Basic information

2005/0157(COD) COD - Ordinary legislative procedure (ex-codecision procedure) Decision	Procedure completed
European standardisation: Community financing Repealed by 2011/0150(COD) **Subject** 2.10.03 Standardisation, EC/EU standards and trade mark, certification, compliance	

Key players

European Parliament

Committee responsible	Rapporteur	Appointed
IMCO Internal Market and Consumer Protection	PLEŠTINSKÁ Zita (PPE-DE)	25/10/2005

Committee for opinion	Rapporteur for opinion	Appointed
BUDG Budgets	VAUGRENARD Yannick (PSE)	15/11/2005
ITRE Industry, Research and Energy	RÜBIG Paul (PPE-DE)	23/11/2005

Council of the European Union

Council configuration	Meetings	Date
Agriculture and Fisheries	2750	2006-09-18

European Commission

Commission DG	Commissioner
Internal Market, Industry, Entrepreneurship and SMEs	VERHEUGEN Günter

Key events

Date	Event	Reference	Summary
18/08/2005	Legislative proposal published	COM(2005)0377	Summary
06/09/2005	Committee referral announced in Parliament, 1st reading		
21/03/2006	Vote in committee, 1st reading		Summary

27/03/2006	Committee report tabled for plenary, 1st reading	A6-0107/2006	
16/05/2006	Debate in Parliament		
17/05/2006	Decision by Parliament, 1st reading	T6-0213/2006	Summary
17/05/2006	Results of vote in Parliament		
18/09/2006	Act adopted by Council after Parliament's 1st reading		
24/10/2006	Final act signed		
24/10/2006	End of procedure in Parliament		
15/11/2006	Final act published in Official Journal		

Technical information

Procedure reference	2005/0157(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Decision
Amendments and repeals	Repealed by 2011/0150(COD)
Legal basis	EC Treaty (after Amsterdam) EC 157-p3 EC Treaty (after Amsterdam) EC 095
Stage reached in procedure	Procedure completed
Committee dossier	IMCO/6/30004

Documentation gateway

European Parliament

Document type	Committee	Reference	Date	Summary
Amendments tabled in committee		PE367.797	11/01/2006	
Committee opinion	ITRE	PE367.852	22/02/2006	
Committee report tabled for plenary, 1st reading/single reading		A6-0107/2006	27/03/2006	
Text adopted by Parliament, 1st reading/single reading		T6-0213/2006	17/05/2006	Summary

Council of the EU

Document type	Reference	Date	Summary
Draft final act	03619/2/2006	24/10/2006	

European Commission

Document type	Reference	Date	Summary
	COM(2005)0377		

Legislative proposal		18/08/2005	Summary
Document attached to the procedure	SEC(2005)1050	19/08/2005	Summary
Commission response to text adopted in plenary	SP(2006)2902	22/06/2006	

Other institutions and bodies

Institution/body	Document type	Reference	Date	Summary
EESC	Economic and Social Committee: opinion, report	CES0402/2006	15/03/2006	

Additional information		
Source	**Document**	**Date**
European Commission	EUR-Lex	

Final act	
Decision 2006/1673 OJ L 315 15.11.2006, p. 0009-0012	Summary

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).

European standardisation: Community financing

2005/0157(COD) - 19/08/2005 - Document attached to the procedure

COMMISSION'S EX-ANTE EVALUATION

For further information concerning the background to this issue, please refer to the summary of the Commission's initial proposal of 19 August 2005 for a Decision of the European Parliament and of the Council on the financing of European standardisation - COM(2005)0377.

1- POLICY OPTIONS AND IMPACTS

As the standardisation system is working at different levels (national, European and international), the Commission states that there is no real alternative: the European standardisation system is the only one able to produce standards in support of European policies and regulations. Nevertheless, it encourages the ESOs to work closely with their counterparts at the international level (ISO, IEC, ITU) in order to avoid barriers to trade across the world and to improve the competitiveness of European industry.

This ex ante evaluation looks at three alternatives to EC financial support for European standardisation.

1.1- Option 1 - a "no further intervention scenario": In the absence of financial support from the EC, it is likely that the production of European standards in support of EU policies and legislation would be more difficult. Since 1987, more than 20 "new approach" harmonisation directives have been adopted using European standardisation as the main tool to achieve the objective of establishing the internal market i.e. the free circulation of industrial goods with a high level of protection for industrial products like toys, medical devices, machinery, lifts, construction products, personal protective equipment, radio and telecommunication equipment, low voltage equipment, pressure equipment. Besides the new approach directives, the EU is using more and more European standardisation in support of technical regulations in, for example, the fields of transport, ICT interoperability or in the area of freedom, security and justice. The EC would no longer have any means to ensure that the harmonised standards in support of legislation are produced in time because the priorities of the other stakeholders (industry, national standards organisations) are different. This would mean that the New Approach legislation and technical regulations would not work anymore or partly be substantially less effective. Furthermore, the role of European standards to reduce technical barriers to trade or to support EU policies enhancing the competitiveness of European industry would decrease.

Two options other than funding given by the EC could include:

1.2- Option 2- Exclusive funding from industry and other stakeholders: This would most likely concentrate only on standards that are market-driven in order to improve the competitiveness of European industry on the global market. However, this may not sufficiently cover standards to be developed in the European public interest where the benefits may only be realized on a longer term.

1.3- Option 3: Exclusive funding from the Member States to the National Standards Bodies, which are members of the ESOs: This would run the risk of delaying European activities and then weakening the internal market due to the diversity of approaches and priorities across the EU.

CONCLUSION: *Based on the results of a series of studies that have been undertaken, it is reasonable to believe that the EU gets a high degree of influence compared to its relatively small contribution (about 20 million € annually), and that the availability of European standards on the market leads to important economic benefits for society.* ***For this reason, the Commission has chosen to make its proposal on EU financing of European standardisation as opposed to any of the three above-mentioned options.***

2- FOLLOW-UP

Each grant agreement that provides funding to the standardisation system is continuously monitored through annual review meetings and the target dates are reviewed by the EC and the contractor, if need be. The expenditure is monitored through a system for real cost controls.

The standardisation unit (C2) of the Enterprise and Industry DG reports on its work, achievements and financial expenditure in a financial report transmitted to the Director-General each semester.

A programme for a comprehensive evaluation of EC standardisation policies and EC financial support is being implemented, with approximately one policy area being examined each year.

Ex-post evaluations of each of the policy areas are made with the aim of illuminating the outcome and impact of the Enterprise and Industry DG's activities. An evaluation of the eSAP contracts (in the field of ICT standardisation) was carried out in 2003 and the New Approach consultant system will be analysed in 2005/2006. Other policy areas will follow in the coming years.

European standardisation: Community financing

2005/0157(COD) - 24/10/2006 - Final act

PURPOSE: to provide a consolidated legal basis for the financing of European standardisation.

LEGISLATIVE ACT: Decision 1673/2006/EC of the European Parliament and of the Council on the financing of European standardisation.

CONTENT: the Council adopted at first reading a Decision on the financing of European standardisation. This decision establishes the rules concerning the Community's contribution to the financing of European standardisation. European standardisation is an essential tool for supporting Community legislation and policies. It is necessary for the Community to contribute to the financing of European standardisation in view of the latter's useful role in supporting its legislation and policies. On the one hand, European standardisation contributes to the functioning and strengthening of the internal market, thanks especially to the New Approach directives in the fields of health, safety and environmental and consumer protection, and to ensuring interoperability in fields such as transport. Community financing may be granted to the recognised European standardisation bodies listed in Annex I to Directive 98/34/EC.

The Community may finance the following European standardisation activities:

a) the production and revision of European standards or any other standardisation product which is necessary and suitable for the implementation of Community policies and legislation;

b) the performance of preliminary or ancillary work in connection with European standardisation, such as studies, programmes, evaluations, comparative analyses, research work, laboratory work, inter-laboratory tests and conformity evaluation work;

c) the activities of the central secretariats of the European standardisation bodies, such as policy development, the coordination of standardisation activities, the processing of technical work and the provision of information to interested parties;

d) the verification of the quality, and conformity to the corresponding Community policies and legislation, of European standards or any other standardisation product;

e) the translation, where required, of European standards or any other European standardisation product used in support of Community policies and legislation into official Community languages other than the working languages of the European standardisation bodies; the drawing up of documents to explain, interpret and simplify standards, as well as the drawing up of user guides and best practice documents;

f) 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 among interested parties in the Community and at international level.

ENTRY INTO FORCE: 05/12/2006.

European standardisation: Community financing

2005/0157(COD) - 17/05/2006 - Text adopted by Parliament, 1st reading/single reading

The European Parliament adopted a resolution drafted by Zita **PLEŠTINSKÁ** (EPP-ED, SK) and made some amendments to the Commission’s proposal. (Please see the summary of 21/03/2006.)

In addition, Parliament made amendments indicating that:

- Community financing will be made available in the form of grants after a call for proposals, or by public procurement procedures, to bodies other than the European standards organisations and the bodies mandated in a basic act pursuant to Article 49to carry out, in collaboration with the European standards organisations, the standardisationwork referred to in Article 3(1)(b)or the programmes referred to in Article 3(1)(f).

- Grant agreements may authorise flat-rate cover of the beneficiary's overheads up to a maximum of 30% of total eligible direct costs for actions, save where indirect costs of the beneficiary are covered through an operating grant financed from the Community budget.