

Re-building Trust: Call for a new partnership for standardisation between the European Commission, European Standardisation Organisations and industry

Executive Summary

Europe's electricity system is at the heart of the transition to a climate-neutral economy. A resilient, reliable and efficient clean energy system depends on industry standards to make sure that the many systems and components can work together.

The EU requires an effective and robust standardisation process, involving the Commission, European Standardisation Organisations (ESO) and industry, to successfully make the digital and climate transitions, while safeguarding its place in the face of global competition.

T&D Europe calls on the EU to:

1. Maintain and strengthen EU leadership in international standardisation activities: Every European standardisation work adopted at international level brings a competitive advantage to European businesses in global markets.
2. Ensure that EU standards are compatible with and applicable for use in the rest of the world: EU standardisation work is best focused on international bodies (IEC, ISO) to maintain Europe's role as a global standard-setter. European Standards shall be based on international standards.
3. Ensure an open, independent standardisation process, which allows all interested stakeholders to participate: The Commission ensures the overall quality of the European standardisation system and the proper functioning of the internal market.
4. Streamline processes to ensure that standards can keep up with technological evolution and societal needs.

5. Ensure an efficient process for the swift recognition of harmonised European standards in the EU

T&D Europe supports a trusted partnership between the European Commission, the ESO and the industry where Europe acts as a rule-maker and not a rule-taker of international standards. Those standards on the international IEC level could then be quickly adopted as EN.

T&D Europe members provide all types of smart grid technologies, including advanced, smart systems suitable for interaction with renewable energies and ICT.

European innovation is key

Standards play a fundamental role in supporting and mainstreaming research and innovation, although their value in this area is often underrated by policy makers. More attention should be placed on standards in order to reap its potential benefits supporting innovation, a key ingredient for making the European Green Deal¹ a success story.

Standardisation is at the service of innovation in our industries and has been shown to be effective so far. Our recommendations look to restore mutual trust between the European Commission and the standardisation community and allow the execution of the harmonised European standards at a speed that our industries need, especially when talking about a COVID-19 European recovery plan.

Europe shall be a rule-maker and not a rule-taker of international standards

Standards are fundamental for Europe to reach the objectives it has set for itself through its European Green Deal, Digital Strategy and New Industrial Strategy. Standards are an indispensable tool for raising product safety and environmental performance. They can drive innovation, competitiveness, sustainability, and consumer protection.

Every European standardisation work adopted at international level brings a competitive advantage to European businesses in global markets.

¹ German Federal Ministry for Economic Affairs and Energy venue, Sep 16, 2020: "Standardisation is an important tool for achieving the objectives of European policies and of the Green Deal in particular."
"We need a strong and unbureaucratic European standardisation system to make the a Green Deal a success",
<https://www.eu2020.de/blob/2384400/377448d98da08638c79c99b204658bbb/pm--relaunching-europe-data.pdf>.

A good example is the recent activity of a CENELEC Task Force, driven by the Technical Committee 17AC, who prepares an “Eco Design” standard for T&D equipment. It is going to be proposed as a new working item at IEC level to adopt this approach internationally.

So, standardisation work shall be primarily established at international bodies (IEC, ISO) letting Europe remain a global standard-setter and subsequent European Standards shall be established by quickly following those international moves.

T&D industry products developed by European manufacturers are designed, tested and manufactured based on IEC Standards. Those IEC Standards are the reference point for all equipment covering power transmission and distribution grids, from components via products to systems. Following the Frankfurt Agreement² which supports the primacy of international standardisation, a very large majority of these international standards are directly applied in Europe, without any modification.

Digital transition

As the pace of digitalisation accelerates, standards are essential to ensure that Europe’s digital space remains safe, secure and cyber-proof.

Since digital technologies also play a key role as a source of clean and sustainable solutions to reduce the overall, and their own, environmental footprint, standardisation procedures need to be adapted to those fast-changing technologies by establishing a safe, resilient and interoperable data infrastructure as well as communication networks incorporating safety, security and data protection standards. Those standards must enable interoperability of industrial ecosystems by helping to de-silo industry sectors.

For smart grids, future-proof IT architectures and communication standards are essential prerequisites for digitization. The work of the IEC Technical Committee 57, by establishing an international standard (IEC 61850), now offers a solution for IT architectures, enabling the digital transformation and implementation of smart grid application by achieving multi-vendor interoperability in digitally connected power grids.

Europe’s role in standardisation policy

There are more than 20,000 European standards (EN) which can be categorised in horizontal, general standards containing fundamental principles, concepts, definitions and terminology

² <https://www.cenelec.eu/aboutcenelec/whoweare/globalpartners/iec.html>

for a broad subject and vertical application standards that apply to specific product or product groups.

Harmonised European standards (hEN) are usually international ISO or IEC standards, but frequently they are purely European standards which are established on behalf of the European Commission and EFTA and explicitly published in the European Official Journal (OJEU). Those hEN are considered a "catalyst for competitiveness, innovation and consumer safety, which should take into consideration the international dimension"³ while at the same time protecting the Single Market.

Today's situation

While the European legal framework and partnership structures have many world-leading qualities, the adoption of EN has been in decline since 2018. The slow approval of hEN that provides compliance with European legal provision is weakening the coherence of the Single Market. It has been monitored that hEN incorporate European affected structures, phrases, rules and content which are not accepted internationally, and which result in deviation between international standards and hEN. This approach endangers the common practice to conduct standardisation work widely on the international IEC level and adopt those by a "parallel voting" as EN.

There is a lack of standardised, transparent rules, processes and objective assessment criteria, and delays in communicating assessment results slow down the cycles for establishing standards. Moreover, after long, intense and resources-consuming discussions having reached mutual agreement between industry, associations, standardisation organisations, testing institutes and workers' compensation boards, the final decision of a hEN listing is in the hands of an European Commission agent who has normally not been involved in the processes before. His decision may even differ from the HAS consultant's vote.

The previously involved parties may increasingly evaluate their engagement against the open result of this last step, and so the New Approach success story is endangered.

Harmonised European Standards and the James Elliott Case

The recent published "Legal opinion on the European system of harmonised Standards", commissioned by the German Federal Ministry for Economic Affairs and Energy (BMWi) concerning the James Elliott Case states that "It is evident that the Court did not intend to

³ Conclusions of the Council of the European Union, 16 November 2020: <https://data.consilium.europa.eu/doc/document/ST-13004-2020-INIT/en/pdf>

thereby subject harmonised standards to the same conditions of validity and the same legal consequences that apply to all other EU law, and thus ultimately call into question the New Approach. In particular, the Commission must not use the assessment of the harmonised standard as an opportunity to duplicate the standardisation process or even to replace the contents agreed by the standardisation organisations with its own technical rules."

This is in contradiction to the European Commission's new interpretation of Regulation 1025/2012. It is necessary that the Commission sets the right business framework conditions with clear, consistent, and fit-for-purpose rules at all levels to achieve a fully functioning and strengthened Single Market. In line with the Orgalim position⁴, T&D Europe suggests preventing and removing unnecessary regulatory burden and allowing the ESO to have independent leadership for standardisation.

The compliance of products with the essential requirements of European Union harmonisation legislation is not the responsibility of the European Commission. It is the responsibility of manufacturers when designing products and of the Member States in terms of market surveillance.

New role for HAS Consultants

T&D Europe calls on the Commission to make sure that all relevant stakeholders are involved in a constructive dialogue, to ensure that hEN's can really support the Single Market, particularly in areas of strategic importance and in which innovative technologies are required.

A new trusted partnership between the European Commission, the ESO and the industry should be developed. It must determine clear objectives for the timely delivery of standards, reform governance and strengthen the inclusive public-private partnership that is the engine room of standards-making. This should facilitate the free movement of goods without unnecessary administrative burden to support the application of technical regulations aligned with the New Approach. Such trust will only result from shared trust arising from mutual recognition of the roles and competences of the parties concerned.

A key topic is improving the process on harmonised standards while keeping the European Commission's approach of HAS consultants, assuming that the Commission will not give up HAS consultants.

⁴ 27 January 2020, Internal Market: Shaping a New Deal for the Single Market: Harmonised standards in support of a competitive European industry.
<https://orgalim.eu/position-papers/internal-market-shaping-new-deal-single-market-harmonised-standards-support>

In the view of T&D Europe, the Commission has a duty to control the overall quality of the European standardisation system, to ensure the proper functioning of the internal market, including the relevance of harmonisation of standards for end users. Its role is not to control every detail of technical specification of the request for harmonised standards.

In future, HAS Consultants shall be an integral part of the standard's creation or revision process similar to the other involved stakeholders like National Committees. This would avoid delays in the standardisation process due to subsequent misunderstandings, misalignments and discussions between ESO and HAS Consultants.

Such a new approach would allow to return to a "normal", well-functioning process of operation within standardisation bodies (e.g. CEN/CENELEC, IEC) while simultaneously completing the approval process for harmonised standards by the European Commission.

Conclusion

T&D Europe has identified key concerns in the areas of standardisation, accreditation and conformity assessment and calls for the following actions to ensure an appropriate and effective regulation in the power electrotechnical sector:

- Recreate a European standardisation identity to be promoted world-wide to regain a world-leading position, characterised by the European Green Deal, circular economy, safety and security.
- Ensure market-oriented European standardisation, organised and expedited by the standardisation bodies and the public-private partnership, independent of political influences.
- Preserve European conformity assessment based on business needs, ceasing costly and time-consuming product approval procedures by European authorities, and
- Ensure application of identical accreditation mechanisms in all Member States by preventing unilateral national solutions or rules.

In addition, T&D Europe calls for:

- Ensuring the stability, consistency and clarity of European rules on product regulation.
- Strengthening market surveillance by giving the control authorities the necessary means to improve their efficiency and fight against unfair products.

ABOUT T&D EUROPE

T&D Europe's members enable the energy transition to a climate-neutral Europe by 2050. Over 200,000 people in our industry manufacture, innovate and supply smart systems for the efficient transmission and distribution of electricity. Our technologies and services future-proof the grid and make clean electricity accessible to all Europeans. We put our collective expertise to work to craft a brighter, electric future. Ready for the Green Deal: <http://www.tdeurope.eu>

CONTACTS

Diederik Peereboom
Secretary General, T&D Europe
secretariat@tdeurope.eu
+32 (2) 206 68 88

Laure Dulière
Policy Adviser
policyadviser@tdeurope.eu
+32 2 206 6863