

IEEE-SA Statement: Policies Accepting Global, Market-Driven Standards Should be Embraced in TTIP Trade Discussions

*IEEE STANDARDS ASSOCIATION BOARD OF GOVERNORS
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Recommendations:

The IEEE-SA Standards Association (IEEE-SA) recommends that the TTIP agreement should:

1. Embrace the globally inclusive, market-driven standards approach as an equally legitimate approach to standardization as the country-driven model.
2. Specify preferences for global/international standards over national or other standards, so that the benefits of technical excellence and global interoperability are available to all.
3. Protect innovation by setting out principles for technical regulations that encourage use of global/international standards and minimize the use of prescriptive technical regulations.

Rationale:

The European Union and the United States of America are negotiating the Transatlantic Trade and Investment Partnership (TTIP) agreement, which has the potential to be a significant step forward for bilateral trade between the two economies. An important issue in the TTIP negotiations is establishing closer cooperation in standardization and regulatory activities. The IEEE-SA believes that an open, global, market-driven standards paradigm is best suited towards promoting economic benefits, both in the parties involved in TTIP and globally.

Standardization can reduce cost and administrative burdens on governments. Standards can provide an alternative to technical regulations and reduce the need for government to develop regulations. Further, standardization facilitates the ability to keep up with current technology. When a regulation is needed, by referring to the most recent standard, a regulation can be as current as the state-of-the-art standard in that field.

Standardization supports technical excellence and encourages innovation. Because technology is an enabler for global interconnection and interdependence, mechanisms for unifying technology are foundational to increased growth and

trade. By enabling global interoperability, standardization also provides building blocks for innovation. Unlike nationally driven standards, which can foster national interest over global interests, the market-driven standards development paradigm favors no nation and fosters a global environment where innovations and technology standards compete for implementation on their own merits. This paradigm of market-driven standardization has been proven to ensure strong integration, interoperability, and increased synergies along the technological innovation chain, while allowing for the representation of the broadest possible cross-section of stakeholders.

Technology is constantly evolving and expanding into our daily lives. As technologists, engineers, and manufacturers strive to keep pace with the increasing intersection of technology with economic, political, and policy drivers, it is important that our standardization paradigms retain the flexibility to respond to the pace of innovation and the breadth of applications. The globally inclusive, market-driven standards approach has demonstrated the necessary agility to meet society's needs.

There is perhaps no better example of the capability of market-driven standards to provide the foundation for technological innovations that intersect with our personal, societal, and economic lives than the Internet. The Internet evolved from a networking community demonstrating packet switching technology to a global collection of communities and created a preeminent information infrastructure that has enabled today's e-commerce, information sharing, and community operations. The standards on which the Internet was built (and continues to evolve and advance) were developed via a bottom-up, open and decentralized model that allows for diversity of opinions and approaches as well as flexibility to acknowledge and address change and varying needs. The process of developing these standards represents cross-organizational coordination and collaboration among IEEE, the Internet Engineering Task Force (IETF) and the World Wide Web Consortium (W3C). These organizations collectively established a suite of standards that forms the foundation for the Internet in markets around the globe. Together, these standards have been a key facilitator for the growth of a global economic and social model that has touched billions of lives. These global standards were developed with a focus toward technical excellence and deployed through collaboration of many participants from all around the world, precisely through the openness and non-discriminatory nature of the process. The successful development and evolution of the Internet, which today underpins the modern global economy, exemplifies the strength of the bottom-up, market-driven system of standardization.

This distinct standardization paradigm meets the requirements set forth in the World Trade Organization's Technical Barriers to Trade Agreement¹ and is based on the following set of principles:

- Respectful cooperation between standards organizations, whereby each respects the autonomy, integrity, processes, and intellectual property rules of other organizations;
- Adherence to fundamental values of standards development, including due process, broad consensus, transparency, balance and openness;
- Collective empowerment of stakeholders to create standards based on technical merit, as judged by the expertise of all participants; provide global interoperability, scalability, stability, and resiliency; enable global competition; serve as building blocks for further innovation and allow competition;
- Availability of standards to all stakeholders under fair terms for implementation and deployment;
- Voluntary adoption of standards, allowing success to be determined by the market.

The IEEE-SA believes this globally inclusive standardization paradigm, based on these fundamental principles, would not only serve the needs of the EU and the US, but would confer benefits to humanity worldwide. Moreover, this approach could improve free trade by counteracting potential techno-nationalistic approaches. This globally inclusive paradigm enables the freest use of technology to fulfill society's needs, ensuring successful interoperability, and facilitating the continued growth and implementation of technologies that will lead to economic and societal benefits on a global basis.

About the IEEE Standards Association (IEEE-SA) – A global leader in standards development

IEEE is the world's largest technical professional society, with a 125-year history of technological innovation. The organization comprises more than 400,000 members who conduct and participate in its activities across the world in over 160 countries, including all EU Member States. The IEEE-SA, an organizational unit within IEEE, is a leading developer of industry standards, with an active portfolio of more than 1,400 standards and projects under development.

The development of IEEE standards provides the means for technological development to reach the global marketplace. The standards produced by IEEE are known for achieving high levels of technical excellence and broad applicability. The IEEE standards process is fully consistent with WTO criteria for international standards developing organizations, and many IEEE standards have been adopted by ISO and IEC.

¹ http://www.wto.org/english/tratop_e/tbt_e/tbtagr_e.htm