

What value for European standardisation?

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Cross-border standards could boost European GDP by 1 per cent, but they must acknowledge diversity too - says Paul Healy

It has often been suggested, in relation to standardisation, that it does not matter what side of the road you drive on so long as everyone is driving on the same side. Here, emerges one of the key instincts for further standardisation in Europe which - ignoring the fact that Cyprus, Malta and the UK actually drive on the left - maintains that when all products and services are adhering to internationalised rules and procedures, it is both safer and more beneficial to the consumers that are using them.

Of course, this is mostly true. Certainly, when you consider the economic advantages that markets experience from being interlinked - it makes sense for the European Union to explore a broader approach. It is estimated that the impact of standards could be worth as much as 1 per cent of Europe's GDP, representing a vital contribution to economies that are currently flagging. One of the most commonly cited standards in Europe is the GSM network - the framework for safer mobile use by young people and children - which was developed by the European Telecommunications Standards Institute.

This network has expanded the potential for mobile providers and improved telecommunication services for consumers, although it still has not eradicated excessive roaming charges, despite pressure from the European Commission. Standards, in the main, are good and they help improve the market by growing the potential for interoperability, as products that are able to communicate with each other can open doors to innovation and efficiency.

In particular, standards in IT are a no-brainer, as computers and networks have a tendency not to acknowledge national borders. The creation of a digital agenda for Europe both acknowledges our growing dependence on the internet and also identifies the potential for strengthening the digital economy, with almost half of the productivity gains made over the last 15 years contributed to by IT.

Last April, the commission proposed the extension of the European standardisation system to include services - as part of its 12 key priority actions to be adopted before 2012. It has also published its strategy for achieving these aims. The proposals aim to modernise the standardisation process and look to eradicate many parts of the internal market that remain fragmented. The commission recommends enhancing cooperation between EU institutions and leading standardisation bodies, while making funding for such bodies conditional on their fulfilment of performance criteria. Such criteria are likely to feature a greater emphasis on inclusiveness - allowing groups such as small and medium-sized enterprises, trade unions and pressure groups to be involved in the process.

But, what needs to be remembered is that standards work best when they are voluntary and based upon the market in which they are being applied. This allows for the flexibility that is vital in an ever-changing landscape. Some standards may be open and publically available, but others can only work if they are proprietary. Standards by their nature work best when they are designed to encourage the sharing of confidential information between innovators. Although, such collaboration should not be forced. This would go against the principles of a free market. Of course, there are concerns about the interests of consumers when standards are not publically available, yet these can adequately be addressed and consumers can be adequately protected through competition law.

While the commission's current strategy seems to acknowledge these principles, there does appear to be some appetite for a kind of "meta-standardisation" in order to further harmonise the single market. Overall, it should be remembered that the EU's own motto is "united in diversity" - acknowledging the difference in history, culture and identities of European people. This diversity should itself be embraced and not withered away to create a completely harmonised market. The EU has seen, with regards to the European patent, how difficult it can be to try and bring all member states together on intellectual property issues - if cultural identity is not adequately acknowledged. Without taking great care, such political battles could also become all too familiar in the development of European standards.

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