

Euralarm adds to the HLGBS report on the standardization of the services sector

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The High Level Group on Business Services (HLGBS) of the European Commission published its final report on Business Services in April 2014. The report demonstrates the importance of business services in the European economy. It states that these services need to be high performing, as this is essential for economic value chains, competitiveness, and growth of the European markets.

The HLGBS report stresses that the fine line between products and services is increasingly blurring. This is due to the adding of complementary services to their goods to enhance customer value by manufacturers. In addition, service firms are carrying out more and more tasks which used to be done by manufacturers. The intensifying cooperation between manufacturers and service firms also contributes to this increasingly blurry line. This cooperation is enhanced by the current digitalization of the economy. According to the report, policy makers need to provide European companies with the appropriate frameworks, so that they can maximize their benefits of these changes.

The High Level Group recommends that the following seven action items should form a key part of the incoming Commissioners' agenda through to 2020: focus on the Europe 2020 strategy, seize the international opportunity, complete the internal market for Business Services, focus of public procurement, developing and upskilling the workforce, creating the technological infrastructure for future Business Services and follow up & implementation.

Euralarm welcomes the report although the report remains general. This is of course due to the broad spectrum of the services sector. Nevertheless, several points meet Euralarm's expectations. According to Enzo Peduzzi, Chairman Services Section, Euralarm agrees with the importance of the focus on public procurement. "There is a shift from lowest costs to lifecycle costs. Euralarm has been fighting for years to emphasize quality instead of price in services." The focus shouldn't be on the lowest costs, but on life costs, value for society, quality, and innovation. Euralarm also supports the importance of developing and upskilling the workforce. "In many of the member states, Euralarm members are pushing for vocational and college educational programs tailored to our needs. To attract the best employees, we need to give our service staff a career opportunity," says Peduzzi. This statement is supported by the report, which highlights that attention needs to be paid to today's workforce and secondary level schools.

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Many of Euralarm's key points have been adopted, including this year's most important focus of Euralarm's services sector: 'Services for electronic safety and security systems have been recognized as a specific offering, which need specific skills.' According to the HLGBS report, security products and systems can't fulfil their intended purpose of mitigating risks without their related services: "Electronic security services are autonomous services that require specifically qualified personnel to perform them because of the critical life safety and asset protection aspects." The area of Electronic security services is characterized by national standards and regulations which levels create problems for companies willing to do business across borders and enter new markets. These barriers are the reason why the industry is currently working on developing a European Standard as a basis for the qualification and certification of companies active in the sector. This will obligate national standardization bodies to adopt these standards and dismiss any conflicting standards. The security and safety sector, led by Euralarm, has taken the initiative to bring together European certification bodies to discuss possibilities to create a pan-European certification scheme, but goodwill & political support is needed to succeed.

The global Business Services market is estimated at €3.5 trillion and in Europe alone accounts for €1.5 trillion gross value added and 20 million jobs. The global market is expected to grow to €7.8 trillion within a decade. This growth is driven by three factors, namely: the continued outsourcing of non-core competencies by firms, the increasing shift towards services of manufacturing and increased automation. To benefit from the opportunities this will yield, the European Commission should deal with the fragmentation of the market, the threat from foreign markets such as China and India, and the success of the United States to develop high tech solutions.

Europe and the European security and safety sector have to meet all these challenges to keep up and increase the pace of standardizations if the services providers want to seize the benefits. Coordinated effort and engagement across European manufacturing and service firms are required to achieve this. Euralarm is already working on harmonizing the security and safety sector. Not only to benefit from the global opportunities, but also to improve safety and security throughout all of Europe.

The HLGBS report can be found at the following link:

<http://ec.europa.eu/DocsRoom/documents/4981/attachments/1/translations/en/renditions/native>

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About Euralarm

Euralarm, the association of European manufacturers, installers and service providers of the electronic fire safety and security industry, represents the electronic fire and security industry at European and worldwide levels. The organization provides technical and market expertise for policy making and standardization work in the field of security and fire safety. Among the main fields of activity are fire detection and alarms, intrusion detection and alarm systems, access control, video surveillance, alarm transmission and alarm receiving centre. Founded in 1970 Euralarm represents over 2500 companies having a total turnover of appr. 16.4 billion euro, 70% of the total European fire safety & security market.

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More information

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