

# Position on European Services Standards

15<sup>th</sup> November 2016

## Introduction

The European Business Services Alliance, EBSA, welcomes the European Commission and CEN's initiatives to move forward with the agenda on services standards, as recommended by the High Level Group on Business Services<sup>1</sup>.

Services account for approx. 70% of the EU economy, however services standards only account for 2% of standards in the EU. Even taking into consideration that services standards are different in nature and cover more broadly than standards on goods, there is a gap and an underexplored opportunity to improve the functioning of the internal market for services.

Today different national standards in some sectors create barriers to entry into new markets for business services providers wishing to operate cross-border. This limits competition and blocks the development of the internal market for services, to the detriment of growth and job creation in the EU. However, European standards drawing on best practices from national standards can serve as a tool to improve transparency and trust in the internal market – potentially benefitting big as well as small companies, as they could get recognised universal tools to use when they undertake their services to customers in other member states. Standards can also serve as a tool to establish a level playing field and common quality requirements for industries for which legislation is different across the EU, to inspire customer trust and protect against dishonest practices in the European market. In such cases, it is desirable that the standards are used in public procurement, so as to establish quality requirements amongst service providers and avoid that the lowest bidder is chosen over best value criteria.

In the development of European services standards, EBSA advises the European Commission and CEN to consider the following key principles. The principles will be elaborated below:

- European services standards should be market driven
- European services standards should be voluntary
- European services standards should be affordable
- European services standards should be known and applied
- European services standards should be aligned with international standards

---

<sup>1</sup> <https://ec.europa.eu/growth/industry/policy/renaissance/high-level-group/>

### **Market driven services standards**

For EBSA it is vitally important to stress, that services standards only should be developed where there is a need for them and a demand from the market. Not all sectors are ready to and need European standards yet. In these sectors, standards should not be developed, as there is a risk of standards stifling innovation in fast moving sectors. Where there is a demand for a European services standard, it has to be developed in close cooperation with all market players. The process should be streamlined and more understandable and attractive to businesses. EBSA is a member of the Joint Initiative on Standardisation (JIS) and actively support action 6 on Standard Market Relevance Roundtable (SMARRT) to improve the involvement of businesses in the standardisation process.

### **Voluntary services standards**

Standards on services should be voluntary in nature. This is in particular important for services, where the majority of the businesses are small businesses. A services standard should be a tool for the providers wishing to use it as a quality stamp and as a way to ensure transparency in their supply chain.

### **Affordable services standards**

As mentioned above, most business services providers are small and medium sized enterprises. Services companies are less used to applying standards, and therefore they have not been used to having expenditures on standards. Expensive standards could hence lead to a lack of uptake. It has to be clear for the companies that the benefits of standardisation will outweigh the costs.

### **Known and applied services standards**

EBSA strongly support CEN's ongoing mapping of existing services standards. This will create an overview of the existing standards and it will be possible to identify gaps. Furthermore, it will create awareness of existing standards. Awareness raising and promotion of any new services standards, which will be developed, are key. The benefits of standardisation will not be reaped if the services providers are unaware of the standard and hence do not apply it. EBSA will look forward to work with the Commission and CEN on promotion strategies, and is already active in JIS on the promotion of use of standards in public procurement. Using standards in public procurement can function as a catalyst for uptake and at the same time allow the focus in public procurement to change from a purely cost perspective to a perspective also considering quality.

### **European services standards aligned with international standards**

We live in a globalised world and the international trade in services is increasing. Based on the Vienna Agreement, CEN/CENELEC and their Members may decide to include ISO standards in their catalogues or not, depending on market and stakeholder needs. For example ISO standards in services tend to be management standards, whereas CEN services standards tend to define criteria for suppliers in a given domain. To ensure that the standards are adopted at the right level (national, European and International) and serve their purpose and relevance, good cooperation between CEN and ISO Committees needs to be ensured, for example through effective and efficient

“liaisons”, and the active participation of the relevant stakeholders. This is a challenge, as the participation in CEN or ISO TCs requires human and financial resources from the right experts. It would be useful to have regular and user-friendly information directed towards multipliers, such as trade associations, in order for stakeholders to be informed of the work going on at national, EU and International level.