amount are <u>not</u> reflected in the totals):</i>										

³⁷ The amounts set out in the tables in section 3.2 should be adapted to inflation and eventually should be adjusted accordingly.

³⁸ Year N is the year in which implementation of the proposal is likely to start, namely 2013.

³⁹ Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former "BA" lines), indirect research, direct research.

<i>Article 02.02.01(heading 1a)</i>	<i>Commitments</i>		-2.1	--	--	--	--	--	--	--
	<i>Payments</i>		-2.1	--	--	--	--	--	--	--
<i>Article 17.02.02.00 (heading 3 b)</i>	<i>Commitments</i>		-1.4	--	--	--	--	--	--	--
	<i>Payments</i>		-1.4	--	--	--	--	--	--	--
<i>Article 07.03.07 (heading 2)</i>	<i>Commitments</i>		-0.2	--	--	--	--	--	--	--
	<i>Payments</i>		-0.2	--	--	--	--	--	--	--
TOTAL appropriations under HEADING 1.a of the multiannual financial framework	Commitments	=1+1a +3	27.4	--	--	--	--	--	--	--
	Payments	=2+2a +3	12.9	--	--	--	--	--	--	--

Heading of multiannual financial framework:	5	"Administrative expenditure"
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EUR million (to 3 decimal places)

		Year N	Year N+1	Year N+2	Year N+3	Years N+4 to 6			TOTAL
DG: ENTR, SANCO, MARKT, MOVE, ENV and INFSO									
Human resources		3.5	--	--	--	--	--	--	--
Other administrative expenditure		0.3	--	--	--	--	--	--	--
TOTAL	Appropriations	--	--	--	--	--	--	--	--

TOTAL appropriations under HEADING 5 of the multiannual financial framework	(Total commitments = Total payments)	3.8	--	--	--	--	--	--	--	--

EUR million (to 3 decimal places)

		2013	2014	2015	2016	2017-2020			TOTAL
TOTAL appropriations under HEADINGS 1 to 5 of the multiannual financial framework	Commitments	3.8	--	--	--	--	--	--	--
	Payments	3.8	--	--	--	--	--	--	--

3.2.2. Estimated impact on operational appropriations

The proposal requires the use of operational appropriations, as explained below:

Commitment appropriations in EUR million (to 3 decimal places)

Indicate objectives and outputs			Year N		Year N+1		Year N+2		Year N+3		Years N+4 to 6						TOTAL			
	OUTPUTS																			
	Type of output ⁴⁰	Average cost of the output	Number of outputs	Cost	Number of outputs	Cost	Number of outputs	Cost	Number of outputs	Cost	Number of outputs	Cost	Number of outputs	Cost	Number of outputs	Cost	Number of outputs	Cost	Total number of outputs	Total cost
SPECIFIC OBJECTIVE No 1: To continually review existing internal market acquis and propose new legislative or non-legislative action whenever appropriate.																				
Central secretariat of ESOs	(A)	3.35	3	10	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Translation of standards	(B)	0.55	2	1.1	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Standardisation work (including ICT)	(C)	0.4	25	11	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

⁴⁰ Outputs are products and services to be supplied (e.g.: number of student exchanges financed, number of km of roads built, etc.). (A)= administrative support, (B)= translation services, (C)= actual standardisation work, (D)= promotion and publicity, including conferences and (E)= other intellectual services

Promotion of European standards	(D)	0.1	1	0.1	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Audits, evaluations, and specific projects	(E)	0.8	1	0.8	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Studies and technical assistance	(D) (E)	1.2	0	0	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Promotion and development of Eurocodes	(D) (E)	0.5	1	0.5	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Support to organisations representing SMEs	(A) to (E)	2.0	1	2.0	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Support to organisations representing societal stakeholders	(A) to (E)	0.75	2	1.5	--	--	--	--	--	--	--	--	--	--	--	--	--	--
Sub-total for specific objective N°1					--	--	--	--	--	--	--	--	--	--	--	--	--	--
TOTAL COST			36	27	--	--	--	--	--	--	--	--	--	--	--	--	--	--

3.2.3. Estimated impact on appropriations of an administrative nature

3.2.3.1. Summary

The proposal requires the use of administrative appropriations, as explained below:

EUR million (to 3 decimal places)

	Year N	Year N+1	Year N+2	Year N+3	Years N+4 to 6			TOTAL
--	-----------	-------------	-------------	-------------	-------------------	--	--	-------

HEADING 5 of the multiannual financial framework								
Human resources	3.5	--	--	--	--	--	--	--
Other administrative expenditure	0.3	--	--	--	--	--	--	--
Subtotal HEADING 5 of the multiannual financial framework	3.8	--	--	--	--	--	--	--

Outside HEADING 5⁴¹ of the multiannual financial framework								
Human resources	0	--	--	--	--	--	--	--
Other expenditure of an administrative nature	0.2	--	--	--	--	--	--	--
Subtotal outside HEADING 5 of the multiannual financial framework	0.2	--	--	--	--	--	--	--

TOTAL	4	--	--	--	--	--	--	--
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⁴¹ Technical and/or administrative assistance and expenditure in support of the implementation of EU programmes and/or actions (former "BA" lines), indirect research, direct research.

3.2.3.2. Estimated requirements of human resources

The proposal requires the use of human resources, as explained below:

Estimate to be expressed in full amounts (or at most to one decimal place)

	Year N	Year N+1	Year N+2	Year N+3	Years N+4 to 6		
Establishment plan posts (officials and temporary agents)							
XX 01 01 01 (Headquarters and Commission's Representation Offices)	2.9	--	--	--	--	--	--
XX 01 01 02 (Delegations)	0	--	--	--	--	--	--
XX 01 05 01 (Indirect research)	0	--	--	--	--	--	--
10 01 05 01 (Direct research)	0	--	--	--	--	--	--
External personnel (in Full Time Equivalent unit: FTE) ⁴²							
XX 01 02 01 (CA, INT, SNE from the "global envelope")	0.6	--	--	--	--	--	--
XX 01 02 02 (CA, INT, JED, LA and SNE in the delegations)	0	--	--	--	--	--	--
XX 01 05 02 (CA, INT, SNE - Indirect research)	0	--	--	--	--	--	--
10 01 05 02 (CA, INT, SNE - Direct research)	0	--	--	--	--	--	--
Other budget lines (specify)	0	--	--	--	--	--	--
TOTAL	7	--	--	--	--	--	--

XX is the policy area or budget title concerned.

The human resources required will be met by staff from the DG who are already assigned to management of the action and/or have been redeployed within the DG, together if necessary with any additional allocation which may be granted to the managing DG under the annual allocation procedure and in the light of budgetary constraints.

Description of tasks to be carried out:

Officials and temporary agents	Implementation of the Regulation (i.e. manage standardisation activities and their financing, including on ICT, and manage the grants to organisations representing SMEs and societal stakeholders)
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⁴² CA= Contract Agent; INT= agency staff ("*Intérimaire*"); JED= "*Jeune Expert en Délégation*" (Young Experts in Delegations); LA= Local Agent; SNE= Seconded National Expert;

External personnel	Seconded National Experts will contribute to the follow-up of standardisation activities, including on ICT. Contract agents will mainly perform executive tasks.
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3.2.4. *Compatibility with the current multiannual financial framework*

The proposal is compatible with the current multiannual financial framework. Some credits might be moved from other budgetary titles to title 2 (Enterprise) as set out in section 3.1.

3.2.5. *Third-party contributions*

The proposal provides for the co-financing estimated below:

Appropriations in EUR million (to 3 decimal places)

	Year N	Year N+1	Year N+2	Year N+3	Years N+4 to 6			Total
<i>Specify the co-financing body</i>	EFTA	EFTA	EFTA	EFTA	EFTA	EFTA	EFTA	EFTA
TOTAL appropriations cofinanced	0.7	--	--	--	--	--	--	--

3.3. **Estimated impact on revenue**

The proposal has no financial impact on revenue.