

## **British Standards Institution – Written evidence (FFT0019)**

### **1. Introduction**

2. BSI makes this submission as the UK's National Standards Body. BSI has a national function to support the UK economy: we bring together stakeholders (including government, industry and consumers) to develop good practice that is codified in standards for voluntary use.
3. BSI represents the UK view in the development of international standards (via ISO and IEC) and in their European regional component (via the European Standards Organizations CEN, CENELEC and ETSI). BSI has a globally recognized reputation for independence, integrity and innovation ensuring standards are useful, relevant and authoritative.
4. Considering our role as the UK's national standards body and our mission to serve UK government, economy and society, we have insight to share on the role of consensus-based standards in facilitating UK trade with Europe and the rest of the world.
5. BSI would welcome the opportunity to expand on this submission in oral evidence to the committee.

### **6. Focus of BSI's submission**

7. This response focuses on the general questions raised in the call for evidence and addresses this question in the call for evidence:
  - *What are likely to be the most important technical barriers to UK trade with the EU? How could these be addressed in the future UK-EU trade agreement and what precedents exist in other trade agreements?*

### **8. The role of international standards**

9. Standards have significant impact on the ease of market access between trading partners. The use of standards that have been agreed globally lowers technical barriers, reduces production and supply chain costs, builds confidence in business services and enhances consumer trust. International standards can constitute a 'passport to trade' and their use increases the global competitiveness of businesses.
10. The International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC) develop international standards and are recognized globally. They encourage national adoption of their international standards to give, as far as possible, one standard for any aspect of a product or service around the world.
11. International standards are a cornerstone of the WTO system and the TBT Agreement mandates WTO members to make use of them as a basis for technical regulation wherever possible.
12. Manufacturing to an international standard that is referenced in national regulation reduces the need for multiple product variants in different markets. This lowers the cost of production and so minimizes trade barriers.
13. Where regulation requires national standards that differ or conflict one with another, considerable friction can result adding to the cost of trade between countries.

### **14. The role of standards in UK trade**

15. As the national member of ISO and IEC, BSI brings together UK experts from a broad range of stakeholders (business, consumer, government, academia, testing bodies etc) to develop international standards, alongside counterparts globally.

16. The resulting standards are adopted as national standards in the UK and are used voluntarily as benchmarks of good practice.
17. BSI and its stakeholders aim for 'one standard used everywhere' and the position of BSI is that this should be an international standard developed through ISO and IEC, influenced by UK stakeholders.
18. The UK has significant influence in the international standards development system. The UK has the highest number of participants in ISO technical committees of any member country. Many of the best-known international standards such as the ISO 9001 quality management system standard and the ISO 14001 environmental management system standard were developed from British Standards. This influence has continued more recently in the development of international standards in areas such as information security, anti-bribery management systems and building information modelling.
19. As part of BSI's role in maintaining the national catalogue of British Standards, obsolete standards which predate the international consensus are withdrawn to ensure that there is no duplication and no conflict between national standards.
20. Today over 85% of the UK's national catalogue of British Standards is developed through the international processes of ISO/IEC and the European regional standards system. In other words, the UK's national standards catalogue is a key factor in enabling UK businesses to better access both global and European markets.

## **21. How standards can support trade with Europe after the transition period**

22. The European standards system is the regional component of the international standards system of ISO and IEC. European standards are identical to international standards wherever possible. Europe-specific standards are developed where no international standard exists or is planned. European standards are consensus-based tools developed by businesses, consumers and other stakeholders and used voluntarily. They are not European Union legislation.
23. The European standards system is managed through the European Standards Organizations (ESOs): the European Committee for Standardization (CEN), the European Committee for Electrotechnical Standardization (CENELEC) and the European Telecommunications Standards Institute (ETSI). These member-led associations are not agencies of the European Union.
24. CEN and CENELEC have a broader membership than the EU, both covering 34 countries (EU, EFTA, UK plus Turkey, North Macedonia and Serbia). ETSI has a different membership structure that includes national governments and companies as well as national standards bodies from across Europe.
25. The European standards system is the most developed part of the international system of ISO and IEC because the rules of CEN and CENELEC have created a model of standstill, adoption and withdrawal. When work starts on a European standard, all work stops on national standards that duplicate or conflict with it (standstill). Once the new standard is ratified, all member countries adopt the standard and withdraw previous national standards that the new European standard has superseded.
26. Some 15% of European standards links to EU regulation. Their use is recognized as providing a means for manufacturers to show compliance with legal requirements, though they retain their voluntary character.
27. As with standards from ISO and IEC, the UK has significant influence in the development of European standards. UK experts work in hundreds of European standards-developing committees and working groups and lead many, from structural Eurocodes for construction, through electrical equipment in medical practice to children's playground equipment. BSI is present across the governance of CEN and CENELEC.

28. UK participation in work on European standards through CEN and CENELEC is a key means of exercising continued UK influence over the terms of trade throughout Europe.

29. BSI's stakeholders have been clear in their wish to continue to influence the content of European and international standards that apply to trade across Europe and the world post-EU transition. BSI therefore intends to continue its membership of CEN and CENELEC after the transition period.

30. The General Assemblies of CEN and CENELEC have created a transition period for the statutes of their respective organizations that would enable BSI's membership to continue unchallenged until the end of 2021, regardless of the political arrangements between the UK and the EU.

31. During this period, the members of CEN and CENELEC, including BSI, will identify a permanent solution for the statutes of the organizations. We expect that this will enable BSI to continue its membership of CEN and CENELEC beyond 2021.

### **32. The role of international standards in a future UK/EU FTA**

33. The UK and EU are negotiating a free trade agreement as the basis for their future economic relationship. The role of standards and their use as a basis for technical regulation is usually dealt with in the chapter of the agreement looking at technical barriers to trade.

34. Without prejudice to the UK government's aim to secure regulatory autonomy for the UK and to not be bound by any EU legislation, BSI encourages the UK government to make sure that any future FTA with the EU reflects the UK's membership of the European Standards Organizations and the use of a common set of standards across Europe.

35. BSI recommends that the FTA should agree on the use of international standards to support technical regulations developed through recognized international standardizing bodies including ISO and IEC that organize standards development through national delegations.

### **36. Impact of negotiation of other trade agreements on future trade in Europe**

37. Most other trading partners with which the UK is looking to conclude trade agreements consider international standards also to be those developed primarily through organizations such as ISO and IEC that make use of national delegations to develop standards.

38. The US is the only trading partner that in its negotiations with the UK is likely to request a different definition of international standard. The US considers that standards developed by its major developing organizations are 'international' and it seeks to assert this in its bilateral trade agreements. However, these private US standards lack the legitimacy that comes through consensus agreement at both at national and international level.

39. Were the UK to adopt the US interpretation of international standard and agree to recognize US private standards as 'international' on the same level as ISO and IEC standards, the task of signing trade agreements with other trading partners, including the EU, would be made more difficult. By making this concession, the UK would be reducing the flexibility to agree advantageous trade deals across the globe and would damage a significant source of global UK soft power.

### **40. Conclusion**

41. At the end of the transition period, the standards used in the UK and in the EU, including for the purposes of regulatory compliance, will be the same. This will be a major factor in reducing any trade friction coming from the UK's exit from the EU's single market.
42. BSI, with the support of its stakeholders, considers that continued participation in the European standardization system, through membership of CEN and CENELEC, is a key way of maintaining UK influence over the terms of European trade post-EU transition.
43. In this way even if new barriers to trade are erected including regulatory barriers through conformity assessment procedures, rules of origin requirements and customs procedures, the use of the same standards for trade across Europe will be an important means of reducing trade friction.
44. BSI notes that the UK government will develop an autonomous regulatory policy and will support this through providing standards needed for UK regulatory conformity and other policy aims in a coherent catalogue of national standards, compatible with the international standards system.

#### **45. Background on BSI**

46. BSI is the UK's National Standards Body, incorporated by Royal Charter and responsible independently for preparing British Standards and related publications and for coordinating the input of UK experts to European and international standards committees. BSI has over 115 years of experience in serving the interest of a wide range of stakeholders including government, business and society.
47. BSI is responsible for maintaining the integrity of the national standards-making system not only for the benefit of UK industry and society but also to ensure that standards developed by UK experts meet international expectations of open consultation, stakeholder involvement and market relevance.
48. British Standards and UK implementations of CEN, CENELEC, ISO or IEC standards are all documents defining best practice, established by consensus. Each standard is kept current through a process of maintenance and review whereby it is updated, revised or withdrawn as necessary.
49. Standards are designed to set out clear and unambiguous provisions and objectives. Although standards are voluntary and separate from legal and regulatory systems, they can be used to support or complement legislation.
50. Standards are developed when there is a defined market need through consultation with stakeholders and a rigorous development process. National committee members represent their communities in order to develop standards and related documents. They include representatives from a range of bodies, including government, business, consumers, academic institutions, social interests, regulators and trade unions.

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