European standardisation: Community financing

2005/0157(COD) - 18/08/2005 - Legislative proposal

PURPOSE: Consolidating the financing for European Standardisation.

PROPOSED ACT: Decision of the European Parliament and of the Council.

CONTENT: The European standardisation process has had an enormous impact and influence on the EU's internal market. Thanks to common standards a huge number of goods have been able to move freely across internal borders. Not only is standardisation key to the proper functioning of the EU's internal market it is also a valuable weapon in favour of the EU's global competitiveness. Further, common standards have offered a high degree of protection to European consumers and workers alike. The European Standard Organisations (ESOs), which comprise of CEN, CENELEC and ETSI, have a catalogue of standards amounting to some 15 000 European standards and other specifications. More than 2 500 of these have been created specifically to support Community legislation.

In light of the fact that standardisation is a key feature supporting EU legislation the Commission has provided ongoing financial support for the development of European standardisation. Currently, this financial support is based on several acts. They are primarily:

- Directive 98/34/EC which allows the Commission to submit requests for standardisation to the European standards organisations;
- a set of regulations on technical harmonisation for the implementation of the internal market, including the "New Approach" Directives;
- Council Decision 87/95/EEC of 22 December 1986 on standardisation in the field of information technology and telecommunications.

A further source of financial support is enacted through partnership agreements laid down between the Commission, EFTA and the European standards organisations, which are specified in the General Guidelines for Co-operation.

Currently, financing priorities include the running costs of the ESO's central secretariats. Other financing priorities go towards improving the quality of European standardisation, external evaluators' reports and, where necessary, translations into final versions, the drawing up of European standards and the promotion of European standards.

In line with provisions and obligations laid down in the EU's Financial Regulation the Commission is now seeking to upgrade the existing financial instruments. The existing acts of secondary legislation, listed above, no longer fully comply with the requirements of the Financial Regulation. It has therefore become necessary for the Commission to adopt an Act, which will provide the basis for a more explicit, complete and detailed legal framework. Such an approach can secure the long term financial interests of the standardisation process.

The articles of the proposed Decision can be summarised as follows:

Article 1: outlines the EU's contribution to the financing of European standardisation. Attention is given to the advantages of supporting a standardisation process and, in particular, the positive impact it has on the internal market in goods and services, the health and safety of both consumer and workers as well as the inter-operability of commercial transactions.

Article 2: states specifically that the ESOs are the main beneficiaries of financing for European standardisation, albeit, that under certain circumstances other bodies are also eligible for Community financing.

Article 3: specifies the various types of standardisation activity eligible for Community financing.

Article 4: specifies that the appropriations allocated to activities financed under the Decision are authorised each year by the budgetary authority.

Article 5: sets out the financing arrangements. Most of the activities will be financed by means of grants without calls for proposals. This is in line with provisions spelt out in the Financial Regulation and, according to the Commission, justified on the grounds that standardisation work is of general interest to the EU. For preliminary and ancillary activities, financing is provided by means of grants with calls for proposals or public procurement procedures.

Article 6: Sets out the arrangements for the implementation and monitoring of the Decision. The Commission may make use of audits and evaluators' reports.

Article 7: States the means by which it will be necessary to ensure adequate protection of the Community' s financial interests once the Decision has been implemented.

FINANCIAL IMPLICATIONS:

- Budget lines and headings: 020304 – Standardisation and approximation of legislation - where necessary from other relevant budgetary headings.

- Overall figures: Total for part B: EUR 134 million.

- Period of application: 2006-2010.

- Overall multi-annual expenditure – commitment appropriations/ payment appropriations: Total for commitments: EUR 134 million/ Total for payment: EUR 133.6 million

Technical and administrative assistance and support expenditure: Total for commitments: EUR 134 million/ Total for payment: EUR 133.6 million

- Overall financial impact of human resources and other administrative expenditure: Maintaining of the status quo (2A plus 3Bplus 2C).