Council of the European Union

Brussels, 13 June 2016
(OR. en)

10193/16

COMPET 375
IND 138
MI 447
RECH 235
ENT 120
MAP 22
TELECOM 119

COVER NOTE

From:	Secretary-General of the European Commission, signed by Mr Jordi AYET PUIGARNAU, Director
date of receipt:	1 June 2016
To:	Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union
No. Cion doc.:	COM(2016) 212 final
Subject:	REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL on the implementation of the Regulation (EU) No 1025/2012 from 2013 to 2015

Delegations will find attached document COM(2016) 212 final.

Encl.: COM(2016) 212 final

EUROPEAN
COMMISSION

Brussels, 1.6.2016
COM(2016) 212 final

REPORT FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT AND THE COUNCIL

on the implementation of the Regulation (EU) No 1025/2012 from 2013 to 2015

{SWD(2016) 126 final}

1. INTRODUCTION

According to Article 24(3) of Regulation (EU) No 1025/2012 on European standardisation (hereinafter the Regulation)[1]:

> *By 31 December 2015 and every five years thereafter, the Commission shall present a report to the European Parliament and to the Council on the implementation of this Regulation. This report shall contain an analysis of the annual reports referred to in paragraphs 1 and 2, an evaluation of the relevance of the standardisation activities receiving Union financing in the light of the requirements of Union legislation and policies as well as an assessment of potential new measures to simplify the financing of European standardisation and to reduce the administrative burden for the European standardisation organisations.*

This is the report drafted to respond to such Article 24.

2. THE PERFORMANCE OF THE EUROPEAN STANDARDISATION SYSTEM

This report (and the accompanying evaluation) assesses the performance of the European Standardisation System (ESS) including the Regulation since its entry into force in 2013, in terms of effectiveness, efficiency, coherence, relevance and EU added value, in response to the review clause set in Art 24(3) of the Regulation. It includes:

- Analyses of the implementation of the Regulation, through the reports provided by the ESOs and the Annex III organisations concerning the years 2013 and 2014;
- Evaluation of the relevance of standardisation activities receiving Union financing;
- Assessment of opportunities for simplifying the financing of European standardisation and reducing the administrative burden.

This evaluation is linked to the Regulatory Fitness and Performance Programme of the Commission[2] because of the importance of standardisation as a way to harmonise the Single Market and of its impact on the competitiveness of the EU economy. This evaluation is of particular relevance to regulatory fitness: it draws upon studies or reports in relation to the ESS and its processes, specifically in relation to further involving particular stakeholders such as SMEs, refining Union financing and addressing the issue of administrative burden on the European standardisation organisations (ESOs) and the National standardisation bodies (NSBs).

Given the recent entry into force of the Regulation a full *ex post* evaluation of the Regulation cannot be achieved due to the fact that a full cycle of the standardisation work requested by the Commission since 2013 has not yet been completed. This report (and the accompanying SWD) assesses whether the ESS is on track with achieving the objectives expected by the

[1] Regulation (EU) No 1025/2012 of the European Parliament and of the Council of 25 October 2012 on European standardisation, amending Council Directives 89/686/EEC and 93/15/EEC and Directives 94/9/EC, 94/25/EC, 95/16/EC, 97/23/EC, 98/34/EC, 2004/22/EC, 2007/23/EC, 2009/23/EC and 2009/105/EC of the European Parliament and of the Council and repealing Council Decision 87/95/EEC and Decision No 1673/2006/EC of the European Parliament and of the Council, OJ L 316, 14.11.2012, p. 12-33.

[2] COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS
Regulatory Fitness and Performance Programme (REFIT): State of Play and Outlook, COM(2014) 368 final, 18.6.2014

legislator when it reformed the standardisation system and adopted the Regulation and makes, where appropriate, recommendations (see annexes 1 and 2 of this report) on how to improve the implementation of the Regulation and the ESS.

It mainly evaluates the processes put in place by the ESS and the Regulation and does not aim at assessing comprehensively the wider impacts of standardisation on the internal market or on the competitiveness of EU business (see also section 3.2 of this report).

2.1 Methodology

The evaluation has built on studies and reports carried out since 2013[3] such as the results of the Independent Review of the European Standardisation System (ESS) published in April 2015 after a validation event in March, the Commission report to the Council and the Parliament on the basis of Article 25 of the Regulation[4] adopted in May 2015, the Article 24 study aimed at assessing the relevance of the activities and their financing[5] based on annual reports and the meeting report from the 'Friends of Standardisation Roundtable' held on 1st July 2015, which was also a validation event of the Independent Review. Practical experience of the Commission services applying the Regulation has also been taken into account.

2.2 The main objectives of the Regulation and of the European Standardisation System

The main general objectives of the Regulation are to increase the contribution of standards and European standardisation to a better functioning internal market, to stimulate growth and innovation and to foster the competitiveness of EU enterprises, especially SMEs.

The specific objectives of the Regulation are to:

- enhance the transparency of EU standardisation;
- set revised rules for financing European standardisation including SMEs, social and societal stakeholder organisations at the European level;
- ensure that SMEs, social and societal stakeholders are adequately represented in the standardisation process, especially for standards developed at the request of the Commission;
- reduce the time taken by the Commission requested standardisation process;
- enable Member States to reference ICT technical specifications developed outside the ESS in public procurement.

The Communication COM (2011)311 established the guiding principles of the European Standardisation system (ESS), expressed through five strategic objectives:

- European standards need to be quickly available;

- European Standards are powerful strategic tools for businesses to increase their competitiveness;

[3] All relevant studies/reports are available at the following link: http://ec.europa.eu/growth/single-market/european-standards/notification-system/index_en.htm
[4] COM(2015)198 final
[5] Study on the implementation of the Regulation 1025/2012 (Article 24), EY (2015)

- European standards need to respond to an increasing demand as a tool to support European policies and legislations;

- European standards will affect more and more groups in European society. The European Standardisation System must, therefore, become as inclusive as possible;

- European standards must play a role in supporting the competitiveness of European business in the global market.

The Regulation entered into force on 1st January 2013. Therefore, the evaluation covers the two (2) first years of its implementation. As to the Independent Review, it took a long-term perspective and all available data since the establishment of the ESOs[6].

3. ANALYSIS

3.1 Effectiveness

Areas where effectiveness has been fostered and which would indicate that progress is being made towards refining the ESS, as a result of the introduction of the Regulation, are briefly summarised below.

- Transparency:

The Commission's standardisation measures to date and the Annual Union Work Programme (AUWP), a novelty introduced by the Regulation, contribute to the transparency, ownership and quality of the activities.

Progress has been made in ensuring the **transparency** of the work of the European standardisation organisations (ESOs) and National standardisation bodies (NSBs), through the publication of their work programmes on their web sites. Significant investments in the use of IT tools have been made by ESOs and NSBs. The proper transparency of work programmes of standardisation bodies within the meaning of Article 4(1) of the Regulation is an essential precondition for ensuring the inclusiveness of standardisation activities. However, room for improvement in implementing Article 4(3) to (4) of the Regulation in terms of clarity and of the availability of the work programmes of the NSBs still remains.

- Inclusiveness:

Participation by relevant stakeholders in standardisation has improved but could still be more effective. According to key stakeholders, there are still difficulties for SMEs in taking part in standardisation and/or to make use of standards. Similarly, and despite the improvements introduced, the participation of stakeholder organisations, representing consumers', workers', SMEs and environmental interests, is still challenged by some limitations at the European and international levels, raised by the Annex III organisations during the Independent Review and in their reports on the implementation of the Regulation.

[6] For example, for the analysis of the standards development time, were compared data from 2009 to 2013 (see page 70)

At the **European level**, four **stakeholder organisations** have been selected in 2013 and 2014 as eligible for Union financing (SBS: Small Business Standards, ANEC: The European Consumer Voice in Standardisation, ECOS: European Environmental Citizens Organisation for Standardisation and ETUC: European Trade Union Confederation) in line with the Regulation Article 16: these have launched activities to strengthen their presence in and contribution to European standardisation. Their activities have been mainly focused on the training of experts, participation in ESOs at policy and technical level, and the setting up of tools for communication.

At the **national level**, NSBs report on the participation, at policy and technical levels, of representatives of the four stakeholder groups: SMEs, consumers, social and societal stakeholders. The number of NSBs in which SMEs, consumers, social and societal stakeholders are represented has increased between 2013 and 2014 (especially within ETSI). However, while at the **European level** SMEs appear to be largely represented at policy and technical level (e.g. in 2014, SMEs were represented at technical level in more than 80% of CEN's and Cenelec's technical bodies and ETSI's working groups), the involvement of the other stakeholder groups is more limited. This might be due to the more limited interest of consumers, social and societal stakeholders in standardisation as they are not direct users of standards.

- Timeliness:

The **time to develop new standards** requested by the Commission decreased from 5 years, on average, in 2009 to 3 years in 2013[7]; this progress is not resulting from the implementation of the Regulation but from industry needs. The new Framework partnership agreements (FPAs) and the Operating Grants (OGs) between the Commission and the ESOs aim at further reducing the development time of standards. Together with the FPAs, which include key performance indicators[8], the introduction of the AUWP and the revision of the procedure to adopt standardisation requests[9] according to Article 10 of the Regulation are expected to contribute to speeding up the standardisation work following Commission requests. This could bring significant improvement while maintaining quality and inclusiveness. Overall, this would make the ESOs even more attractive notably for specific high-tech projects where competition is global. A closer relationship between the R&D community and standardisation would also help for that purpose. Quicker standardisation results are also expected from the implementation of the Regulation due to the earlier involvement of stakeholders, increased backing consensus to standardisation requests, more detailed requirements for the requested European standard or standardisation deliverable and deadlines for the adoption of the requested deliverable.

As regards interaction between the Regulation and other EU legislation making use of European standards, there is room for streamlining of the procedures when such a sectorial legislation is revised. For example, the proposal for a Regulation on Consumer Product Safety (8) aims at shortening these processes through alignment with the processes set in the (standardisation) Regulation.

[7] Independent Review of the European Standardisation System, Final Report (2015, p.109)
[8] Including a 50% reduction in the standard development time by 2020
[9] SWD(2015) 205 final of 27.10.2015 "Vademecum on European Standardisation in support of Union Legislation and policies"
http://ec.europa.eu/growth/single-market/european-standards/vademecum/index_en.htm

- Union financing of Standardisation activities:

Union financing of activities of the ESOs and the Annex III organisations is limited to a range between EUR 20 to 25 million annually. The Commission contributes, on the basis of the Regulation, on average between **35 and 40 %** of the total income of the three non-profit ESOs[10] (…) and from **75% to 100%** of the total income of the Annex III organisations[11]**.**

The experts who voluntarily participate in standardisation work at international, European and national level usually do so at their own expense. According to an estimation of the ESOs, the industry experts spend around EUR 1 billion each year to participate in and contribute to standardisation work (ie the estimated total value of working hours spent, travelling and accommodation costs etc…). Some difficulties have been perceived by the ESOs and/or Annex III organisations in relation to this Union financing. In particular, they have raised some issues concerning the Commission's provision of financial support that can be summarised as follows:

- Timing for the signature of the Operating Grants (OGs) between the EC and the ESOs;

- Management of Union financing: the ESOs and the Annex III organisations consider that a certain effort is required to process and assess applications for financial support. This also applies to the technical and financial reporting, especially in relation to the OGs;

Estimates carried out in the Article 24 study show that a certain effort is required by the ESOs and the Annex III organisations to apply for the OGs (i.e. the drafting of the annual plan), and for reporting on their execution. However, the estimates on administrative costs related to OGs suggest that these represent a reasonable share of the total amount received from the EC (around 1% for the ESOs, and between 2% and 5% of the amounts respectively received by the four Annex III organisations in the form of OGs);

- Overall reporting requirements, information obligations and administrative costs under the Regulation: the obligations related to Union financing and the accumulation of reporting requirements placed on the ESOs and the Annex III organisations is considered to create a certain level of administrative burden.

A certain effort is required for the reporting on the implementation of the Regulation by the ESOs and on the activities performed by the Annex III organisations (Article 24 reporting);

- Predictability and continuity of the financial support: the FPAs have represented an important step forward in ensuring continuity of financial support. However, uncertainty about the resources available each year for specific actions is perceived among the ESOs and the Annex III organisations. This can prevent the

[10] CEN — European Committee for Standardisation , Cenelec — European Committee for Electrotechnical Standardisation and ETSI — European Telecommunications Standards Institute

[11] Small Business Standards - http://sbs-sme.eu/, The European consumer voice in standardisation - http://www.anec.eu/anec.asp , The European Environmental Citizens' Organisation for Standardisation - http://ecostandard.org/ and The European Trade Union Confederation - http://www.etuc.org/

proper planning of the activities necessary to implement the annual work programme or perform specific standardisation work.

To conclude, there is a perception among ESOs and/or Annex III organisations that the Regulation has increased administrative burden. Although the assessment of such burden showed that it represents a reasonable share of the amount provided by the EC funding, it is worth taking action to reduce perceptions of inefficiencies.

The Vademecum on European Standardisation in support of Union Legislation and policies and the recent Commission decision[12] to implement lump sums in line with Article 17(4) of the Standardisation Regulation are expected to improve the situation in order to make the access to Union funding easier and more predictable. This is a first step in the direction of a more performance-based approach to be assessed in due time.

- ICT: technical specifications: In the ICT domain, the Multi-Stakeholder Platform (MSP) generates the ICT Rolling Plan as a collaborative tool to bring together the European Commission and the ICT standardisation stakeholders – EU and global- and to increase their coordination and cooperation. It also fosters the transparency of the ICT standardisation process, by giving a relevant list of activities and gathering the opinions and views of the different stakeholders involved in each topic addressed. Several ICT technical specifications for public procurement have already been adopted.

To sum up, the Regulation has increased the contribution of standards and European standardisation to a better functioning of the internal market, stimulating growth and innovation and fostering the competitiveness of EU enterprises, especially SMEs. Steps have been taken to improve the transparency of the development of the Commission's standardisation requests in support of EU legislations and policies and the participation of SMEs and underrepresented stakeholders. The Regulation also facilitates the exploitation of the potential of innovative ICT technologies and contributes to the realisation of the Single Market.

3.2 Efficiency

The contribution of European standardisation to the competitiveness of EU businesses has been confirmed by earlier studies[13] carried out at the national level in France, Germany and the UK.

The current data does not however allow for a complete and comprehensive analysis of the efficiency of the ESS as influenced by the activities supported by the EC within the new framework of the Regulation. It is anticipated that sufficient data will be available to make a proper assessment in the next report due under Article 24 in 2020.

However, the foregoing comments should be understood in the light of the fact that the broader range of factors that influence the economic impact of the ESS cannot be captured

[12] C(2015) 3697 final

[13] BSI (2015): The Economic Contribution of Standards to the UK Economy, DIN (2000): Economic Benefits of Standardization, 3 volumes. Berlin: Beuth. (Update 2011), DTI (2005): The Empirical Economics of Standards, DTI ECONOMICS PAPER NO.12. London and AFNOR (2009): The Economic Impact of Standardization – Technological Change, Standards and Long-Term Growth in France. Paris. AFNOR (2016): economic impact of standardisation, January 2016, Paris, France.

without a more wide-ranging study, which the Council invited (in March 2015[14]) the Commission to consider undertaking at an appropriate time.

While there is a perception by the ESOs and the Annex III organisations that the Regulation has increased the administrative burden on their part (see section 3.1 on effectiveness), this perception is not supported by available data. Still, the Commission will consider actions to decrease such perceived inefficiencies.

3.3. Coherence, EU added value and Relevance

Each of the current 20,000 European standards (mainly for products) potentially replaced up to 33 sets of conflicting national ones. But still it is difficult to measure the EU added value of the ESS. However, European standardisation is designed to play a key role in the creation and functioning of the single market for products and services by gradually harmonising conflicting national standards that may create technical obstacles for access to national markets. It can thus eliminate barriers to trade, whilst ensuring a high level of protection of public interests, in particular health and safety. Such voluntary harmonisation can therefore contribute to increasing the competitiveness of European industry but only when European standardisation is wide-ranging, internationally recognised and easy to comply with (especially by SMEs).

The need for an efficient and effective standardisation process at the EU level which is the objective of the ESS and the Regulation is confirmed, while more development of European standards for services could be considered. But the needs identified at the time of Impact Assessment are still valid. Financing remains relevant as new trends (such as globalisation, ICT/non ICT juncture etc) are emerging. Moreover, it is also important that a good balance is found between the interests of patent holders and users when it comes to Standard Essential Patents (SEPs).

The typology of activities supported by Union financing is also relevant to and coherent with the AUWPs: activities financed by the Union are those not funded by industry or not to the magnitude and at the time required.

Overall, standardisation activities are coherent with the EU's policy objectives - notably the digital single market (DSM), a fairer and deeper single market, energy union, growth and investments, the role of the EU as a global actor. On a practical level, coherence is achieved through the use of the AUWP (which is in line with the Commission priorities[15]), and subsequently through close monitoring of the process inside the Commission as well as through interaction with the Member States and relevant stakeholders.

Potential EU added value is inherent to the ESS. Each new European standard, whether requested by the Commission or not, replaces national standards: they reduce the cost of the movement of goods in the single market. By doing so, European standards can positively influence economic growth, by reducing general industrial costs, improving interoperability, increasing assurances of the quality and safety of products and services, and facilitating

[14] The Competitiveness Council on 2 March 2015, "INVITES the Commission to finalize the Independent Review and analyse the impact of standardisation on the economy taking into account the interest of all the parties".

[15] COM(2014) 910 final

access to European and global markets. Moreover, European standards can promote EU policies in several different respects, including accessibility to energy efficiency and safety of products, to name but two.

Removing trade barriers and fostering a Single Market represent by far the major potential for EU added value of European standardisation. As such, the ESS assumes a direct relevance to the functioning of the EU and pursues objectives that could not be achieved at the national level. Companies, in particular, can benefit from a reduction of transaction costs, an increased level of interoperability and the development of a common technical language within the European Single Market.

4. CONCLUSIONS

The Regulation has increased the transparency and inclusiveness of the ESS, enhanced the contribution of standards and European standardisation to a better functioning internal market and revised the rules for EU financial support to the European Standardisation Organisations and Annex III organisations.

In the ICT domain, the ICT Rolling Plan as a collaborative tool has managed to bring together the European Commission and the ICT standardisation stakeholders – European and global- and to increase their coordination and cooperation. It also fosters the transparency of the ICT standardisation process, by giving a relevant list of activities and gathering the opinions and views of the different stakeholders involved in each topic addressed.

At this stage, the Commission considers that non-legislative initiatives in the area of governance, interaction and communication might be justified to improve the ESS (see Annexes 1 and 2).

The Joint Initiative on European standardisation announced under the Single Market Strategy[16] is expected to contribute to that purpose. The Joint Initiative on Standardisation will also explore how the gap between research/innovation priorities and European standardisation could be analysed in a more systematic and forward-looking way and more effectively bridged, as well as how to produce timely standardisation deliverables. Additionally, the Digital Single Market strategy[17] , in its roadmap for completing the Digital Single Market announces the adoption of a Priority ICT Standards Plan to identify key priorities for standardisation with a focus on technologies and domains that are deemed to be critical to the Digital Single Market. Accordingly, this plan will identify a number of priority areas where a coherent set of actions aiming at the identification, production, adoption and promotion of use of ICT standards in response to new technological trends, EU legislations and policies would most urgently be needed.

In addition, the Commission following the invitation from the Council[17] to analyse the impact of standardisation on the economy taking into account the interest of all the parties, foresees to launch this study in due time to exploit the results in the next Article 24 report.

[16] COM(2015) 550
[17] COM(2015)192

The Regulation has brought significant improvements in the ESS due to the timely availability of standards requested by the Commission, the early involvement of the stakeholders, the creation of consensus around the standardisation requests under preparation, and the improvement in the quality and detail of the requests issued.

Overall, no major problem in the application of the Regulation had been identified, while some areas for improvement, listed in Annex 1 and 2, have been identified. The Commission will consider how to best tackle them, in particular via the Joint Initiative on Standardisation that aims at promoting the coherent implementation of the Regulation through non-legislative actions in co-operation with the main actors of the ESS.

The Commission concludes that there would be no justification to revise the Regulation for the time being. The Commission will revisit the situation five years after completion of the present evaluation, in the context of the report that it will present to the Council and to the European Parliament on the implementation of the Regulation, under Article 24(3).

ANNEX 1 – ISSUES AND RECOMMENDATIONS ON HOW TO IMPROVE THE IMPLEMENTATION OF REGULATION (EU) NO 1025/2012 AND THE EUROPEAN STANDARDISATION SYSTEM

I. Areas of improvement identified to be addressed in relation to the overall European standardisation system[18]:

Speed and timeliness

- Varying interests in speed and difficulty to apply a "one size fits all" solution to shorten time needed
- Need to better leverage on the early identification of standardisation needs
- Failures in the early start of standardisation activities (following standardisation requests)
- Presence of few standards requiring extensive time for development
- Monitoring data not consistent or not allowing a full assessment of the speed and tracking of the processes

Support to the competitiveness of European businesses

- Barriers for SMEs to take part in standardisation and/or apply standards
- Still despite of many actions weak links exist between standardisation and innovation and research projects

Support to Union legislation and policies

- Increasing demand for standards in support of Union's legislation and policy, coupled with bottlenecks specific to requested standards (the process to request and compliance checks)
- Lack of operational approach in defining the legislation and policy needs and prompting standardisation activities
- Gaps in the communication by the Commission to the ESOs during the standardisation process
- Lack of alignment between the Commission and standardisers in the phase of compliance checks
- Conflicting national standards remaining and reducing the overall efficiency of the ESS in eliminating barriers in the internal market

Inclusiveness

[18] Independent Review recommendations, p.141-143

- Weak position of the Annex III organisations and different capacities in terms of stakeholders representation at national level

- Lack of inclusiveness at international level when applying Vienna and Dresden agreements with ISO and IEC respectively in lead

Support to competitiveness of European businesses at global level

- Difficult matching between European stakeholders' needs and standardisation processes at international level

- Increasing relevance of standardisation work carried out outside of the ESS and ISO/IEC especially within ICT domains

Governance

- Need for better communication from the Commission about the process of developing standardisation requests

- Information to all the stakeholders on the standardisation work ongoing or planned

- Differences of working methods (within the Commission, the ESOs and the NSBs) which can undermine the consistent and efficient functioning of the ESS

- Complex procedures including reporting obligations and number of steps/actors involved

Suitability for the future

- Different layers in standardisation and need to adapt the approach to different needs

- Identify needs in sectors not covered by standardisation (e.g. services)

- Need for better patents declaration framework

II. Areas of improvement identified/issues to be addressed in relation to the standardisation activities supported by EU funds:

Speed up the process leading to the conclusion of the grant agreements (time to contract)

The procedure to approve and sign the grant agreements between the Commission and the ESOs or Annex III organisations is not yet fast enough. To this purpose, the following actions can be assessed and combined:

- Defining a procedure and indicative time limits for the assessment of the ESOs or the Annex III proposals by the EC/EFTA, in order to make sure that the timing for the agreement on the actions to be supported is reasonably limited.

- Encourage the ESOs and the Annex III organisations to present high quality proposals, based on the standard templates already available, as well as on practical guide on the most common issues encountered.

- Streamline the exchange of information between the Commission and the ESOs or Annex III organisations for the discussion of comments and the provision of feedback, in order to reduce the "time to grant agreement" by improving mutual understanding.

Streamline of administrative and financial procedures for the management of grant agreements

The administrative and financial procedures for the management of grant agreements are perceived as burdensome by stakeholders whose procedures should be clearly defined and consistently applied across grant agreements. The elements of the financial and administrative procedures causing this perception should be taken into account and, as a result, providing practical guidance to the EC services, the ESOs and the Annex III organisations in order to enhance the common understanding of the rules, avoid divergences in the interpretation, rectify and anticipate recurring mistakes and inaccuracies by the ESOs or the Annex III organisations.

Simplify and rationalise the reporting requirements

The reporting requirements are also perceived as too burdensome. The following recommendations could be considered after careful evaluation:

- Simplifying reporting on Art. 24 of the Regulation:

  - Improve the reporting on Art. 24 in order to ensure the consistency and comparability of data reported across the ESOs and the Annex III organisations, taking into account the limitations related to lack of clarity and comparability of information;

  - Simplify the reporting by defining a common set and a list of synthetic indicators for each Article of the Regulation subject to reporting;

- Gather electronic and usable data and enable the creation of a database on the implementation of the Regulation to be used for monitoring purposes, on an ongoing basis, and as a basis for the EC reporting obligations towards the Council and the European Parliament.

• Streamline as far as possible the proposals for operating grants and action grants and the interim and final reporting on the technical activities carried out, and adapt the reporting requirements on a case by case basis, in order to make sure that these are proportionate to the financial support received. For example, this objective can be achieved by establishing key qualitative or quantitative indicators expected to be realized through the actions proposed, and articulating the reporting around these areas.

• Optimise the reporting requirements and other coordination and monitoring activities (such as periodic meetings) involving the Commission services, the ESOs and the Annex III organisations, and harmonise the formats for reporting, in order to enable the direct use of the same information to different reporting purposes.

Regularly monitor the overall Union financing, the results of the simplification measures and the opportunities to move further towards a more performance-based system

The Commission should constantly monitor the allocation of financing, the overall performance of the financing system and, when relevant, the results of the simplification measures implemented.

In particular, in case of positive results of the implementation of the recent decisions on lump sums to finance the development of European standards and the verification of their quality, there would be a case to consider the extension of the use of performance-based grant agreements to other standardisation activities characterised by verifiable results and easily identifiable outputs.

More generally, based on the data on financing, already collected on a constant basis by the EC, and on the feedback received by the stakeholders receiving the funds, regular insights can be gained on the different elements of the financing of standardisation, including: the timing for the finalisation of the agreements, the distribution of funding across the various kinds of activities eligible for support, the uptake of financing by the ESOs and the NSBs, the issues encountered in relation to the administrative and financial arrangements that have caused recurring delays and/or other problems.