



Standardisation – to power our digital economies



26 August 2019, New Delhi

C-DOT and ETSI, with the support of EU-India Project and Indico

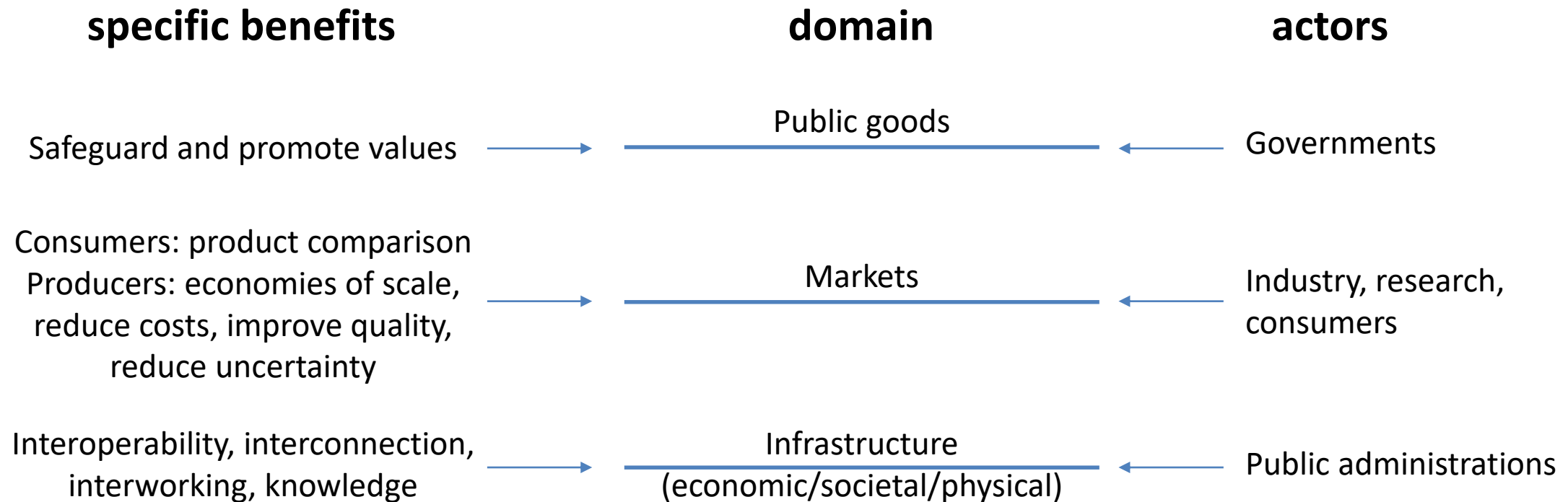
Prof Dr Paul Timmers

paul.timmers@politics.ox.ac.uk

Outline

1. Benefits of standardization
2. Changing political realities
3. Smart standardization

Benefits of standardization



Public-Private
Alliances

Benefits of standardization

- contribution to GDP -

Country	Publisher	Time frame	GDP growth rate	Contribution of standards	Standards / GDP
Germany	DIN (2000)	1960–1996	3.30%	0.90%	0.27
France	AFNOR (2009)	1950–2007	3.40%	0.80%	0.24
United Kingdom	DTI (2005)	1948–2002	2.50%	0.30%	0.12
Canada	Standards Council of Canada (2007)	1981–2004	2.70%	0.20%	0.07
Australia	Standards Australia (2006)	1962–2003	3.60%	0.80%	0.22

Benefits of standardization

- contribution of standards -

- GDP: 7 - 27% share of GDP growth
- Labour productivity:

Country	Publisher	Time frame	Growth of labour productivity	Contribution of standards	Standards/labour productivity
Nordic countries	Menon et al (2018)	1976-2014	1.80%	0.70%	39% (!)

- Companies:
 - Nanotron (Sensera): 33% of EBIT thanks to standards in wireless sensors, IoT
 - Fraunhofer: mp3 created >10,000 jobs, €300M tax income in Germany (2006)
- Infrastructure:
 - within 10 years GSM in 95% of nations: policy sparks global industrial success

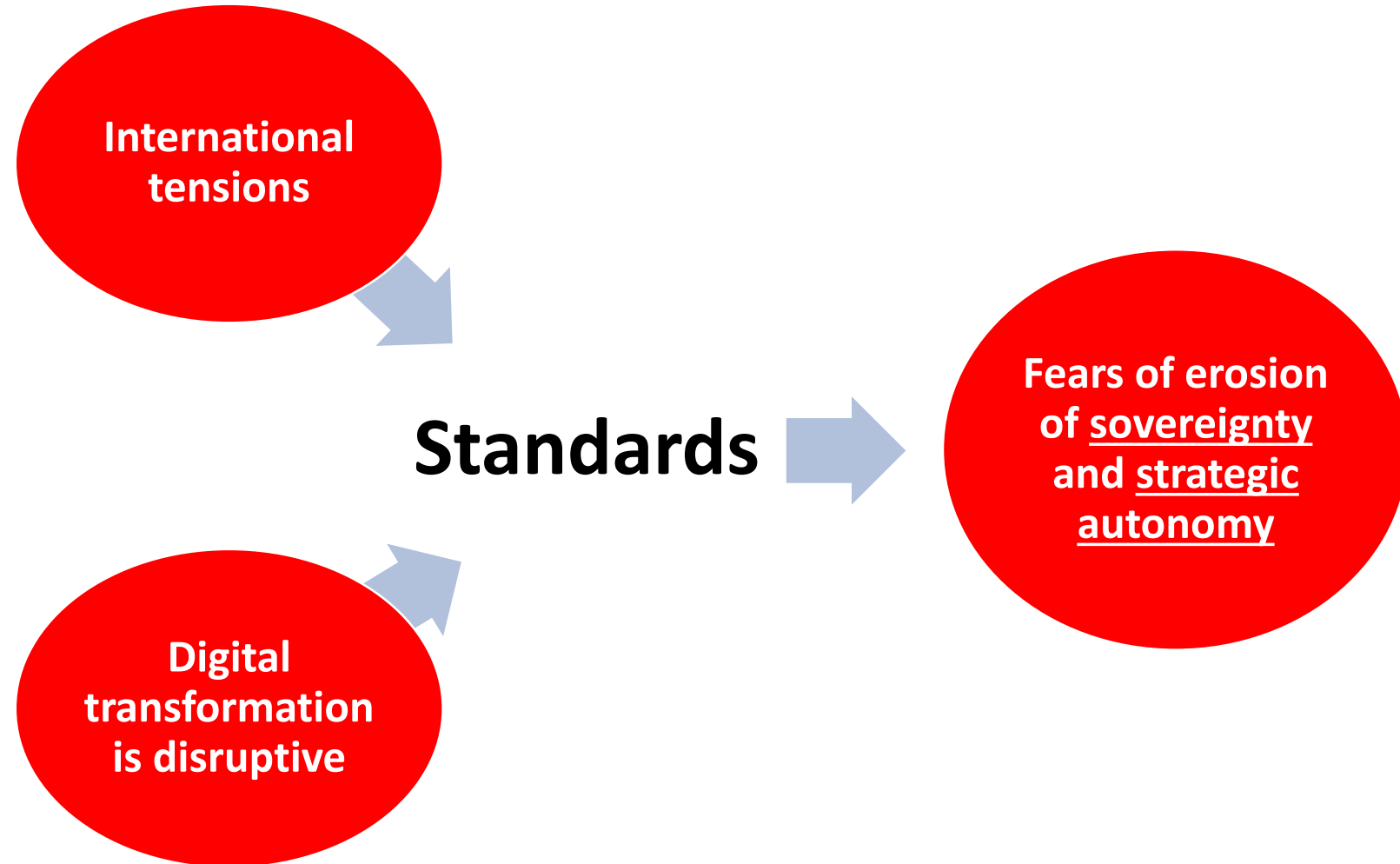
Benefits of standardization

- risk of downsides -

- Cost of compliance
- Lock-in a specific approach
- Hysteresis (will be discussed below)
- Potential TBT - Technical Barrier to Trade
- ‘Standardisation machine’ can become a silo
- Risk of exclusion of developing or emerging economies

Political reality is changing

– standards caught in battleground of new geopolitics –



Political reality is changing

- Three approaches towards strategic autonomy -



Political reality is changing

- Strategic links to standardization -

- Global common good
 - ***Allows countries to focus** on where state control on strategic autonomy really matters. **Open source** and **distributed approaches** benefit much from **standardization**, e.g. open industry 4.0 platforms. **Diplomatic leadership** to promote global common good.*
- Managing the risks
 - ***Much common ground for certain types of international standardization**, eg for quality assessment, reporting, risk management. The strategic interest is to leverage national or regional standardization efforts, **promote national** enabling industries, and **reduce costs**.*
- Strategic partnership
 - ***Standardization is integral part of partnerships of the 'likeminded'**, e.g in 5G and IoT security, AI (ethics), privacy technologies. **Mutually recognized regulatory frameworks** with their link to standardization can underpin strategic partnerships.*

Political reality is changing

- Governance matters, a lot! -

- From 2000 to 2020: from 'code is law' to 'law is code'
- Values and sovereignty are moving centerstage
- Increased government control and laws
- Drawing lessons from:
 - past successful private-public collaboration such as SWIFT
 - current private-private collaboration such as 3GPP that are under pressure
- Standardization alliances should anticipate changes in governance:
 - More government involvement
 - More pressure from other policies: security, trade, privacy, climate
 - Risks for hysteresis from regulation: imposed choices that cannot easily be undone

Smart standardisation

- is the way forward -

- **Strategic**, with respect to general policy
- **Coherent**, consistent with other policies
- **Integrated**, mutually reinforcing policies



Thank you!

Q&A



26 August 2019, New Delhi

C-DOT and ETSI, with the support of EU-India Project and Indico

Prof Dr Paul Timmers

paul.timmers@politics.ox.ac.uk