bsi.

...making excellence a habit.™

Brexit and standards
Position statement

February 2018

Since the UK voted to leave the EU in June 2016, the British Standards Institution (BSI), in its capacity as the UK's National Standards Body, has consulted its members and stakeholders about the possible implications of Brexit for standards.

As a result, **BSI's post-Brexit position is to continue to provide UK experts with the standards development framework to support trade in the UK, across Europe and globally.** To enable this, our stakeholders are clear that BSI should remain a full member of the European Standards Organizations.

"Standards are invaluable tools of the market. They facilitate businesses' integrated supply chains across Europe, and international trade. CBI supports BSI's ambition to remain a full member of CEN and CENELEC post-Brexit."

John Foster, Director of Campaigns, CBI

This paper sets out the eight key principles on which our position is based. These principles are supported by statements from a range of BSI's stakeholders, including industry associations and individual companies, consumer groups, users of standards and professional institutions.

Principles supporting the BSI Brexit position:

1 Standards provide a passport to trade. As good practice agreements, standards enable interoperability, innovation and supply chain confidence, can provide a means of legal compliance, promote consumer protection and reduce both production costs and international trade barriers. BSI aims for a single standard adopted worldwide as the national standard in each country. This is the 'single national standard model' which creates a coherent catalogue of non-conflicting national standards. It minimizes barriers to trade while maximizing the opportunities for UK business internationally.

"Standards have a profound impact on just about every aspect of our businesses, enhancing efficiency and controlling costs. What can easily be overlooked though, is how much they contribute to communications, both within companies and beyond, including across borders, easing the way for maximum interoperability."

Chris Buxton, Chief Executive, British Fluid Power Association

"Standards are a key enabler of trade for our business. They open up markets and simplify supply chains for us by establishing a single, clear route to compliance, that is then recognised right across Europe and beyond."

Tony Bellis, Government and Public Affairs Manager, 3M

"Standards play a vital and often invisible role in supporting economic growth and open up the channels for boosting productivity and innovation."
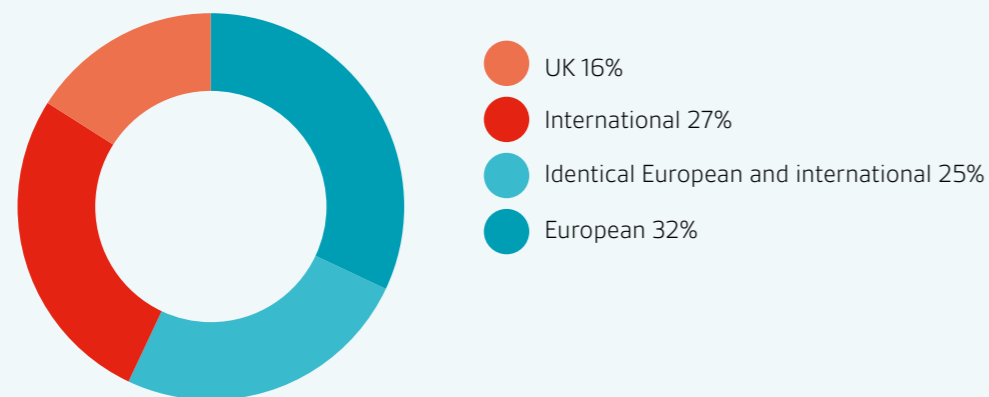
Vicky Pryce, Chief Economic Advisor, Cebr

2

The European standards system has simplified the market structure in Europe through the use of the single national standard model across 34 countries in the region. When a European standard is developed by industry and other interested parties, either on the basis of an international standard or as a European initiative, then all member bodies must adopt it as a national standard and withdraw any existing conflicting national standards.

This model delivers a single national standard for an aspect of a product or service where the need for one is identified. It enables reciprocal market access for all countries in the European standards system. This has resulted in a huge reduction in the number of standards that businesses, across all sectors, use for trade across Europe, from an estimated 160,000 national standards in the 1980s to about 20,000 European standards today. It has meant that industry no longer needs separate production lines for different countries or within individual countries. The use of a single national standard model for the UK market keeps it simple for consumers and industry, avoids fragmentation and facilitates conformity assessment and market surveillance.

The European standards system is therefore the most developed part of the single national standard model of ISO and IEC, with European standards being identical to international standards wherever possible. We only develop European standards where there is a specific market need that is not met in international standards; these European standards supplement the international standards in the national catalogue.

BSI's national standards catalogue

- UK 16%
- International 27%
- Identical European and international 25%
- European 32%

"Manufacturers want to make one product for multiple markets based on one standard, one test, rather than products for individual markets based on multiple standards and tests."

Stephen Phipson, CEO, EEF

"Having one standard across Europe means that technical experts in their field from across Europe channel their efforts into a single process, rather than duplicating work in several organizations. This has a positive impact on business competitiveness and ultimately reduces cost for consumers."

Malcolm Kent, Director Clarity Engineering, Technical Officer, Construction Equipment Association

"Departing from the single standard model would bring complexity and cost to the construction sector in UK. The UK needs to ensure that it is not marginalised in defining the standards that underpin trade in products and services in our sector."

Professor Steve Denton, Head of Civil, Bridge and Ground Engineering, WSP, Chairman CEN/TC 250 – Structural Eurocodes

3

The European standards system is neither owned by nor is it an agency of the European Union. The European Standards Organizations CEN and CENELEC are private, member associations (one member per country). They have a broader membership than the EU with 34 member countries: the current EU member states, three of the EFTA member states, plus Turkey, the Former Yugoslav Republic of Macedonia and Serbia. The third European Standards Organization, ETSI, is also a private company, with membership from companies as well as national standards bodies.

The majority of European standards developed by CEN and CENELEC (75%) are not linked to European public policy or regulation. When standards are referenced in regulation, for example under the EU's New Legislative Framework, they provide, as a matter of principle, one means of compliance, used voluntarily, rather than being adopted as legal texts. Through formal requests, the European Commission invites the European Standards Organizations as private bodies to develop standards.

"The single standard model is one that makes locating and using the correct standard for a given application seamless and effective and, to continue to be respected by all users, it is vital that the standardization system remains free of political influence and continues to be based on voluntary adoption of consensus standards."

Andrea Beddard-Smith, Chair,
British Standards Society

"As the European standardization system is not owned by the European Union we should be striving to maintain a UK voice in the process."

Natasha Crookes, Director of Public Affairs and Communications, The British Toy and Hobby Association

4

The UK has significant influence in the development of European standards. UK experts provide support and leadership in hundreds of European standards-developing committees and working groups, from structural Eurocodes for construction, through electrical equipment in medical practice to children's playground equipment. BSI is present in all of the governance levels of CEN and CENELEC.

11,800 experts from industry, consumer organizations, academia, trade unions and other stakeholder groups work through 1,200 BSI committees on a standards programme that is 95% European and international. Furthermore, the UK is amongst the leading countries in the world in its near 100% adoption of international and European standards as national standards. Standards bodies and our experts work to ensure that the international and European standards are the same wherever possible, and do not conflict, therefore supporting global trade and reciprocity of market access.

"Members see the advantages of UK standards users being inside the mirror committee framework of CEN and CENELEC to influence standards development, as well as BSI continuing its role in proposing new standards. This is particularly important in the increasing reliance on standards in digitalisation."

Keith Wilson, Deputy-Chair,
British Standards Society

"UK experts play a leading role in European standards; we are makers rather than takers. The expertise provided by UK committee members enables the development of sound standards for the whole of Europe."

Natasha Crookes, Director of Public Affairs and Communications, The British Toy and Hobby Association

5 **Maintaining full UK membership of CEN and CENELEC is important to the success of business in Europe post-Brexit.** This will enable business and industry to continue to reflect in European standards the needs of the integrated markets across Europe and to remain complementary to international standards. It will, in particular, ensure the continuation of UK influence and voting rights over the standards used by business to shape European market access conditions.

"Having a seat at the table and a vote on the content of the final standard are essential for UK industry to maintain its competitiveness across Europe and also beyond. Without this input, which is also valued very highly by other nations, UK industry would lag behind its competitors. It would be disastrous for my sector of UK industry if we no longer participated in this process."

Jamie Thompson, Chairman, CEN TC 393 - Downstream Petroleum

"I see the potential loss of UK's membership of CEN and CENELEC as disastrous. If UK industry could no longer exert influence within the European standardisation system innovation, for example, would be jeopardised. I see no prospect to offset this by falling back on National Standards (who would trade with us on that basis?). The end result is that we would become a 'follower nation'."

Hugh Barton, Chairman, CEN TC256 WG9 - Railway Lighting

"We understand the importance of standards in the international economy, the key role that the UK plays in shaping them, and the benefits that flow from that. Our manufacturing technology supply chains are integrated into the European system, and through that, the world beyond. We cannot start from scratch and for that reason we need to maintain our relationship to the European standards architecture, particularly our places in CEN and CENELEC."

James Selka, CEO, Manufacturing Technologies Association

"Standards have long been used by regulators and industry as a means of demonstrating conformity with legal requirements. AMDEA foresee that this will continue for both the UK and EU after Brexit and so it is vital that BSI remain within CEN & CENELEC so as to prevent technical barriers to trade from developing."

Richard Hughes, Technical Manager, Association of Manufacturers of Domestic Appliances

"Tech is a highly international sector that relies on common standards as part of often complex supply chains. Standards also play a vital role in supporting innovation within our sector, underpinning the interoperability of systems and devices and helping to build consumer confidence. Maintaining a strong leadership role as a member of CEN and CENELEC is crucial for the UK to continue to be a world leader in tech innovation."

Julian David, CEO, techUK

6

Maintaining full CEN and CENELEC membership also brings benefits to consumers and other public interest groups. Standards play an important role in building consumer trust by helping to make products and services safer, better quality, easier to use, sustainable and secure. Standards can be used as a consumer protection tool, for example supporting legislation such that businesses use them to meet legal requirements and authorities see them as a benchmark for assessing compliance. Standards can also bring economic benefits to consumers: promoting competition, reducing businesses' compliance costs and offering greater market choice.

"Standards are vital for consumer protection, particularly the European model where standards underpin overriding legislation, and make a huge difference in securing advances in safety and environmental protection."
Arnold Pindar, Chairman, National Consumer Federation; President, ANEC

"As a consumer safety charity, we see standards as a safety essential – underpinning consumer protection legislation and providing a 'recipe' to help compliance. We fully support BSI's call for maintaining our membership of CEN - CENELEC. Without it, we cannot influence future changes to standards which support the development of safe products."
Phil Buckle, Chief Executive, Electrical Safety First

"It is essential that there remains strong collaboration between UK and European standards bodies after Brexit."
Pete Moorey, Director of Advocacy and Public Affairs, Which?

"Congress strongly supports the commitment of the British Standards Institution (BSI) to remain a full member of CEN and CENELEC post-Brexit. This is vital to enable experts from the UK consumer movement to continue their valuable contribution to the development of European and international standards.

It is essential that UK consumers continue to participate in the development of European standards, particularly in areas where standards underpin legislation or those that are particularly relevant to the cross-border experience."
National Consumer Federation: report of Consumer Congress 2017

"We support BSI as the UK's national standards body in continuing to exert influence on setting standards through membership of the European Standards Organizations and in maintaining the UK's commitment to the 'single standard model.'"

Dr Hayaatun Sillem, Chief Executive,
Royal Academy of Engineering

7

BSI must therefore continue as a full member of CEN and CENELEC post-Brexit. We advocate a regulatory model in the UK post-Brexit where legislation sets high level requirements expressed in performance terms, rather than taking a prescriptive, detailed approach. Performance-based legislation is innovation-friendly and complements the single national standard model. It will maintain the rigour, openness and flexibility of the national standards system to benefit industry, consumers and government.

An alternative would be to change the basis of the existing market structure in the UK to recognize multiple standards. Recognizing non-UK standards as additional national standards would prejudice continued UK membership of CEN and CENELEC, with the consequent loss of the benefits mentioned previously, leaving the UK to become a 'standards taker' rather than a 'standards maker'. The UK would lose influence over nearly one third of its national catalogue that has been developed in CEN and CENELEC. Recognizing more than one standard would also mean abandoning the internationally used single national standard model in Europe, thus fragmenting the market as there would no longer be a requirement to withdraw conflicting standards. The process of the recognition of standards itself would either require the development of a costly bureaucracy to determine whether standards are equivalent, or else a simple recognition of all standards, which would bring further fragmentation. At the same time, UK stakeholders would not have been involved in the development of these alternative, non-UK standards, further marginalizing their interests.

"We see it as being absolutely essential that we continue to play a role in CEN and CENELEC in shaping the standards agenda."
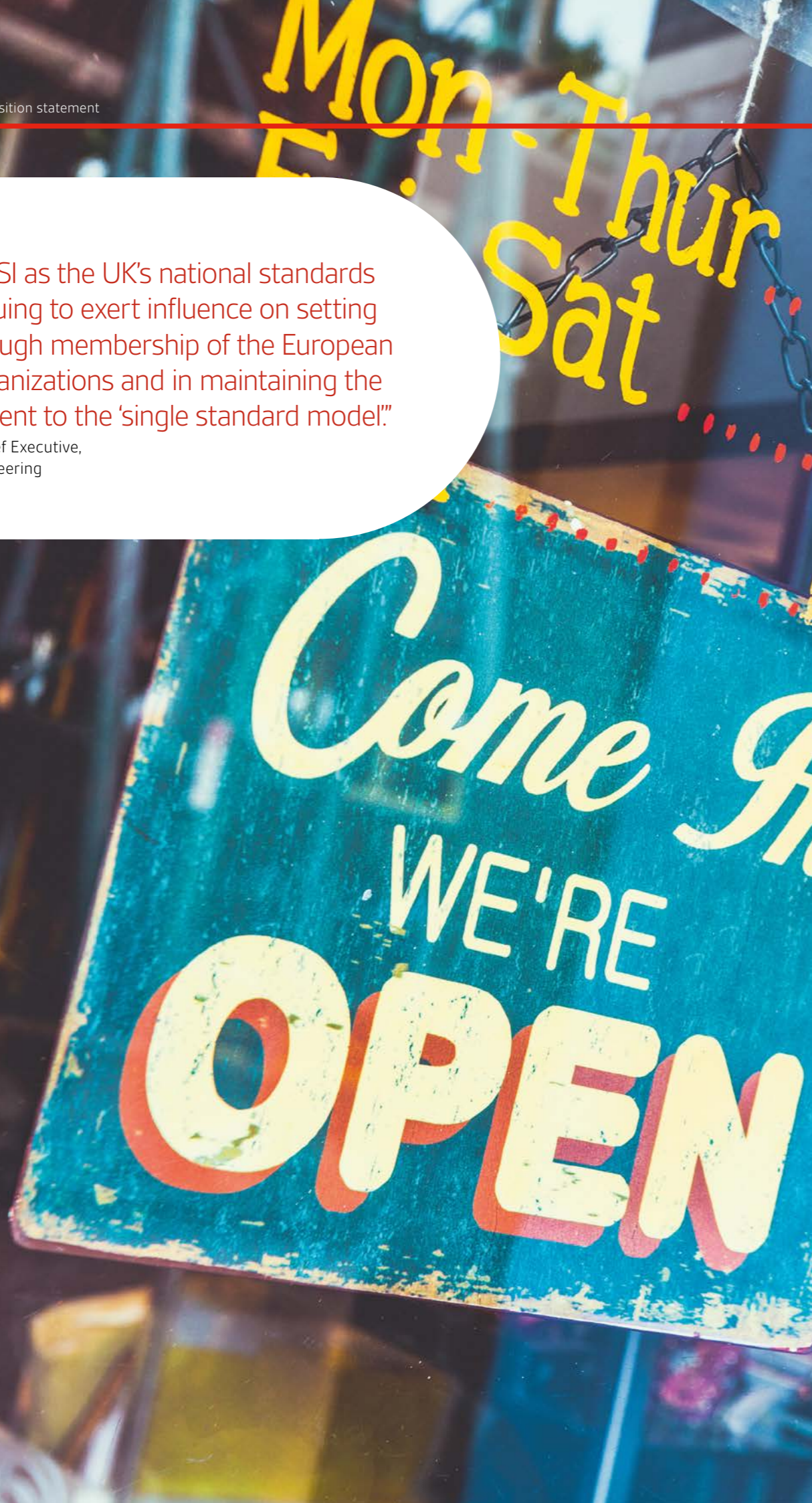Martin Baxter, Chief Policy Advisor, Institute of Environmental Management and Assessment

"Electrical Safety First believes it is essential to ensure that, post-Brexit, consumers are protected by a regulatory system that is at least as robust as the current one. Trying to introduce a new system that allows us to develop our own requirements for products coming into the UK, is likely to lead to more confusion for consumers - and increased regulatory complexity for business."
Phil Buckle, Chief Executive, Electrical Safety First

"I am convinced that the UK needs to press for a strong involvement in the revision of existing European Standards and the drafting of new ones to ensure we remain at the forefront of engineering design practices and to avoid the drafting of standards that are not aligned with UK interests as appropriate."
David Lodge, Technical Director, CEN TC 50 - CU Phosco Lighting

8 Standards will provide a key element underpinning future free trade agreements between the UK and non-EU countries. Through BSI's experts' work on international standards we can facilitate international trade. For example, we have a special relationship with China on standards cooperation which has enabled UK business to gain access to the Chinese market through more than 60 British Standards. Industry experts from European countries have substantial influence on the international standards system: already in the electrotechnical area nearly 80% of European standards are identical to, or based on, international standards.

Our continued full participation in European standardization will influence the development of international standards in a way that benefits UK and European business interests.

The single national standard model enables UK business and industry to realize new opportunities arising from Brexit in international and European trade and inward investment. The use of international standards forms part of the rules-based trade system of the World Trade Organization.

"Standards are an essential component for ensuring a healthy and well-functioning environment in supporting businesses to trade internationally."
Martin Baxter, Chief Policy Advisor, Institute of Environmental Management and Assessment

"The main value to us, as a business, is in the fact that third party countries, for example, Australia and New Zealand, are beginning to adopt the European standards as best practice approach and this is opening up these previously difficult markets to enter."
David Lodge, Technical Director, CEN TC 50 - CU Phosco Lighting

"Standards are a passport to trade. They are developed mainly at regional (European) and international level to encourage global trade and reduce technical barriers. It is therefore crucial for the future trade position of the UK that BSI continues to be part of CEN and CENELEC as well as ISO."
John Tebbit, Chief Executive, Robust Details Limited; previously Industry Affairs Director, Construction Products Association.

Summary

BSI's post-Brexit position is to continue to provide UK experts with the standards development framework to support trade in the UK, across Europe and globally. To enable this, our stakeholders are clear that BSI should remain a full member of the European Standards Organizations.

This paper sets out the eight key principles on which our position is based:

1. Standards provide a passport to trade.
2. The European standards system has simplified the market structure in Europe through the use of the single national standard model across 34 countries in the region.
3. The European standards system is neither owned by nor is it an agency of the European Union.
4. The UK has significant influence in the development of European standards.
5. Maintaining full UK membership of CEN and CENELEC is important to the success of business in Europe post-Brexit.
6. Maintaining full CEN and CENELEC membership also brings benefits to consumers and other public interest groups.
7. BSI must therefore continue as a full member of CEN and CENELEC post-Brexit.
8. Standards will provide a key element underpinning future free trade agreements between the UK and non-EU countries.

For further details on BSI and Brexit go
to www.bsigroup.com/brexit or contact
us on europeanpolicy@bsigroup.com.

bsi.