

The Director General

Brussels, 4 October 2013

Open Letter
to European Commission President José Manuel Barroso,
Vice-President Antonio Tajani
and Commissioner Karel De Gucht

***Regarding standardization-related aspects
of the Transatlantic Trade and Investment Partnership negotiations
between the European Union and the United States***

Dear President,
Dear Vice-President,
Dear Commissioner,

On behalf of CEN and CENELEC, I wish to share with you some information to clarify certain elements in the context of the ongoing Transatlantic Trade and Investment Partnership (TTIP) negotiations between the European Union and the United States.

We were interested to read the speech that was given by the US Trade Representative Michael Froman to the German Marshall Fund of the US in Brussels on 30 September. Mr Froman spoke about a number of issues that are relevant to the TTIP negotiations, including some related to the European standardization model.

Indeed, standardization matters will play a key role in TTIP discussions and are likely to have a major influence on the long-term effects of these trade talks. Transatlantic cooperation in standardization matters is very dynamic, notably in the field of Smart Grids, mentioned by Mr Froman, but also in relation to electric vehicles, among others.

However, we are concerned that the remarks made by Mr Froman reflect some misconceptions about the European Standardization System. Therefore, we would like to provide you with some clarification, as a contribution to the preparation of the second round of TTIP negotiations taking place from 7 to 11 October in Brussels.

The European Standardization System is founded on the principles recognized by the World Trade Organization (WTO) in the field of standardization, namely coherence, transparency, openness, consensus, voluntary application, independence from special interests and efficiency. The European Union (under EU Regulation 1025/2012) recognizes CEN, CENELEC and ETSI as the European Standardization Organizations, which develop standards in support of European legislation.

The European Single Market supports the most integrated regional economy in the world, a place where free circulation of goods is a reality for more than 500 million people living in 28 countries and speaking 24 official languages. European standards are the backbone of this unique success story. The rules of CEN and CENELEC ensure that when one standard is approved at European level, it is systematically adopted in 33 countries (i.e. the EU Member States and the EFTA countries, plus Turkey and the former Yugoslav Republic of Macedonia). This prevents the appearance of diverging standards covering the same product or service. In combination with the other pillars of the European Quality Infrastructure model (Accreditation, Conformity Assessment and Market Surveillance), it generates an unprecedented opportunity for businesses to easily reach a huge market. 95% of costs related to the development of European standards are borne by the private sector, demonstrating their value for market stakeholders.

The link between European legislation and European standards is clear and predictable; it enables all stakeholders to know in advance which standards are likely to be referenced in EU legislation. Information on these standards is easily accessible via a single page of the European Commission website, as well as on the websites of the European Standardization Organizations.

Additionally, CEN and CENELEC structurally prevent duplication of work with the international standards bodies ISO and IEC, via technical cooperation agreements. ISO and IEC have global membership, and our US partners are very active contributors to their work. ISO, for example, has members in 164 countries, which puts into perspective the weight of Europe in its activities. No new European Standard is developed if an international standard, published by ISO or IEC, meets the requirements of the European market. As a result:

- 31% of CEN standards are identical to ISO standards
- 69% of CENELEC standards are identical to IEC standards
- 21% of CEN standards supporting EU legislation are identical to ISO standards
- 60% of CENELEC standards supporting EU legislation are identical to IEC standards
- In some business sectors, the proportion of international standards adopted at EU level exceeds 80% (e.g. health care)

Many companies from around the globe have offices in Europe and actively contribute to the development of European Standards. The involvement of all relevant stakeholders in European standardization activities is strongly encouraged by EU legislation. European Standardization Organizations even have the obligation to report on their inclusiveness towards SMEs and societal stakeholders (i.e. organizations representing consumer, environmental and social interests). This ensures that European Standards not only meet the needs of business and industry. They also take into account aspects such as consumer safety, public health, environmental impact, sustainability and accessibility.

One of the ways to reduce barriers to trade is to ensure that stakeholders have a coherent set of bodies they can refer to in the area of standardization, and that there is a transparent system detailing how legislation and standards interact, including advance notifications of future developments. The European Standardization System fulfils this need. It also ensures that the European market is open to international trade and fosters the global competitiveness of European businesses.

In CEN and CENELEC, we fully appreciate and respect the differences between the European and US standardization systems. We are committed to developing efficient and consistent mechanisms to facilitate transatlantic cooperation on standards-related matters. These will support an expected increase in transatlantic trade flows. We work towards this ambitious goal in full coordination with our US counterparts, based on a shared vision that both sides will benefit from the exercise. Success will come from working on common strengths rather than highlighting differences.

For further information on our position, please refer to CEN and CENELEC's response to the initial EU Position Paper on EU-US Transatlantic Trade and Investment Partnership (TTIP) – Technical Barriers to Trade (attached).

Yours Sincerely,

A handwritten signature in blue ink, appearing to be 'Elena Santiago Cid', is located below the text 'Yours Sincerely,'.

Elena Santiago Cid
Director General of CEN and CENELEC

About CEN and CENELEC

CEN (European Committee for Standardization) and **CENELEC (European Committee for Electrotechnical Standardization)** are officially recognised organisations responsible for developing and defining standards at European level. These standards set out specifications and procedures in relation to a wide range of products and services.

The members of CEN and CENELEC are the National Standards Bodies and National Electrotechnical Committees of 33 European countries including all of the EU member states plus 3 EFTA countries (Iceland, Norway and Switzerland) as well as 2 EU candidate countries (Turkey and the former Yugoslav Republic of Macedonia).

European Standards (ENs) are developed through a process of collaboration among experts nominated by business and industry, research institutes, consumer and environmental organisations and other societal stakeholders. These standards are accepted and recognised in all of the countries covered by CEN and CENELEC members.

CEN and CENELEC work to promote the international harmonisation of standards in the framework of technical cooperation agreements with ISO (International Organization for Standardization) and the IEC (International Electrotechnical Commission).

For more information, please see: www.cencenelec.eu