



## **GS1 RESPONSE TO THE EU COMMISSION'S CONSULTATION ON MODERNISING OF ICT STANDARDISATION IN THE EU - THE WAY FORWARD**

GS1 would like to thank the European Commission for the opportunity to comment on its White Paper on Modernisation of ICT Standardisation Policy in the European Union.

We welcome the policy approach taken in the White Paper. GS1 shares its overall objectives and proposed lines of action. In addition to the questionnaire, we would like to address some specific proposals suggested in the White Paper, with a view to constructively engage and support this process.

### **I. General Remarks**

#### **The Modernisation of EU ICT Standardisation Policy**

GS1 agrees with a **modernised EU ICT standardisation** policy that focuses on how to better serve policy goals. Among these objectives, the new standardisation policy will be a cornerstone for the EU post 2010 strategy for **economic recovery**, by playing a critical role in supporting ICT competitiveness and innovation. The linkage of standardisation to the effective implementation of legislation requires addressing not only the development of voluntary standards per se, but also the effective adoption of those standards.

Further, an ICT standardisation policy needs to be accompanied by complementary measures in order to achieve a competitive edge for Europe in this area. ICT solutions based on standards by definition can be offered by several solution providers. Hence, the challenge is to define ways on how to stimulate innovation and simultaneously create markets. One approach is for a solution provider to develop something new, with proprietary IPR's, supported by their own marketing efforts, at their own risk; another, in our view preferred option, is cooperation with a sizable user community.

Also, the market for ICT solutions is primarily a **global market**. The challenge for Europe is to stimulate European solution providers to actively take part in global developments and European ICT user companies to actively deploy such technologies. Communities of companies can be very effective to this end.

Finally, while considering the modernisation of ICT Standardisation policy in the EU, it seems unavoidable to address **semantic standardisation** processes **next to technical specifications** and standards. Semantic standardisation processes clearly entail user involvement and engagement throughout the process. This aspect should be carefully evaluated and included as a critical attribute of a new approach to standardisation.<sup>1</sup>

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<sup>1</sup> These categories are defined in the [ETSI interoperability White Paper](#): "Recently, we have seen the emergence of different categories of interoperability, for example: **technical interoperability**, **syntactical interoperability**, **semantic interoperability** and **organizational interoperability**".

## II. Specific remarks

### 1. Enhanced Cooperation, Collaboration and Integration of ICT Fora and Private Consortia

GS1 supports the view that the new ICT standardisation policy should set the scene for better cooperation between ICT fora and consortia, and allow for increased coordination between them and the formal standardisation organisations, with the aim at reducing the risk of fragmentation and duplication of standards in the ICT domain.

For instance, the international recognition of private fora and consortia could be mirrored at EU level, following suitable cooperation procedures among these organisations. The European Commission could consider examining further ways to improve cooperation, drawing from current and past experiences.

GS1 suggests the creation of a specific **regulatory list of non formal standardisation bodies** with widely recognized competencies in particular fields. Unlike Annex 1 of Directive 98/34, the standards and specifications developed by these organisations would not necessarily be automatically granted an official European standard status; nevertheless, these organisations would be formally consulted throughout the process of assessment, creation and development of an EC standards mandate in a field of competence observed by that organisation. In addition, a specific **process of fast track recognition (ARO<sup>2</sup> “like”)** would allow the standards and specifications developed by these organisations to be incorporated in European standards by a European Standards Organisation.

#### 1.1 Creation of a Multi-stakeholder Policy Platform

GS1 would like to support the creation of a permanent, multi-stakeholder ICT standardisation policy platform.

This platform could help **reinforce** the critical role that **consultation** and involvement of relevant actors and stakeholders play in the standardisation process. We believe that this is particularly important to consider during the phases prior to the development of a standard, before an EC mandate is issued, in order to assure the effectiveness of the work, avoid duplication of standards and determine how to best meet policy objectives. Last but not least, it is our view that any standardisation process should take into account the desired effects for the competitiveness of Europe, also in the international context.

Special care should be taken in order to **avoid unnecessary bureaucratic hurdles** or red tape in setting this platform. It should function under clear and simple governance rules. Meaningful and **measurable criteria** should be set up in order to assess the ability of fora or private consortia to fully participate in such a policy platform. In addition, **adequate representation** of organisations involved in semantic standardisation should be assured.

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<sup>2</sup> ARO stands for “Approved Referenced Specification Originator Organisation”. The specifications delivered by these organisations can be a normative reference in ISO standards as and when agreed by the ISO working group developing a particular standard. See the International Organisation for Standardisation (ISO) website for the ARO list <http://www.iso.org>. For information on GS1 relations with ISO, please see [http://www.gs1.org/about/gs1\\_and\\_iso1](http://www.gs1.org/about/gs1_and_iso1).

## 2. Attributes of ICT Standards associated with EU legislation and Policies

The European Commission stresses the need to better link standardisation processes to the achievement of European policy objectives and effective implementation of legislation. The EU Commission proposes a list of criteria that standard organisation should meet, namely, openness, transparency, consensus, balance (the standardisation is accessible at any stage of development and decision making to all relevant stakeholders, participation of all interested categories is sought). Next, the White Paper outlines the attributes that should be reflected in the standards themselves i.e. maintenance, availability, relevance, neutrality, stability, quality and intellectual property rights.

The attributes and criteria outlined in the European Commission's White Paper are based on the principles developed by the World Trade Organisation. These principles were originally developed with a view to allow the maximum number of Members to participate in the elaboration and adoption of international global standards, in order to prevent unnecessary obstacles to trade among its Members. Having this in mind, the European Commission should consider to further **map the relationship between ICT global international standards and regional standards**, both in connection with policy goals, user requirements and needs in the context of global trade in general, and the **global digital economy** in particular.

### 2.1 The ICT standardisation process

GS1 would like to suggest stronger focus on the **standardisation process itself**, next to the standard and standard organisations' criteria and attributes, as an essential component of the new ICT standardisation policy.<sup>3</sup>

For instance, GS1 develops standards for a large group of companies wanting to streamline the use of modern ICT to support their business processes. In doing so, close cooperation between such user companies, where needed together with solution providers, has proved to be essential. GS1 facilitates this cooperation and actively supports the actual use of these standards, both at a global, European and national levels.

By **bringing together requirements and feasible solutions**, new applications of ICT can find the markets they require for a successful roll-out in a very effective manner. There is always a tension between open standards and proprietary solutions; however, cooperation between a user community and solution providers offers the potential of substantially large markets. The latter is to the benefit of the solution providers, while user companies can take advantage of new technologies offered at non-monopolised conditions. Such cooperation needs to be organised; standards organisations need to be **sustainable** so that they are able to facilitate, next to the **development** of standards and specifications, their **maintenance** and **implementation**. The development of high tech standards for RFID under the flag of GS1 EPCglobal, which have been ratified as part of an ISO standard (ISO

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<sup>3</sup> A recent article published at epractice.eu, the authors touch upon standardisation processes and their governance: "Standards for IOP are established in different organizational setting and by different institutional means. There is not one common governance structure for all layers of IOP. Protocols at the technical layer are mostly defined by national and international standardization committees, including Internet working groups, while data formats, ontologies and so forth for creating semantic IOP are - due to their more concrete relation to a particular context - mostly developed by industrial or sectoral organizations (industrial associations, professional bodies, local government associations, etc.). They are either negotiated by the administrations directly concerned or by superior administrative agencies, or established by ordinance or legislation."

18000-6C) is an example of this approach. It should be added that other communities of companies are active and successful in this respect as well.

## **2.2 User Involvement: in particular, SME participation and awareness**

Better and more active involvement of SMEs has been a constant EU policy goal in recent years.<sup>4</sup> As indicated above, effective adoption of standards is as important as the definition and development of standards themselves. With this in mind, it is suggested that organisations evaluated under the new standardisation policy are also requested to outline how they raise awareness of standardisation processes and **encourage the participation** of SMEs and their representatives (e.g. trade associations) at different levels, while taking into consideration specificities of SMEs, such as their structure and size. Specific actions include public and free availability of standards and efforts to translate those standards into **local languages**, as well as other forms of **local support**.<sup>5</sup>

## **2.3 Intellectual Property Rights (IPR) and the development of ICT standards**

The IPR policy in the context of the standards development applies only to those aspects of the standard that are absolutely necessary for the development of the standard, and not for the products, services, enhancements or other added value in addition to the standard. For example, GS1 EPC standards do not describe how to technically build an RFID tag, but do stipulate how they communicate with a reader.

Sound IPR policies play a critical role in the creation and implementation of standards, allowing for **interoperability** and **competition**, facilitating the adoption of global standards, broadening access opportunities to the markets and helping to **avoid fragmentation**.

GS1 considers that an IPR policy that strives **towards royalty free** standards meets these goals as it can lead to:

- **Positive effects on the markets**, as it multiplies the possibilities for solution providers to develop products and solutions that are interoperable and it allows the user community to choose between an array of products and services.
- **Positive impact on innovation**, as lower costs in development of the standards allows for keeping overall costs down, while the competition among standard-based products is safeguarded (layer above the standard). In other words, interoperability is assured, while competition is served through lower barriers to entry (level playing field).

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<sup>4</sup> EC Commission Vice President Günter Verhuegen unveiled the need for a “handshake between SMEs and standardisation” in his speech on the occasion of the 2006 World Standards Day.  
<http://europa.eu/rapid/pressReleasesAction.do?reference=SPEECH/06/599&type=HTML&aged=0&language=EN&guiLanguage=en>

<sup>5</sup> The 25.09.2008 Competitiveness Council Conclusions on standardisation and innovation stressed “the importance of providing standards in national languages to ensure proper understanding by all users”.  
[http://ec.europa.eu/enterprise/standards\\_policy/standardisation\\_innovation/doc/councilconclusions\\_20080925\\_en.pdf](http://ec.europa.eu/enterprise/standards_policy/standardisation_innovation/doc/councilconclusions_20080925_en.pdf).

### **3. ICT standards and public procurement**

GS1 supports the EU Commission's vision whereby modern and efficient public services available to everyone is a key i 2010 objective for the European Union. While e-government is increasingly a reality in the Member states as demonstrated progressively in their i 2010 initiatives, more efforts should be made to increase interoperability among Public administrations. Policies that strive for **greater semantic, technical and organisational interoperability** among public administrations should be a priority for the European Union, as it will facilitate the provision of cross border services to business and services within the EU.

In particular, GS1 supports current initiatives in this area, such as the **IDABC program** and its recent proposal on ISA and is actively contributing to the **Semic.EU** initiative.

With this vision in mind, GS1 encourages the European Commission to undertake policies that favour the update of public procurement guidelines so that the public sector only procures products based on standards that do not discriminate against a particular business model. Further, these policies should encourage **the convergence** of standards for e-procurement used by both **public and private sectors**, to avoid transaction costs caused by inefficiencies triggered by unjustified divergences.

### **III. Final Remarks**

GS1 would once again like to thank the European Commission for the opportunity to comment on its White Paper and remains committed to contributing to the next stages of the policy debate.

#### **About GS1 and GS1 in Europe**

**GS1** is a neutral, not-for-profit organisation dedicated to the design and implementation of global standards and solutions to improve the efficiency and visibility in supply chains. GS1 has 108 Member Organisations around the world, each focussing on its own, mostly national market, based upon global standards. GS1 is driven by more than a million companies, who execute more than five billion transactions a day with the GS1 System of Standards. This makes it the most widely used supply chain standards system in the world.

**GS1 in Europe** is a collaboration of 45 GS1 Member Organisations in Europe: It leads the creation and implementation of harmonised, user-driven solutions for improving the supply and demand chain of European companies. GS1 follows a global approach and cooperates with global standardisation bodies such as ISO and respective UN bodies. In GS1 in Europe the national GS1 organisations cooperate to stimulate the development and use of standards from a European perspective, fitting in the global approach.

For more information about GS1, visit: [www.gs1.org](http://www.gs1.org) and [www.gs1.eu](http://www.gs1.eu).

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