



Standards Council of Canada
Conseil canadien des normes

GLOBAL PERSPECTIVES ON STANDARDIZATION:

LESSONS FROM THE EUROPEAN UNION,
THE UNITED STATES AND AUSTRALIA





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ON STANDARDIZATION:**

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APRIL 14 & 15, 2014

DELTA OTTAWA CITY CENTRE
101 LYON ST N, OTTAWA, ONTARIO

A MESSAGE FROM JOHN WALTER, CHIEF EXECUTIVE OFFICER, STANDARDS COUNCIL OF CANADA (SCC)

On April 14 and 15, 2014, I was delighted to welcome four distinguished leaders from the international standards community, to Ottawa:

- Mrs. Elena Santiago Cid, Director General for the European Committee for Standardization and the European Committee for Electrotechnical Standardization
- Dr. George Arnold, Director of the Standards Coordination Office for the United States National Institute of Standards and Technology (NIST)
- Dr. Bronwyn Evans, Chief Executive Officer of Standards Australia
- Mr. Stephen Russell, Secretary-General of ANEC – representing the European consumer interest in the creation of technical standards

During their two days in Ottawa, the Standards Council of Canada (SCC) provided opportunities for key senior government officials, SCC-accredited standards development organizations (SDOs) and industry and consumer representatives to engage in dialogue with these standardization experts. The goal was for participants to acquire a global perspective on the different business models and the value of international standardization systems in advancing government and industry strategic objectives.

Standardization can contribute to economic growth and social well-being, both locally and globally. When appropriately applied, standards and conformity assessment activities are the foundation for improving national competitiveness, while protecting citizens' health, safety and security.

Likewise, standards and conformity assessment are important pillars of international trade. Domestic industries must adhere to an evolving spectrum of national, regional and international standards-related requirements in order to access and succeed in global markets. Various international organizations estimate that 80 per cent of world trade is impacted by standardization.

This report contains a summary of the information presented over the two day-exchange and outlines best practices in standardization that can be applied by governments and industry for the benefit of all Canadians.



John Walter
Chief Executive Officer
Standards Council of Canada

EVENT PHOTOS







DR. GEORGE ARNOLD (UNITED STATES)

DIRECTOR, STANDARDS COORDINATION OFFICE

National Institute of Standards & Technology (NIST)

Dr. George Arnold joined the National Institute of Standards and Technology (NIST) in 2006 as Deputy Director, Technology Services, after a 33-year career in the telecommunications and information technology (IT) industry. He was appointed as NIST's National Coordinator for Smart Grid Interoperability in 2009 and has since led the development of standards that underpin Smart Grid in the United States.

In 2011, Dr. Arnold took on the additional role as Director of Cyber Physical Systems within NIST's Engineering Laboratory (EL). EL promotes U.S. innovation and industrial competitiveness in areas of critical national priority by anticipating and meeting the measurement science and standards needs for technology-intensive manufacturing construction, and for cyber-physical systems in ways that enhance economic prosperity and improve quality of life.

Standards development in the United States relies on a public-private-sector partnership between two organizations: NIST (at the federal level) and the private-sector American National Standards Institute (ANSI).

ANSI is a federation of approximately 1,000 members, which accredits standards development organizations (SDOs). ANSI also manages standards

development initiation processes to prevent overlap and duplication. As well, the organization represents the United States at both the International Organization for Standardization (ISO) and the International Electrotechnical Commission (IEC).

In the mid-1990s, the U.S. Congress enacted the National Technology Transfer and Advancement Act to promote the use of private sector voluntary standards by the federal government. The act gives NIST the role to coordinate the standards activities of federal government agencies. Additionally, NIST is responsible for reporting on the federal government's use of and participation in the private sector standards process, to the U.S. Office of Management and Budget (OMB). As well, NIST provides training support to federal agencies.

The model of standards development in the United States is based on four key principles: openness, transparency, due process and consensus. In practice, this means that all stakeholders must be able to participate in the standards development process; that all records must be made publically available; that there is a meaningful appeal process; and that standardization decisions require more than a simple majority vote, to be accepted.

RECENT CHANGES TO STANDARDS DEVELOPMENT POLICY IN THE U.S.

In recent years, the growing importance of standards has led to evolution of the role of the federal government. In October 2011, the National Science and Technology Council issued a report that sets out a number of conditions when it may be appropriate for the federal government to take a convening role in private-sector standards development, particularly when it is necessary to assure that key public policy goals are met in a timely manner.

Prime examples of the federal government taking a convening role include national priorities such as the Smart Grid Framework and the National Strategy for Trusted Identities in Cyberspace. The National Science and Technology Council also set out that the key principles of standards development must be maintained even when the government plays a more active role.

Other concerns also required changes to the federal government's standards policies. Standards for emerging technologies are increasingly developed outside of the traditional standards process by consortia or industry forums. The rapid pace of technology development makes it more likely that regulations may make references to out-of-date standards.

Because of these concerns, in early 2014 the OMB issued proposed revisions to Circular A-119, which provides guidance for federal participation in the development and use of voluntary standards and in conformity assessment. In this document, the OMB obligates federal agencies to conduct reviews to ensure that all regulatory references to standards are reviewed regularly and are kept up-to-date. The OMB also provides government agencies the flexibility to use new, non-consensus standards in certain circumstances.

USING STANDARDS TO SUPPORT INTERNATIONAL TRADE

Additionally, the proposed revisions to A-119 reinforces an existing policy — that federal agencies need to consider the international implications of any standards that they adopt in regulation. This reinforcement ensures that the government does not create trade barriers for U.S. companies wanting to export to other markets, or for importers to the U.S. market.

WHAT IS THE BIGGEST ISSUE FOR NIST RELATING TO INTERNATIONAL TRADE AND WHAT STEPS ARE YOU TAKING TO RESOLVE IT?

"We want standards to support innovation. Innovation is the engine for economic growth, and the standards process is a lengthy, cumbersome, expensive process for organizations or individuals to participate in, and so it needs to evolve over time. Because of this, we've seen the growth of mechanisms, such as consortia, that are outside of the traditional process, which forms when industry needs to accelerate the development of standards in new-technology areas. One of the things that we've done in the U.S. is to recognize that there is this need [outside the traditional process], and to really embrace it as part of our standardization system, to enable government agencies to make use of standards developed through these alternative means."

– Dr. George Arnold

When discussing international trade, the Canada-U.S. relationship is obviously vitally important. In a number of sectors, joint Canada-U.S. standards have ensured positive benefits for manufacturers, consumers and governments. Within the electric sector, for example, a single organization — with participation from both the United States and Canada — develops the standards for electrical reliability and cyber security that are used in both countries. This organization, the North American Electric Reliability Corporation (NERC), exemplifies how regulators can use a private-sector organization that develops standards on a consensus-basis. The U.S. regulator — the Federal Energy Regulatory Commission (FERC) — relies on standards produced by NERC. FERC can either approve NERC standards, or if a standard does not meet FERC's needs, can send it back for revision.

Another area where standardization benefits trade between Canada and the United States is the Regulatory Cooperation Council (RCC). The RCC has achieved a number of successes in emerging technologies, including aligning Canadian and U.S. approaches in nanotechnology. Cooperation at the RCC has generated dialogue between Environment Canada and the United States' Environmental Protection Agency on the environmental aspects of nanotechnology, and between Health Canada and the U.S. Food and Drug Administration on health and safety aspects of nanotechnology. This dialogue has allowed Canada and the United States to identify common test protocols and testing points, and to develop related standards. The RCC also facilitates Canada / U.S. cooperation in the international arena, such as on ISO Technical Committee 229, which deals with nanotechnology standardization.

STANDARDIZATION AND SMALL- AND MEDIUM-SIZED ENTERPRISES

NIST has identified two concerns for SDOs to address in relation to small- and medium-sized enterprises (SMEs). First, there is a need to ensure that SMEs are active participants in the standards development process. The movement of SDOs toward using electronic methods of doing work enables SMEs to fully participate in standards development without incurring travel expenses. Additionally, a large number of the over 200 ANSI-accredited standards developers are trade organizations and professional societies that rely on SMEs for their membership. This means that SMEs are already heavily involved in standards development in the United States.

Second, there is a need to ensure that SMEs are aware of the benefits of standardization for their own business and for industry in general. Standardization helps small-sized businesses compete on a level playing field with their larger sized competitors, especially when standards are aligned. For example, 10 years ago, there were at least three different organizations that generated building codes operating in the United States, and it was difficult for a smaller-sized business to comply with multiple sets of standards. Today, there is just one organization, the International Code Council (ICC), that produces one building code, which is used through the United States.



DR. BRONWYN EVANS (AUSTRALIA)

CHIEF EXECUTIVE OFFICER

Standards Australia

In October 2013, Dr. Bronwyn Evans took on the role of CEO of Standards Australia. Previously, she had held the position of Senior Vice President, Quality, Clinical and Regulation, with Cochlear Limited. Dr. Bronwyn has more than 30 years' experience as an engineering executive in the areas of power generation, engineering education, standards creation and medical devices.

Standards Australia is the primary standards development body in Australia and represents Australia at ISO. However, there are no formal or legal barriers preventing other organizations from developing standards if they are accredited by the Accreditation Board for Standards Development Organizations in Australia. A number of other SDOs focus on niche markets, such as community pharmacies and the railway industry.

Standards Australia's approach to resolving public policy dilemmas is based on the mantra of "codification, not legislation." Of the more than 6,500 standards in place in Australia, three-quarters of these standards remain fully voluntary. Only one-quarter are mandated through law or contracts. As such, Standards Australia is a key partner for government in their attempts to cut red tape and improve competitiveness.

STANDARDS AUSTRALIA'S STAKEHOLDER ENGAGEMENT

Standards Australia's model for standards development allows any group or individual to submit a request for a new national standard if they can meet two preconditions. The first precondition is that a requesting group must show that the new standard will not duplicate an existing national standard and that, if appropriate, the standard being requested is based on an existing international standard.

The second precondition sets out that a group submitting a request for a new standard must prove that the standard being requested represents a *net benefit* to Australia. This is true even if the request is for Australia to adopt an international standard. The net benefit test is judged on a set of objective criteria relating to the economy, the environment, competition, health and safety, and community and social effects, such as equity and consumer welfare. This two-stage process ensures that all standards positively impact society, and that, wherever possible, standards are harmonized with international standards.

Standards Australia is also an active partner in the standardization process. For example, the organization has assigned some of its senior leaders to be national sector managers for 12 key industry

sectors identified by the Australian Taxation Office. The role of the national sector manager is to bring together the key players within each sector, and to devise a sector roadmap. This road map will identify the sector's important issues and ensure that Standards Australia spurs sector growth and competitiveness.

Standards Australia has also taken an active role in supporting Cooperative Research Centres (CRCs) across the country. Each CRC supports research collaborations between publicly funded researchers, business and the community, to address major long-term challenges relating to a specific topic, such as *low-carbon living* or *bushfires and natural hazards*. As an active partner in cutting-edge research, Standards Australia is able to identify emerging industries and trends that could benefit from standardization.

WHAT EFFORTS ARE STANDARDS AUSTRALIA PURSUING TO HELP THE GOVERNMENT REDUCE THE REGULATORY BURDEN, AND WHAT CAN CANADA LEARN FROM THE AUSTRALIAN EXPERIENCE?

"I think one of the things that we've certainly noticed is that we probably face the same struggle as national standards bodies everywhere in that the red tape reduction agenda waxes and wanes. In response to the federal government's deregulation agenda, we saw an opportunity to talk about where standards fit and the sort of solutions that they can bring for industry.

But what I've actually observed in Canada is that SCC is very well placed to be influencing government because it's already in there. I think we can learn a lot more from Canada.

I think the key message is that it's about uniform solutions, and that the risk of not harmonizing standards is large."

– Dr. Bronwyn Evans

USING STANDARDS TO SUPPORT INTERNATIONAL TRADE

Given their close proximity, there is a long history of collaboration between Standards New Zealand and Standards Australia. In 1992, Standards Australia and Standards New Zealand signed an active cooperation agreement enabling the standards bodies to work together on joint standards projects, engaging with stakeholders from both nations. The aim of the agreement was to ensure that there were as few inconsistencies as possible between the two markets' requirements, thereby encouraging the free flow of goods and services.

Additionally, the governments of Australia and New Zealand are signatories to the Trans-Tasman Mutual Recognition Agreement. The agreement, which came into force in 1998, means that most goods which are deemed to have met regulatory requirements in one country can be sold legally in the other without having to pass additional regulatory hurdles.

As well as being a tool for increasing international trade, Standards Australia also sees the standardization process as a tool for international development. Given that Australia is one of the most economically developed nations in the Asia-Pacific region, Standards Australia is committed to building the capacity of standards organizations in developing nations in the region. It does so by helping those countries effectively participate in the development and implementation of international standards.

This effort has a dual purpose – on the one hand, by encouraging countries to adopt international standards, Standards Australia is helping to open up new markets to Australian business, while at the same time providing support, which will help other nations' economies to prosper.

SMES AND THE STANDARDS DEVELOPMENT PROCESS

Standards Australia is committed to having SMEs actively involved in the standards development process, and is undertaking initiatives to ensure that more SMEs can participate. The biggest challenges for SMEs wanting to be involved in standards development is that they often do not have the time or financial capital required to attend meetings or to produce proposals for new standards.

To help SMEs overcome these challenges, Standards Australia has taken a number of significant steps. The organization has streamlined the standards development process to reduce the time required to develop a standard. This time reduction ensures more groups and individuals can participate in the development process.

Standards Australia has also invested in IT technologies that allow SMEs to participate in meetings remotely. Not only does this remove travel costs for SMEs, but also makes participating in the process less extensive time-wise. Standards Australia also provides dedicated funding for SMEs that wish to attend committee meetings in person, or that want to participate in standards development at the international level.

Standards Australia recognizes the importance of ensuring consumer concerns are adequately represented in the standardization process, and has provided \$130,000 to the Consumer Federation of Australia to enable its participation in Standards Australia's committees.

"We have to recognize that small- and medium-sized enterprises are busy running their businesses, but so often they are the experts in their area. So the thing that we've been doing is making sure we can use IT technology in a way that allows them [SMEs] to participate [in standards development] as easily as they can."

– Dr. Bronwyn Evans

ANEC, THE EUROPEAN CONSUMER VOICE IN STANDARDIZATION - USING STANDARDIZATION TO PROTECT VULNERABLE DEMOGRAPHICS

To present the consumer perspective on standardization in Europe, Mr. Stephen Russell, Secretary-General of ANEC, the European Association for the Co-ordination of Consumer Representation in Standardisation (also known as the European Consumer Voice in Standardization) joined the panel discussion on the second day of SCC's event. ANEC, established in 1995, represents and defends the collective European consumer interest in the development of European laws related to standardization, consumer protection and welfare, as well as the elaboration of European standards. The association represents national consumer organizations from 33 European countries, and is therefore the voice of 520 million consumers in the standardization process. Consumer expertise in standardization at the national level is often fragmented in many countries, or simply does not exist, requiring the centralised solution provided through ANEC.

In 2012, the European Parliament and Council of Ministers adopted a new Regulation on European Standardisation (Regulation (EU) No 1025/2012), which committed to providing continued support to representation of the public interest – including consumer protection – in the European Standardisation System. The Regulation also included setting political expectations for strengthening the voice of societal interests in the standards development process. The work undertaken by ANEC is essential to product safety and standardization activities because ANEC also provides access to information and keeps national consumer organizations informed of progress at the EU level. Without ANEC, national consumer organizations would have difficulty supporting the work on standardization.

The new ANEC Strategy 2014-2020 was approved in June 2013. Against the backdrop of the new Regulation, ANEC's vision for 2020 includes:

- A sustainable Europe, where the health, safety and well-being of consumers is paramount, and where goods and services are accessible, fit for purpose and in compliance with legislation and standards.
- A European standardisation system in which the consumer interest is not only represented in standards work that will affect consumers, but is influential, innovative and key in decision-making.
- A Europe where consumer engagement is achieved at both the national and European levels, with balance between consumer and business interests.
- A European standardization system where a balance between legislation and standardization that ensures the highest levels of protection and welfare for all European consumers, regardless of age or ability.

Although Mr. Russell noted that the co-regulative approach of the European Union places special emphasis on the organized participation of consumer expertise in standardization, he underlined the need for effective consumer representation in other parts of the world. This was necessary to counter the focus of manufacturers on meeting the expectations of mainstream consumers. Mr. Russell saw this as vital when the trend in many countries was not only toward an aging population, but toward the increased independence of many far-younger people.

STEPHEN RUSSELL SECRETARY-GENERAL

European Association for the Co-ordination of Consumer Representation in Standardization





**MRS. ELENA SANTIAGO CID
(EUROPEAN UNION)**

DIRECTOR GENERAL

European Committee for Standardization (CEN) & European Committee for Electrotechnical Standardization (CENELEC)

Mrs. Elena Santiago is the Director General of the European Committee for Standardization (CEN) and the European Electrotechnical Committee for Standardization (CENELEC). Mrs. Santiago manages institutional relations with the European Commission and European Free Trade Association (EFTA). She is also responsible for relations and coordination between CEN, CENELEC and ETSI, being a member of the Joint Presidents Group (JPG). Mrs. Santiago also manages relations with ISO and IEC.

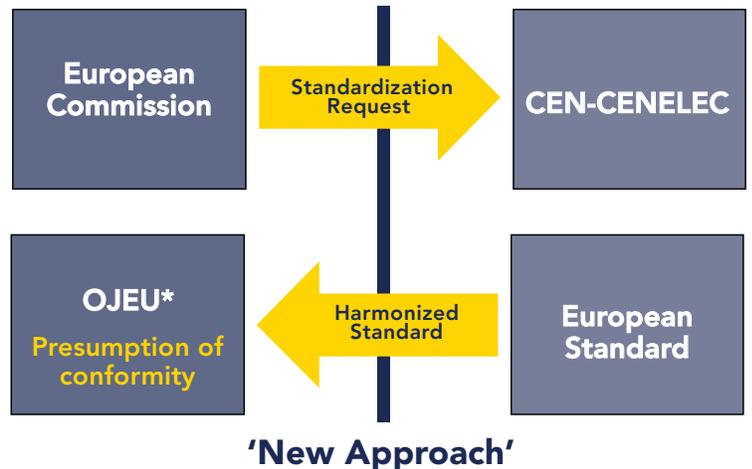
Standardization at the European level is divided between three organizations: ETSI, which manages the standardization of information and communication technologies; CENELEC, which develops and defines electrical engineering standards; and CEN, which manages standardization for other technical areas. CEN & CENELEC Members are the National Standards Bodies & National Electrotechnical Committees of the 28 Members of the European Union and of Iceland, Switzerland, Norway, FYROM, and Turkey, and have affiliate members in Eastern Europe and Northern Africa.

STANDARDIZATION AT THE SUPRANATIONAL LEVEL

Standardization within the European Union, as managed by CEN-CENELEC, has benefited from the 1985 directive, *New Approach to Technical Harmonization and Standards* replaced

in 2008 by the “New Legislative Framework”. The “New Approach” legislated the provision that all products manufactured and services provided in accordance with European-harmonized standards were given the presumption of conformity to any essential requirements as defined by the relevant EU legislation. The harmonization of standards within the European Union has helped to realize a single European market. This is based on the “standstill principle,” meaning that no member state may develop or publish a new or revised national standard on the same subject as any standards work that has begun at the European level and that the CEN and CENELEC European Standards must be adopted identical by their Members, withdrawing National conflicting standards.

FIGURE 1: EU New Approach



*OJEU - Official Journal of the European Community

Essentially, this means that manufacturers that meet European standards are deemed to have conformed with the relevant law without having to pass through additional regulatory barriers. The process is entirely voluntary – but manufacturers that choose not to adopt the harmonized standards must actively prove that they conform with the law. In 2012, the European Union issued a regulation that reinforces the legislative framework for European Standardization. This regulation must be directly implemented by all MMSS.

That means that meeting a harmonized standard immediately gives a manufacturer access to the European market of 600 million consumers. This example of the European market and its harmonization strategy shows the benefits that countries with federal systems, such as Canada, can

have with harmonizing their standards internally – as well as the benefits of international harmonization with other nations.

CEN-CENELEC's strong link with the European regulatory field enables European regulators to call upon CEN-CENELEC to support European Union policies and strategic objectives. The European Commission's standardization requests can go beyond product harmonization to also include topics that cut across multiple sectors such as the environment, accessibility, interoperability and services.

USING STANDARDS TO SUPPORT INTERNATIONAL TRADE

For CEN-CENELEC, the most important benefit of standardization in relation to international trade is the harmonization of standards internationally.

It is important that SDOs communicate the benefits of harmonizing standards to governments and industry. International harmonization increases competitiveness, because it reduces the administrative costs of placing products into new markets, without reducing the safety benefits that come with standardization. Because of this, international harmonization of standards reduces trade barriers.

In February 2012, CEN-CENELEC signed a milestone cooperation agreement with SCC. At the time, SCC's CEO, John Walter, stated that, "greater harmonization of standardization activities in sectors of strategic importance expands the potential for economic growth and increased trade between Canada and Europe."

The cooperation agreement between the two standards bodies was an important component of the Technical Barriers to Trade (TBT) chapter of the *Canada-European Union Comprehensive Economic and Trade Agreement* (CETA) and contributed to the successful negotiation of that chapter. It enables SCC and CEN-CENELEC to work together today, to define mutual standards in the absence of international options.

WHAT BEST PRACTICES DO YOU THINK YOU COULD RECOMMEND TO CANADA AS IT SEEKS TO ALIGN PROVINCIAL AND TERRITORIAL STANDARDS?

"The most important thing is to align as much as possible with international standards, because the world is a global market now; it would not be very smart to think on a national level without looking at the global market.

You also need to ensure that governments and industry are aware that harmonizing standards increases competitiveness, because you reduce the administrative costs of those that need to place products in the market, without reducing consumer or environmental protection. So your products become more competitive, you have a level playing field and, at the end of the day, the whole economy benefits from the harmonization efforts."

– Mrs. Elena Santiago

STANDARDIZATION AND SMES

In Europe, SMEs represent 90 per cent of the economy and are responsible for 18 million jobs. The European Union has established two top priorities for SMEs: access to finance and to internationalization. Internationalization has a specific meaning within the European Union. Despite the fact that the EU operates as a single market, most SMEs still operate within the pretext of their own national markets. Internationalization in Europe, however, applies equally to a Spanish company exporting to Winnipeg as a Danish company exporting to France. In reality, only 11 per cent of European SMEs are really active in the global market beyond the European Union.

CEN-CENELEC's top priority in ensuring that SMEs can operate internationally is to promote the international harmonization of standards. SMEs do not have the same capacity as larger-sized companies to adhere to multiple standards. So by ensuring that there is very little overlap or duplication of standards, CEN-CENELEC is removing barriers to aid in the international expansion of SMEs.

CEN-CENELEC has also worked with stakeholders to ensure the continued and growing involvement of SMEs in the standards development process. Through the research it conducted, CEN-CENELEC identified 58 recommendations for increasing SME participation, which can be grouped into three broad categories: access to information on standards, communicating the benefits of standardization to SMEs, and influencing the standards' content.

One of the ways in which CEN-CENELEC aims to achieve these recommendations is through the development of its SME Toolbox. The Toolbox is a portal through which SMEs can have questions about standardization answered – ranging from why it is important to know which standards may affect a product, to how SMEs can influence the standards-making process.

CEN-CENELEC has also established SME coordinators in every member nation and at CEN-CENELEC. CEN-CENELEC has also increased its communications with SMEs through a number of channels, including a SME-specific newsletter issued to more than 400 partners, a SME Helpdesk, and hosting a LinkedIn group to connect SMEs involved in standards work.

GOING FORWARD

As of December 2013, CEN and CENELEC are referenced on all three pillars of the EU Horizon 2020 Program – linking standardization, research and innovation. CEN and CENELEC have identified a common framework for Horizon 2020, which they will develop activities for in the coming years. This framework includes:

- developing the capacity of CEN and CENELEC to offer standardization for the commercialization of innovations;
- working with the European Commission Services to embed standardization in the Horizon 2020 apparatus; and
- engaging with the European R&D community (innovators, researchers and scientists) to ensure that the timely inclusion of research results in standardization activities becomes routine.



JOHN WALTER
CHIEF EXECUTIVE OFFICER

Standards Council of Canada

“SCC has had significant success in its outreach to the Government of Canada. Our challenge now is to be able to keep up with the work they want us to do, and to embed standardization goals and priorities of the government into departmental businesses plans.

SCC is working in the same way with the provinces and territories. One of the items that we are hoping to push forward in the provinces and territories is increased alignment of codes and standards referenced in regulations. For industry, when standards and codes are referenced differently in regulations across the country, it costs a considerable amount of time, money, and an enormous amount of frustration to have to work within that system. There is an opportunity for SCC to lead a process that can work better for everyone – governments, industry and consumers. If Europe can set up a system with 28 countries to avoid that kind of problem, I believe Canada can do it with 10 provinces and three territories.”

– Mr. John Walter

LOOKING FORWARD

As the global standardization landscape shifts, SCC is continuing to provide a more responsive, flexible and aligned standardization system that promotes the health and safety, and fosters the economic well-being, of all Canadians. SCC has strengthened its ties with government, ensuring that standardization is part of public policy discussion. The organization continues to be transparent in seeking feedback from a broad base of stakeholders, to ensure Canada’s standardization network remains vibrant and strong, and continues to respond to the needs of government and industry — and, ultimately, the consumer.

Canada was provided with a unique opportunity to share and learn from best practices with the European Union, the United States and Australia. Over the course of the two-day exchange, key senior government officials, Canadian SDOs and industry and consumer representatives were provided the opportunity to engage in strategic discussions from a global perspective on the economic value of international standardization in advancing national objectives. Consequently, a number of important themes for Canadian governments and industries involved in standardization could be observed:

HARMONIZING STANDARDS IN SUPPORT OF INTERNAL TRADE

A key message repeated by all four international experts was the importance of harmonizing standards as a way to reduce barriers faced by domestic industry. Harmonized regulations, standards and conformity assessment procedures help to reduce the number of technical barriers to trade between jurisdictions, such as neighbouring states like Australia and New Zealand, and Canada and the United States, or between the 28 member states of the European Union. In Canada, the alignment of standards can facilitate the reduction of barriers to interprovincial trade and help to expand Canadian exports into foreign markets. Standardization can help achieve regulatory alignment between Canadian provinces and territories, and the federal government, through the application of the European Union’s “standstill principle.”

In the Canadian context, the “standstill principle” could be applied through an agreement between provinces / territories. As a result, once jurisdictions

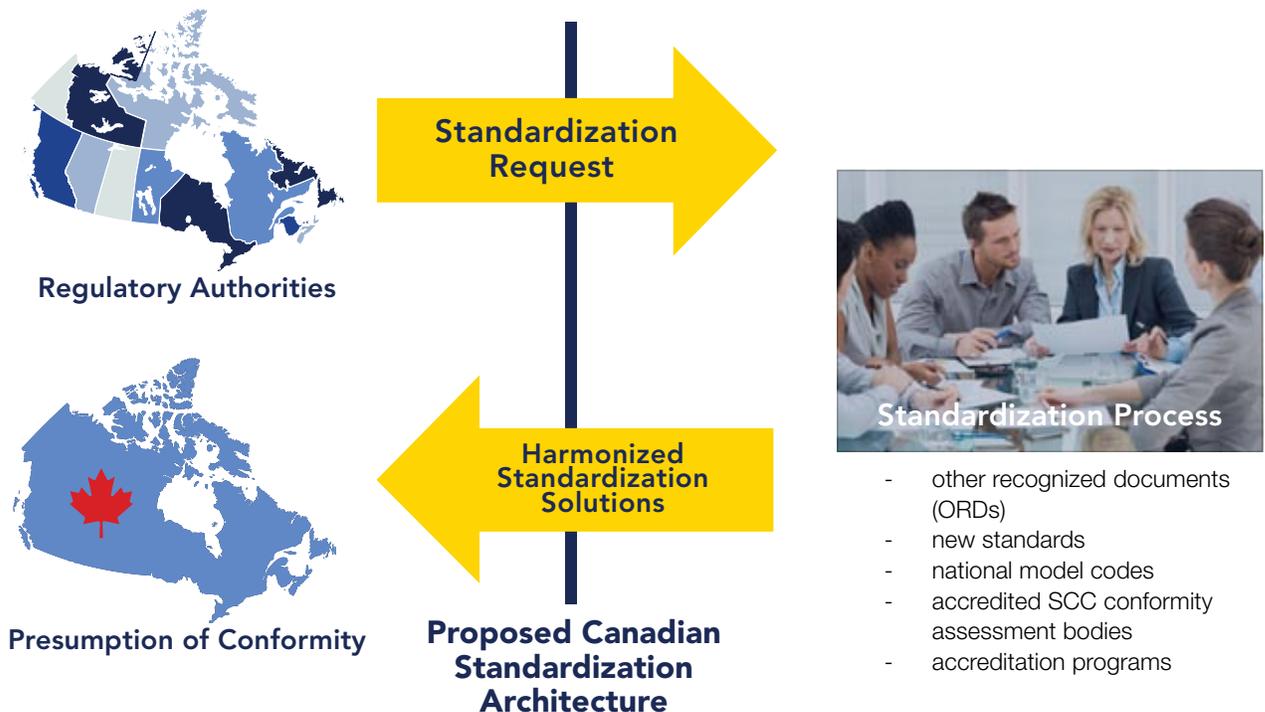
make a request for a new standard to SCC, they could commit to use that standard once approved as a National Standard of Canada (NSC) and agree not to use different standards in their regulations. This system would be based on the presumption of conformity by jurisdictions. Such a principle could help eliminate the duplication of efforts by technical experts, as well as the duplication of standards after the publication of an NSC, and would not prejudice intended harmonization goals.

With an agreement in place between federal, provincial and territorial governments, SCC could coordinate the use of standardization in regulation that will support Canadian government policies and strategic objectives in support of reducing internal barriers to trade in Canada.

STANDARDS ARE A CATALYST FOR INTERNATIONAL TRADE

As well as removing barriers to national and international trade, standards can actively facilitate international trade. The Canada-U.S. Regulatory Cooperation Council and the agreement signed between CEN-CENELEC and SCC allows for the

FIGURE 2: Proposed Canadian Standardization Architecture



development of standards that provide a mutual benefit, and can ease the passage of free trade agreements. By working with our international peers, SCC can ensure Canada remains at the forefront of international standards, in sectors such as nanotechnology and smart grids, which are of strategic importance to government, industry and consumers.

INVOLVING SMES AND CONSUMERS

SMEs are vital to the Canadian economy, and can benefit significantly from standardization. SCC will continue to find new and innovative ways to involve SMEs in the standardization process, to ensure that their expertise and needs are included in the development process. Given that standards enable SMEs to compete on a level playing field with their larger competitors, reduce the cost of compliance and provide more competitive market access, SCC is committed to communicating the specific benefits of standards.

The need for effective consumer representation in other parts of the world was highlighted by ANEC. This is necessary to counter the focus of manufacturers on meeting the expectations of mainstream consumers. With an aging population, the need to provide support for and strengthen

the voice of vulnerable communities, during the standards development process will be increasingly important for Canada as its demographics continue to shift.

With the proposed Canadian standardization architecture aimed at supporting interprovincial cooperation, a strong SME and consumer voice in the Canadian standardization system would ensure that consumers and businesses are reaping the full benefits of both international and internal trade.

Looking toward the future, SCC will continue to build on its past successes by remaining at the center of dynamic shifts, developments and innovations in standardization. The organization will continue to work closely with its international partners, to share best practices and ensure that Canadian governments and industry have access to vital information on global trends in standardization. With enhanced awareness and support from government, as well as industry involvement, SCC will continue to focus on advancing the development of a national standardization strategy.



ABOUT THE STANDARDS COUNCIL OF CANADA

The Standards Council of Canada (SCC) is a federal Crown corporation. It has its mandate to promote efficient and effective standardization in Canada.

Located in Ottawa, the Standards Council has a 13 member governing Council and a staff of approximately 90.

The organization reports to Parliament through the Minister of Industry and oversees Canada's national standardization network.

HOW TO REACH US

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