

# COMMISSION OF THE EUROPEAN COMMUNITIES

DIRECTORATE GENERAL III INDUSTRY Directorate B: legislation and standardization; telematics networks Unit III/B-2: standardization

M/035

#### STANDARDIZATION MANDATE TO CEN/CENELEC IN THE FIELD OF MACHINERY AND EQUIPMENT FOR THE OIL INDUSTRY (EXPLORATION-PRODUCTION, REFINING AND SHIPPING BY PIPELINE) AND FOR THE NATURAL GAS INDUSTRY (EXPLORATION-PRODUCTION)

## I. <u>MOTIVATION</u>.

This mandate relates to the measures taken by the European Community as part of the opening up of public contracts and in particular to Directive 90/531/EEC.

As part of the establishment of the internal market, public contracts on machinery and equipment for the oil industry (exploration, production, refining and shipping by pipeline) and the natural gas industry (exploration-production) must be subject to competition.

Specifications referring to European standards are a useful tool in describing the contracts concerned. The abscence of European standards is therefore one of the obstacles to be removed in order to open up those contracts. It is therefore necessary to draw up a set of appropriate European standards in order to ensure that those contracts are fully transparent and that all economic operators can compete on an equal basis.

In principle, API (American Petroleum Institute) specifications are currently used both at international level and in several Member states. Although these may be regarded as "having currency within the community", there is serious doubt about their status since many of them, perhaps the great majority, have not been adopted by a recognised standards body.

A CEN report from 1989 explained that taking the API specifications over as ISO standards, which could then be adopted by CEN, would constitute an important first step towards opening up public contracts in Europe.

The ISO has embarked on a preliminary programme to adopt the API specifications. European interest should be encouraged to take an active part in international work and the technical bodies responsible in CEN are urged to work closely with ISO.

A survey by CEN has showed that there are many areas within the oil and natural gas industry where for the same subjects purchasers in the Member States apply different standards (particularly national standards) for which there is no obvious justification. These standards should therefore be harmonized.

On this basis the Commission issued a mandate in 1992, assigning CEN/CENELEC the task of drawing up a full and coherent programme specifying those European Standards required to cover machinery and equipment for the oil and natural gas industry in order to achieve the aims of opening up the markets in these areas. Furthermore, CEN/CENELEC was asked to identify areas where supplementary standards (harmonized standards) were required in connection with related "New Approach" Directives.

In response to this programming mandate, CEN/CENELEC delivered in September - October 1993 a programme consisting of 71 work items to be undertaken by CEN, and one item to be undertaken by CENELEC. Four work items (Nos 3-6 in the CEN part of the programme) were stated as being required in relation to the above mentioned "New Approach" Directives; and four (Nos. 7-10 in the CEN part of the programme) are related to vapour recovery which is the subject of a proposed Council Directive on the control of volatile organic compound (VOC) emissions resulting from the storage of petrol and its distribution from terminals to service stations (the so-called "Stage 1" Directive). The Commission proposal for this Directive is COM(92)277 final of 30 July 1992 (OJ No. 92 C 227.03 of 3 September 1993)); a Common Position was reached by the Council on 5 October 1993. This proposed Directive will regulate such aspects.

It is important to ensure that the programme does in fact lead to the adoption of European standards that are effective in opening up public procurement in the oil and gas industry. The Commission is therefore of the opinion that the next stage of this important work should also be supported.

This mandate is issued in support of European standardization in the "public procurement" part of the programme, i.e, in those items not related to "New Approach" Directives or to vapour recovery. Items related to "New Approach Directives" have to be presented in the framework of mandates relating to the relevant Directives; items related to vapour recovery are excluded from this mandate.

### II. DESCRIPTION OF THE MANDATED WORK.

CEN and CENELEC are asked to present standards for the oil and natural gas industry, on the basis of the existing joint work programme submitted to the Commission in response to mandate BC/CEN/CLC/09-92 (Annex A). The programme has been drawn up with the objective of specifying the items which are necessary to open up public contracts and to make them transparent.

The mandate covers the work items primarily drawn up for the purpose of the opening up of markets (Nos 1-2 and 11-71 in the CEN part of the programme, and the one item in the CENELEC part of the programme. It is foreseen that the work items related to "New Approach" directives (Nos 3-6 in the CEN part of the programme) will be covered by other measures. The items related to vapour recovery (Nos. 7-10 in the CEN part of the programme) are excluded since they are the subject of the proposed Directive referred to above, which will regulate these aspects.

## III. BODIES TO BE ASSOCIATED.

The elaboration of the standards should be undertaken in cooperation with the widest possible range of interested groups, including international and European level organizations. Those involved should include representatives from both the oil and natural gas industry, as well as from associated industries and regulatory authorities. Cooperation with the international standardisation bodies is regarded as essential.

## IV. EXECUTION OF THE MANDATE.

- 1. CEN and CENELEC will present the draft standards to the Commission in accordance with the timetable.
- 2. The European standards will be adopted and presented to the Commission in line with the timetable set out in the programme. At these dates, the three linguistic versions (DE,EN,FR) will be available.
- 3. The European standards adopted shall be transposed into national standards and differing national standards shall be withdrawn from the catalogues of the national standards organizations in the Member states within six months of their adoption.
- Unless standstill is already in force, the standstill period addressed in Article 7 of Directive 83/189/EEC of 28 March 1983 (OJ L109 of 26 April 1983) will begin with the acceptance by CEN/CENELEC of this mandate.