At a glance

European standardization strategy

Initial situation

Norms and standards are used all over the world to ensure compatibility between products and systems from different suppliers. Especially in the case of new and emerging technologies, the European standardization system often fails to deliver results on time and important competitive advantages are lost. Furthermore, standardization has become a geopolitical subject. The recently published European Standardization Strategy aims to address these issues.

Bitkom Evaluation

Going in the right direction: The European Standardization Strategy provides mostly appropriate measures. Nevertheless, some major points require improvement and concretization. Standardization should be used consciously as an economic policy and regulatory instrument to secure the innovation and competitiveness of the digital economy.

Most important

Bitkom, as a representative of the digital economy, considers standards as essential to establish worldwide connectivity and compatibility as well as global interoperability. To ensure this in the future, the standardization strategy must address the following points:

- **Standards must be created by technical industry experts**
  The main contributions to standards and norms must come from industry experts to ensure that standards remain of high quality and relevance. This is also important for a continued adoption of national standards on an international level.
- **ETSI is a key element of the European standardization system**
  For more than 30 years, ETSI has proven itself as an inclusive standards organization. It provides globally applicable standards for the ICT industry, especially for SMEs. This success story must be continued.
- **Geopolitical situation requires fair and open access to standardization**
  To shape international standards, global connectivity must be ensured, and international players should not be excluded. Simultaneously, European experts must also be involved in international standardization activities, for example in China.

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Initial evaluation of the European standardization strategy and the draft regulation 2022/0021

Bitkom welcomes the publication of the European standardization strategy and the accompanying documents.

From Bitkom's point of view, technical experts from the industry provide the key contributions for standardization on the national, European and international level. Investments by the industry are responsible for the high quality and success of standards. For this reason, Bitkom supports all efforts at the European level to strengthen the industry's engagement in standardization.

The European Standardization system is therefore strongly appreciated by Bitkom . The clear separation between legal requirements and standardization is the central element of the European common market: legal requirements are formulated in legal acts, and standardization defines the technical implementation of legal requirements on a voluntary basis. From Bitkom's point of view, the three European standardization organizations perform very well, and their established processes are well adapted to the different sectoral needs. This facilitates the targeted development of high-quality European standards based on broad expert knowledge. Furthermore, the European standardization processes have differentiated and efficient structures for international and global cooperation. This results in European requirements and values contributing to international and global standards, and international standards being adopted in Europe. This is of central importance for the global competitiveness of the European industry.

Bitkom emphasizes that processes of the citation of harmonized European standards should be improved. We explicitly welcome to continue working with all involved institutions on process improvements. Thereby, harmonized standards can meet the requirements as stated in the Standardization Requests. In addition, a timely listing can be achieved so that harmonized standards are available for the conformity assessment procedure and the presumption of conformity.

Bitkom does not share the views on ETSI and urgently recommends a reconsideration and review of the EC positions. For more than 30 years, ETSI has been a successful element of the European standardization system and stands for the development of high-quality and globally successful standards and norms. ETSI is very inclusive and allows all interested stakeholders to participate directly in technical standardization. This is reflected in the high number of SMEs (25 percent of the ETSI members) that engage successfully in standardization – just like large companies. ETSI structures, processes and partnerships differ from those of CEN and CENELEC, but are very effective in achieving European goals.

The best-known example is the 3rd Generation Partnership Project 3GPP, which is creating the standards for GSM, 3G, LTE, 5G and, in the future, 6G. These standards are essential for the fundamental goals of the EU.

In ETSI, the national delegations, often led by government representatives, decide on changes to the Statutes and Rules of Procedure. Government representatives are members of the democratically elected ETSI Board, which supervises the technical work program. This includes the decision to accept or reject standardization mandates, for which the board consults both technical experts and the European Commission. The European Commission is also an ETSI Counselor, regularly participates in the ETSI Board, can participate in all other bodies and is closely involved in all discussions.

Bitkom also supports the importance of the EU Multi-Stakeholder Platform on ICT Standardization (MSP), which is a world-unique expert group. It includes all important stakeholders in the field of ICT standardization as well as the EU and EFTA countries, to ensure qualified policy advice. Through the MSP, Europe is connected to the central global bodies of ICT standardization and can contribute European requirements and values. The MSP is of major importance to address the specific conditions of the ICT sector. Likewise, the MSP is crucial to increase the participation of European experts in global ICT standardization. Considering the challenges of the digital decade, Bitkom considers the MSP to be more important than ever and strongly recommends the extension of the MSP's mandate.

The geopolitical analysis of standardization is welcomed and supported by Bitkom: China's growing commitment to and focus on standardization creates new challenges. Nevertheless, Europe's role in international standardization stays strong. Therefore, Europe needs to develop measures to maintain its influence and to expand it in strategically relevant fields.

Bitkom promotes fair, open access and balanced participation in standardization. German companies must be given access to national Chinese standardization so that they can collaborate on Chinese norms and standards. Similarly, Europe should not exclude non-European companies but continue to enable their participation in standardization. Over decades, this has proven successful for European companies on the European market, their international market access and their competitiveness. Any efforts at exclusion might provoke reactions and counteract reciprocal openings.

Bitkom points out that it is currently working on a detailed paper on this topic. It is expected to be completed in the next few weeks and will be made available immediately.

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Bitkom suggests the following revisions to Regulation 1025/2012:

About the Explanatory Memorandum / Context

The fact that three ESOs are authorized is based on the grown structures of successful standardization in different sectors. When ETSI was established, there were already several members whose headquarters were not in Europe. The explanation that today's governance structures in ETSI are fundamentally different is not correct. Then as now, only companies registered in Europe can propose candidates for the Board or the leadership of the General Assembly.

The EU Commission demands that the National Standardization Organizations get specific exclusive rights in the internal decision-making processes of the ESOs. This contradicts the reasons for regulation:

"(2) European standardisation is organised by and for the stakeholders concerned based on (...) direct participation (the European Telecommunications Standards Institute (ETSI)), and is founded on the principles recognised by the World Trade Organisation (WTO) in the field of standardization"

In this respect, the justification to change the governance structures is not comprehensible. Before implementing such a change, the necessity of a modified structure should be investigated by the EU-COM together with the relevant stakeholders, particularly the member states which have a special position in the ETSI structure. This could be achieved through a careful impact assessment.

3 Results of ex-post valuations, stakeholder consultations and impact assessments

The mentioned targeted consultation with extremely short response time took place from 21st December 2021 to 14th January 2022 and has only been considered very selectively. The same applies to the consultation for the "roadmap for the standardization strategy", in which most responses recommended not to change the Regulation 1025/2012.

An impact assessment has not been carried out, even though the changes affect the structure of the privately organized standards bodies and the commission cannot assess the effects itself. Important expert opinions, which are usually obtained during an impact assessment, were therefore not considered. One example is missing analysis of the proposed changes' effects on the best practices in the organization and on the fundamental principles – particularly coherence, openness, consensus, independence from individual interests and efficiency.

About Article 1

Bitkom is concerned about the proposed amendment to Article 10, paragraph 1, sentence 1 of Regulation 1025/2012. Bitkom urgently recommends (see also the comments below on proposed Article 2a) that the following addition is not inserted:

"provided that the European standardisation organisation concerned complies with paragraph 2a."

About Article 2a

Bitkom considers the proposed change in paragraph 2a (a) as detrimental to achieve a high-quality analysis of Standardization Requests. Standardization Requests involve demanding technical work. For this, it is essential to involve the bodies in which actual technical experts gather. Before any decision is made on this change, Bitkom highly advises an in-depth analysis of the current processes and the preparation of an impact assessment of the planned modifications including all affected stakeholders.

Bitkom opposes the proposed paragraph 2a (b). New Work items should be evaluated and decided by the relevant bodies in the standards organizations. We see no need to have them assessed by a committee of national standards organizations.

Currently, the ETSI Board decides whether a standardization request is accepted. It relies on the analysis of the relevant working group, in which the necessary technical expertise is available. The ETSI Board is composed of representatives of the European ETSI members and comprises industry including SMEs, associations, national standardization organizations and government representatives. Each member has one vote. Decisions in the ETSI Board are generally made by consensus.

Furthermore, Bitkom emphasizes that the approval of harmonized European Standards already follows an open process. The National Standards Organizations conduct a public enquiry and the voting on the standards. Therefore, we recommend that the basis for the proposed changes is re-examined in detail.

Bitkom represents more than 2,700 companies in the digital economy, including more than 2,000 direct members. These companies generate annual sales of 190 billion euros with IT and telecommunications services - including exports of 50 billion euros. Bitkom members employ more than 2 million people in Germany. Members include more than 1,000 SMEs, over 500 startups and almost all global players. They offer software, IT services, telecommunications or Internet services, manufacture devices and components, are active in the field of digital media or are otherwise part of the digital economy. 80 percent of the companies are headquartered in Germany, 8 percent each come from Europe and the USA, and 4 percent from other regions. Bitkom promotes and drives the digital transformation of the German economy and advocates broad social participation in digital developments. The aim is to make Germany a leading global digital location.