



euralarm

A white paper outlining Euralarm's European Policy Priorities
and action agenda 2013-2015

**“A Vision for a Competitive European
Security Industry and Secure Society”**

EXECUTIVE SUMMARY

Euralarm’s vision for a competitive European Security Industry

While the EU is at an economic and political crossroads, the European security industry has an unmatched potential to contribute to recovery and foster economic growth. In this White Paper, Euralarm sets out the policy priorities and actions that are essential for enhancing the innovative strength and global competitiveness of the security industry in Europe and, consequently, for improving the security of all Europe’s citizens.

Security is clearly a sector where “more Europe” is necessary. Progress depends first and foremost on the shared recognition by EU Member States and the relevant public authorities that a European and international view often better serve the public interest, rather than relying solely on national or sub-national action. This recognition is both necessary and urgent.

There is ample legal basis for the necessary EU-level policy action. Therefore, Euralarm urges policy makers to move swiftly and not to dismiss such action out-of-hand where it is clearly shown, as it’s the case here, to be the best way of achieving objectives which are of public European interest.

Three essential priorities for a Competitive European Security Industry and a Secure Society

1. Developing a functioning internal European market for fire and security.

This must be the first and foremost priority. It is the essential condition to allow the European security industry to fulfil its potential and compete successfully at European and global level.

Euralarm calls for:

- The development of a coherent, efficient and comprehensive EU standardisation framework for electronic fire and security products, systems and services.
- The adoption of a legally binding pan-European certification scheme for electronic fire and security products and services.
- The full implementation of the Services Directive in the area of electronic fire and security services and related activities.

2. Ensuring the highest levels of security and fire safety for all

Beyond the internal market and the security industrial policy, there are several areas where there is a clear opportunity for regulatory action to improve the safety and security of EU citizens. Euralarm calls for:

- The development of pan-European standards to ensure a common integrated solution for mass notification and public alert systems.
- The adoption of a European directive on hotel fire safety to ensure a uniform level of protection for travellers all across the EU.
- Public authorities to take into account fire safety and security needs when complying with new EU energy efficiency requirements in buildings.

3. Fostering the competitiveness of the EU security industry in the global market

Many of the major European players conduct a significant share of their business outside the EU and are facing fierce competition in the global sphere. It is of vital importance to the development of a vibrant and competitive European security industry that the global security market remains open and accessible.

Euralarm calls for:

- The introduction of European legislation to regulate 3rd party liability limitation. Its absence weakens the EU’s industrial base, hampers investment, and lowers the deployment of innovative security technologies and services in Europe.
- Ensuring that EU trade policies enhance international market access through mutual openness, recognition and standardisation for security products and services.

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1. Overview

About this White Paper

The ultimate European public interest in fire and security products, systems and services in the protection of life and property they provide. In responding to the growing demand for such protection in our home market and around the world, the security (or life safety) industry has much to contribute to European economic growth and employment, provided we remain competitive at the global level.

Rapidly evolving digital and related technologies offer wide and growing scope for innovation, greatly enhancing the ability of fire alarm and security systems to protect life and property while more broadly transforming the ways in which civil protection services can be integrated and managed.

The ability of European fire and security companies – particularly SMEs (Small & Medium Enterprises) - to remain competitive in the face of intense and growing global competition will depend crucially on overcoming entrenched internal European market fragmentation.

This White Paper sets out Euralarm's view of the European policy priorities and action agenda essential for enhancing the security of Europe's citizens, which in turn depends on the future innovative strength and global competitiveness of the security industry in Europe.

Our views take particular account of the European Commission Communication on an Action Plan for an Innovative and Competitive Security Industry¹ and its accompanying Staff Working Document, "the overarching aim of which is to enhance growth and increase employment in the EU's security industry."² Euralarm have been active participants in the consultations leading up to this Communication. We welcome its vision and look forward to raising its ambition to include systems and those security services that fall under the Services Directive.

At the same time, we emphasise the Commission's sobering assessment of the competitiveness of European companies in the intrusion and fire alarm industry, and thus their ability to take advantage of a growing Global demand " ... the market share of EU companies in the security sector could drop by one fifth from around 25% of the world market in 2010 to 20% in 2020, if no action is taken to enhance the competitiveness of the EU security industry".

Our purpose here is not to duplicate the work of the Commission, but rather to build on it, and more particularly to highlight those issues and actions which we believe will be decisive for the future ability of the European security industry to enhance European public safety while contributing to European growth and employment.

The need for a political change of course

"The underlying problem faced by the EU security industry is that security policy is still very much a national prerogative, where Member States delegate a limited amount of authority to supra-national entities.

This is emphasized even further by the diverging threat perceptions and assessments in the EU Member States. Each Member State has its own specific cultural and geopolitical background, which directly influences its security priorities. Some countries have to deal more often with natural disasters like earthquakes or large forest fires, while others have repeatedly been the victims of terrorist attacks."

European Commission Staff Working Document³

¹ COM(2012) 417 of 26 July 2012

² <http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2012:0417:FIN:EN:PDF> and [http://ec.europa.eu/enterprise/policies/security/files/commission_staff_working_paper_-_security_industrial_policy_-_com\(2012\)_417_final_en.pdf](http://ec.europa.eu/enterprise/policies/security/files/commission_staff_working_paper_-_security_industrial_policy_-_com(2012)_417_final_en.pdf)

³ Page 7 : [http://ec.europa.eu/enterprise/policies/security/files/commission_staff_working_paper_-_security_industrial_policy_-_com\(2012\)_417_final_en.pdf](http://ec.europa.eu/enterprise/policies/security/files/commission_staff_working_paper_-_security_industrial_policy_-_com(2012)_417_final_en.pdf)

Euralarm agrees entirely with this political assessment (as do over 86% of public and private sector participants in the Commission's consultation), which largely explains the entrenched fragmentation of the European market and the resulting erosion of our global competitiveness.

Continued market fragmentation will inevitably and increasingly compromise the widespread diffusion and uptake on competitive terms in Europe of leading-edge innovation and best practice essential for the protection of life and property in an increasingly complex and uncertain world.

Progress at the practical policy level addressed in this White Paper therefore depends first and foremost on the shared recognition by EU member state governments and public authorities responsible for security that national (and often sub-national) security policies and practices alone no longer best serve the public interest. Rather, a European and international view is necessary and urgent.

The costs of insecurity

In these times of economic stress, investments in security risks are being seen as an unaffordable luxury. This perception takes no account of the direct and indirect costs of insecurity.

2009 high-end estimates cited by the Commission put the total size of European markets for security products and services at €36.5 billion⁴, of which Euralarm members' sectors (electronic security equipment) are estimated at €16.4 billion.

Even assuming that this understates the case, these levels pale in comparison with the increasing costs of insecurity. One estimate⁵ puts such direct costs at some €1,100 billion per annum, or 6% of Europe-27 GDP (not including related safety costs or the loss of life).

Moreover such estimates cannot possibly capture the true value to European society of the largely unconscious shared assumption that we live and work in safe surroundings.

The SME dimension

The European fire and security industry is characterised by a high proportion of Small and Medium Sized Enterprises spread across Europe. They typically rely on highly targeted innovation to remain competitive, and must be able to exploit first-mover advantage in bringing such innovation rapidly to market. Failure to do so compromises their ability to compete and grow.

The complexities, costs and time required for compliance with differing member state regulations, standards and practices too often confine such SMEs to their national home markets, denying them the opportunity to exploit their innovations throughout what is potentially the world's largest integrated security market. This puts them at a particular disadvantage compared with larger multinational competitors able to organise and finance multi-jurisdictional compliance for innovative offerings.

An EU wide certification system would give access to a larger market for SMEs making them more competitive and would save the European security industry as a whole a conservative estimate of €29 million per year in direct certification cost, without considering the significantly higher cost caused by delayed market access.

⁴ Ibid. Page 9.

⁵ Ibid. Page 4, this estimate includes both electronic security and costs associated with crime, terrorism, illegal activities, violence and disasters.

1. Overview

Legal basis for EU action

All action at EU level must find its legal basis in the Treaties. In its Staff Working Document accompanying its Action Plan for an Innovative and Competitive Security Industry, the Commission has set out what it considers to be the “EU right to act” – in other words the treaty basis – for each of the problems it proposes to address ⁶ :

- Security as a national prerogative;
- The fragmentation of the EU security markets;
- The gap between research and market; and
- The uncertainty of societal acceptance for security technologies.

The conclusion we draw from this analysis is simple: there is ample legal basis for the necessary EU-level policy actions. What is missing is the recognition by member state governments and competent authorities (at all levels) that public security will be best served in the future through increased joint action within the EU treaty framework. We also believe that there is sufficient basis regarding security systems related services, such as installation, maintenance and remote monitoring of systems.

At the same time the Commission has been careful to make clear that its Communication will not be followed by any immediate legislative proposal. Any possible future legislative policy measure on the Security Industry will be preceded by a dedicated Impact Assessment as well as thorough stakeholder consultations.

Euralarm well recognises the need for caution and clarity when considering EU legislation placing legal obligations on member states. This said, we urge European governments and policy makers not to dismiss such legislation out-of-hand where it is clearly shown to be the best way to ensure that treaty objectives are met.

2. Overview Highest Priority a Functioning Internal European Market

Establishing a functioning internal European market is Euralarm’s highest priority and the essential condition to allow the European security industry to fulfil its potential to contribute to European economic growth and employment and its ability to compete successfully in our home and global markets.

In its July 2012 Communication, the Commission asserts that its primary aim is to establish a better functioning Internal European market for security technologies. Euralarm entirely endorses this policy priority for our market sectors. Three elements are necessary to achieve this objective:

- A coherent, efficient and comprehensive standardisation framework for electronic fire and security products, systems and services.
- A legally binding pan-European certification scheme for electronic fire and security products and services
- Full implementation of the Services Directive for electronic fire and security services and related activities

Moreover, the Commission is quite right to stress our competitive disadvantage in the fast-growing third markets of the future for lack of an “EU brand”, notably in competition with US companies benefiting from a clearly recognised and distinguishable US brand founded on a robust internal home market and harmonised legal framework.

A. A coherent, efficient and comprehensive standardisation framework for electronic fire and security products, systems and services.

Differing national standards are the primary cause of internal market fragmentation in Euralarm sectors, and thus our priority for policy reform. The Commission Staff Working Document well summarises the current situation ⁷ :

- A patchwork of European standards rather than standards being developed with an overall design in mind for what the standardisation landscape should look like;
- Uneven national certification/conformity assessment procedures with no mutual recognition;
- Presence in some but not all member states of certification procedures for the same product.

As noted, this situation is particularly limiting for SMEs, which cannot afford to adapt their offerings to differing regulatory or de facto requirements outside their home markets. But even the largest industry players devote large portions of their R&D budgets only to ensuring multiple market compliance.

Therefore, Euralarm fully endorses the Commission’s call for “an overall design for what the standardisation landscape should look like” for our sectors. We look forward to concrete action on Mandate 487 ⁸ and are prepared to contribute to the success of this work. We also applaud its intention to “instigate an end-user driven standardisation based on a careful identification of existing, national, European and international standards, via Commission mandates to European Standardisation Organisations (ESOs).”

Product standards are largely in place but systems-level standards and standards in the field of services are needed.

⁷ Ibid. Page 31

⁸ Programming mandate addressed to CEN, CENELEC AND ETSI to establish the definition of European Standards in the area of civil security. <http://www.etsi.org/images/files/ECMandates/m487.pdf>

2. Overview Highest Priority a Functioning Internal European Market

The necessary European standards (ENs) duly developed and adopted by the European Standards Organisations (CEN/CENELEC/ETSI) for the component products of fire alarm and security systems are largely in place. These include both “Harmonised Standards” as covered by the CPR⁹ for fire safety, and non-binding technical performance benchmarks of various kinds responding to market demand e.g. in security.

However, beyond the urgent need to ensure the effective implementation of product ENs already adopted or under development, European performance standards at the systems and systems integration levels are also necessary to overcome the actual situation of a strongly fragmented European Security market as deplored by the European Commission in their “Security Industrial Policy”.

In this context we take particular note of the recent changes in the EU standardisation framework, which entered into force in January 2013, and specifically endorse:

- The extension of the scope of EU standardisation to include services; and
- The overall objective of enhancing the effectiveness and efficiency of standards and standardisation, in particular with regard to the much-needed reduction of the overall development time for standards.

Together these two amendments open the way for efficiently extending European-level standardisation in the fire and security sectors to the systems, systems integration and performance levels.

Nevertheless Euralarm is concerned that looking into the future of rapidly evolving digital and related technologies even the new EU Standardisation framework may not be able to keep up with the pace of technological change. Without an additional, more radical change of the standardisation process, Europe will lose additional ground versus the more flexible, industry driven standardisation process of other major markets. In order to meet this challenge, Euralarm encourages the Commission to require the ESO to develop an expedited process with the relevant industry associations of the security sector as an example for the standardisation in general.

Euralarm applauds the Commission for taking steps to promote pan-European standardisation for Critical Infrastructures such as:

- Data and telecommunications centres
- Power plants & power distribution facilities (notably nuclear plants)
- Airports
- Transport infrastructures (ports/stations/tunnels/bridges)
- Water supply

This is particularly necessary, since in modern societies sudden failure of certain infrastructures could produce wide-scale harm and panic. Their critical character in turn makes them inviting targets for those seeking to produce such harm and panic.

However it should also be noted that beside the necessary effort for the protection of Critical Infrastructures, the safety and security of the wider population in commercial, public & private premises has to be considered by the European Commission in order to enhance societal resilience. A number of purpose-defined categories stand out for priority attention, for which no pan-European regulations exist:

- Medical facilities
- Universities, Schools & educational facilities
- Theatres
- Stadiums and similar event venues
- Hotels
- Commercial buildings
- Stores of a certain size (e.g. Shopping Centres)
- Private Homes

Where there is no legal basis for European action, we encourage member states to review and consider regulatory action to improve safety levels in commercial, public & private premises.

Legally binding requirements or market-driven standards?

Looking in to the future, a fundamental policy choice going forward will be whether or not mandatory safety and security requirements at EU level for certain types of facilities or under certain circumstances will be needed to meet treaty objectives for public safety and security. In such cases, systems-level “harmonised standards” duly adopted by the European Standardisation Organisations will be needed to convey the presumption of compliance with such legal requirements.

An example where legally binding requirements at EU level would bring great public safety benefits is hotel fire safety (see separate section).

In cases where the policy choice may not be for binding EU level requirements on operators, the acceptance of systems-level performance standards by operators can be driven through market mechanisms, most notably by mandating the CEN/CENELEC/ETSI organisations to establish such EN-standards and by tying the observance of such standards to the eligibility of market operators to limit their third party liability (see section IV on UNLIMITED 3rd PARTY LIABILITY).

Political and policy-level support and encouragement for such approaches can be decisive in bringing public and private sector operators to see their own direct interest in developing and adopting pan European systems-level & performance standards.

B. A legally binding pan-European certification scheme for electronic fire and security products and services

Beyond the creation and adoption of the necessary standards themselves, the difficulties we confront which perpetuate internal market fragmentation are threefold:

- Uneven member-state level conformity assessment and certification;
- Absence of mutual recognition of certification by EU member states;
- Failure of member state authorities to enforce the replacement of national or de facto local standards with duly adopted European Standards (ENs).

In an effort to improve the assessment and certification of product conformity with ENs applicable in the fire and security sector, Euralarm has led the creation of CertAlarm, a private, independent, not-for-profit organisation (see www.certalarm.org). The CertAlarm Quality Mark guarantees compliance with any standard covered by the CertAlarm system, today including all ENs applicable to fire and security systems.

⁹ Regulation (EU) No 305/2011 (Construction Products Regulation)

2. Overview Highest Priority a Functioning Internal European Market

However, as the Commission points out, “CertAlarm is privately run and authorities of Member States have no obligation to accept certificates established under the CertAlarm scheme. The potential for cost savings through the introduction of a harmonised EU wide certification scheme is therefore left untapped.”

The Commission proposes to address this issue by “announcing the drafting of a legislative proposal setting up an EU-wide conformity assessment scheme for alarm systems. Such a legislative proposal would evidently be preceded by a dedicated Impact Assessment.” We encourage the Commission to take a broad view on the definition of “alarms” to include social, carbon monoxide and other critical technical alarms. As technology develops and society gets older expectations regarding what is expected from life safety products evolve. Being the first mover in these emerging applications will contribute to a European industry that can compete globally and lead in these applications.

Euralarm endorses the Commission’s view of the need for a legislative instrument introducing an EU-wide conformity assessment scheme for alarm systems, and believes it should go further. An eventual EU instrument should reinforce the obligation of member states as CEN members to implement ENs in the fire and security sector as national standards without any modification and to withdraw any unjustified national standards and/or technical regulations. Euralarm deplores the fact that some Member States, while withdrawing conflicting national standards, continue to support the adoption of country-specific additional requirements that impede cross-border trade of security products and systems. It should likewise obligate CEN member governments to ensure the rigorous application of the agreed CEN procedure¹⁰ for cases where the scope of an EN does not fully cover the scope of existing national standards. Without such discipline the original objective of EN standards and in turn its benefits will not be fully realised.

We urge EU member state governments and competent authorities to consider as a high priority the merits of this approach for both public safety and security and the future global competitiveness of the industry. In order to determine how EN standards have been transposed by CEN members including the extent of “gold plating,” we suggest conducting a study to evaluate and identify the barriers that remain to a functioning EN standard regime for the security sector.

C. Full implementation of the Services Directive for electronic fire and security services and related activities

As the European security market evolves from component products towards the provision of fire alarm and security systems, and the further integration of multiple systems, the services component grows in both value and importance for competitive differentiation. We estimate that services may already account for some 70% of turnover in this sector. It is notable that products are only as good as the quality of the installation and European industry is a global leader in high-quality security services.

Such services may or may not be provided together with the product components comprising the technical installation, and may include:

- Systems design
- Systems installation & commissioning
- Technical Service & Maintenance (on site or remote)
- Alarm Receiving Centres (ARCs)
- System operation on behalf of the end user

Companies seeking to provide such services in EU member states other than their home country continue to confront barriers notwithstanding the Article 49 treaty prohibition of restrictions for EU nationals to provide services anywhere within the Community. Removing these barriers will require consistent application by

all member states of secondary EU legislation implementing this prohibition, most notably the EU Services Directive¹¹.

Enforcement of the EU Services Directive in the field of electronic fire and security

Euralarm supports the full application of the principles and objectives of the Services Directive to facilitate the cross-border provision of electronic fire and security services within the single European Market.

The Services Directive applies to all services not explicitly excluded from it. In its 2007 Handbook on the Application of the Services Directive¹², the Commission has stated that the exclusion of “private security services” in Article 2(2)(k) of the Directive covers services such as surveillance of property and premises, protection of persons (bodyguards), security patrols or supervision of buildings as well as the depositing, safekeeping, transport and distribution of cash and valuables; while services which are not “security services” as such, for instance the sale, delivery, installation and maintenance of technical security devices, are not covered by the exclusion, and therefore are covered by the Directive. The importance of European Service Standards, such as those considered by CEN/CLC/TC¹³ 4 will ensure that quality is clearly defined, enforced and promoted throughout Europe.

Furthermore, the Services Directive Frequently Asked Questions (FAQ) clarifies the distinction between the types of security services under its ambit of application and those that are not. We support the distinctions made in the FAQ in as much that services are “the manned monitoring of property or persons from a distance through electronic devices are covered”¹⁴. This should however also include the remote maintenance of safety and security systems. Unfortunately, these cross-border services are not allowed uniformly across Europe. Failure to do so should be considered in opposition to the “Zero Tolerance” policy the Commission has established in its Action Plan to fully implement the Services Directive. Euralarm urges the Commission to evaluate member states transposition of the Services Directive for the installation, maintenance, and remote monitoring of security systems. This includes other ancillary factors that contribute to a fragmented market for such services (e.g. insurance and public authority response).

At the same time, we recognise the need to maintain and ensure the high quality of services provided to and expected from citizens and public authorities. We therefore actively work to establish European-level service standards using existing national standards and best practices as a baseline.

In this regard we also support implementation initiatives pursuant to Article 26 of the Services Directive, which provides for a framework for voluntary quality-enhancing measures, which have to be encouraged by member states in cooperation with the Commission. There are different methods of fostering the quality of services and transparency for recipients. Article 26 refers in particular to certification or assessment of service providers’ activities by independent or accredited bodies and the development of quality charters or labels by professional bodies as well as voluntary European standards.

¹¹ Directive 2006/123/EC

¹² http://ec.europa.eu/internal_market/services/docs/services-dir/guides/handbook_en.pdf

¹³ The Project Committee to develop a basic standard for services for fire safety and security systems. This includes quality of services supplied by companies and the competencies of their involved staff charged with the planning and design, engineering, installation and hand over, maintenance and repair of fire safety and/or security systems

¹⁴ http://ec.europa.eu/internal_market/services/services-dir/faq_en.htm#8

¹⁰ http://www.cen.eu/boss/supporting/Guidance%20documents/implementation_not%20corresponding%20one%20to%20one/Pages/default.aspx

3. Ensuring the Highest Levels of Security and Fire Safety for All

The ultimate European public interest in fire and security products and services lies in the provision of reliable solutions, which protect life and property and in the ability for societal functioning and resilience they provide. In this regard, looking broadly at the current EU policy agenda outside the industrial policy for the security industry, Euralarm believes that there are several areas where there is a clear opportunity to improve the safety and security of EU citizens in the short term, notably:

- Public Alert and mass notification
- Hotel fire safety
- Energy efficiency and building refurbishment

A. Leveraging security and fire systems for Public Alert and Mass Notification purposes to reach more citizens

Major incidents putting at risk life and property on a large scale typically require the intervention of civil defence authorities, who in turn rely upon a range of public and private alert, communications and intervention services to effectively respond. Therefore Euralarm supports the EU Commission in its effort to install a pan-European Public Alert System.

The various research projects running under FP7 are highlighting the issues in alerting the population across wider areas if such an incident occurs, these are known as public alert systems, where the general population is informed by a variety of communications, traditionally broadcast media.

The private and public sector have also installed mass notification systems, those that provide real-time information and instructions to people in a building, area, site, or installation using intelligible voice communications along with visible signals, text, and graphics. These can also be more reactive when situational feedback is received.

Based on this long-term experience in alerting in and guiding the evacuation of persons out of the danger zones in buildings, the industry represented by Euralarm can make a major contribution to this important effort.

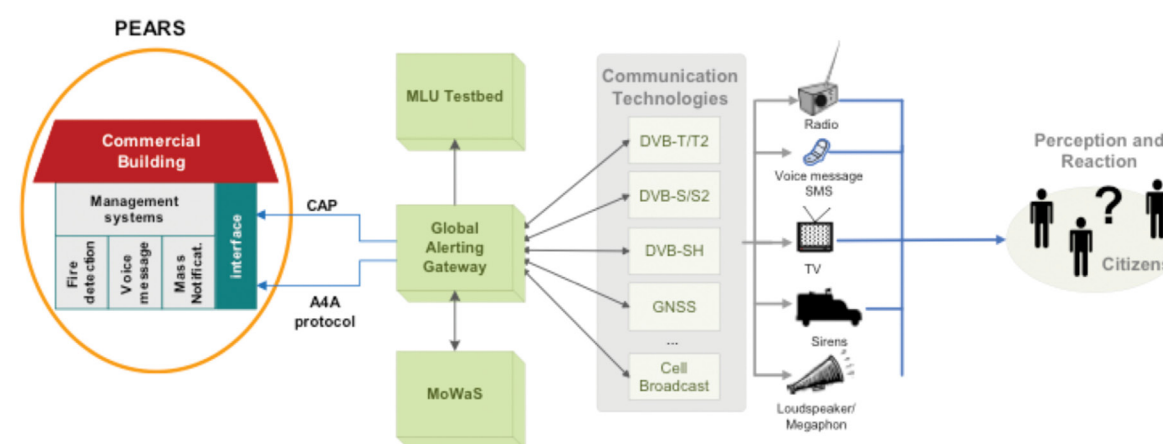
Therefore Euralarm has engaged in cooperation with the FP7 project “Alert4All” to prove the concept of the integration of safety & security systems as well as Mass Notification Systems in a Public Alert Concept. The Euralarm demonstration project PEARS (Public Emergency Alert & Response System) is planned to be demonstrated in Q4 2013 along with the “Alert4All” capability demonstration. Based on the experience in the United States, Euralarm is confident that the demonstration will prove to be successful.

Today only very few European countries have adopted regulations in this field. Although demonstration and other projects have disseminated best practices and protocols, it can only take us so far. The time is ripe to adopt pan-European standards towards a common and hence integrated solution for both mass notification and public alert systems.

PEARS System Architecture



Proof-of-Concept Implementation - integration with other Systems



PEARS-project status – Date: 31/08/2012 – Slide 1

B. Improving safety for millions of travellers through a EU Directive on Hotel Fire Safety

The European Commission is currently reviewing the 1986 Council Recommendation on fire safety in existing hotels¹⁵. As it stands this instrument creates no binding legal obligations for member state governments or hotel owners/operators. But the Commission’s consultation on its possible revision has generated a wide array of comments and views on the feasibility and desirability of a revision of the recommendations, which caused the European Commission to admit the absence of a consensus on the way forward to improve fire safety in hotels. In this situation the European Commission decided to extend the phase of consultation on hotel fire safety and to include fire safety in a planned Green Paper on the safety of services dated for 2013¹⁶.

Euralarm deplores the delay in providing safety of the vast travelling public within and throughout the European Union and is ready to work with the Commission and the other interested stakeholders to speed-up the process and come to satisfactory conclusions.

Euralarm still believes that only the move to legally binding EU-level requirements will ensure an adequate level of safety in hotels. In this regard, Euralarm is also committed to actively supporting the development of the necessary standards to comply with a future legal instrument. For any such technical specifications, the standardisation bodies CEN and CENELEC would be best positioned to coordinate stakeholder input.

¹⁵ Recommendation 86/666/EEC

¹⁶ EC communication: Follow-up on hotel fire safety of 19/10/12

3. Ensuring the Highest Levels of Security and Fire Safety for All

C. Building refurbishment: An opportunity to enhance security and fire protection

Pursuant to the EU Energy Performance in Buildings Directive (EPBD/2010/31/EU) and the more recently adopted EU Energy Efficiency Directive (EED /2012/27/EU), a large number of buildings – many of them public – will be refurbished to improve energy efficiency. This creates opportunities for improvements in life safety and security.

To comply with the requirements of EU legislation, building refurbishment should take into account fire safety and security needs in order to ensure the best protection possible.

- The nature of this work opens the possibility to also rethink safety strategies, and to simultaneously upgrade fire alarm and other systems at lower cost.
- On the other hand, such refurbishment cannot be allowed to result in the partial or total dismantling of legacy security systems with no replacement.

In this context Euralarm expects from the policy-making authorities that today's level of protection in buildings will be maintained or improved, also in the case of an EPBD-refurbishment.

In addition to the recommendations stated above, the following actions can further develop the fire and security industry.

4. Unlimited 3rd Party Liability is a Threat to Innovative Technology

European Security companies experienced the issue of liability limitation in the US following the 9/11 terrorist attacks. Shortly after, government contractors became unable to accept the severe risk of deploying security technologies and to bid for related contracts, as it was potentially enterprise threatening for companies. In response, the US Government enacted the Safety Act ¹⁷ (Support Anti-Terrorism by Fostering Effective Technologies).

The Safety Act ensures that there is adequate insurance to compensate legitimate claims. This protection is not limited to US companies however it is only valid inside the US judicial system. The EU has not as yet addressed the issue. The lack of similar liability protection in Europe contributes to a weaker industrial base, hampers investment, and lowers deployment of new and innovative security technology and services in Europe.

In this respect Euralarm welcomes the initiative of the Commission to find solutions to this gap in protection. As providers of security solutions, we have a vested interest in protecting citizens and society at the same time encouraging innovation and deployment of technologies that meet today's threats. Euralarm recommends to consider using observance of EN standards as a reference framework for evaluating litigation and disputes in the areas of i) third party liability, ii) responsibility for system interoperability, and iii) responsibility for system integrity.

¹⁷ Further information is available at <https://www.safetyact.gov/>. The SAFETY Act limits the scope and type of damages recoverable by third parties against providers of anti-terrorism technologies (products or services) approved by the Department of Homeland Security, in the event of an act of terrorism. Over 200 anti-terrorism technologies are now covered by the Act

5. Trade Promotion of Life Safety Products and Services

It is of vital importance to the development of a vibrant European security industry that the global security market remains open and accessible. Many of the major European players conduct a significant share of their business outside the EU. This diversification helps defray development costs and generates economies of scale for the companies concerned. The EU should, therefore, make full use of its trade policies to maintain and, wherever possible, enhance international market access through mutual openness, recognition and standardisation for products and all modes of services.

Trade policy considerations:

- Reduction of tariffs on life safety products
- Promotion of EN standards internationally
- Require performance assessments in public procurement contracts so that equipment must meet criteria outlined in the solicitation

Exporting the highest quality products and services in life safety will contribute to growth for the industry and jobs.

6. The Way Forward

As it's been stated in this White Paper, there is an urgent need for a change of course, from a national approach to security policies towards a European and international one.

It is certainly only through action at EU level that we'll be able to tackle the endemic fragmentation which is currently undermining the growth potential and competitiveness of the European security industry. Addressing this issue will benefit the European society as a whole, taking into consideration the societal value of security products and services, which lies in the protection of life and property that they provide.

The journey towards a real European Internal Market for Security and a truly globally competitive European security industry has just begun and there is much work to be done. Euralarm looks forward to contributing to this ambitious endeavour and working closely with all stakeholders to help lead the way.

7. Annex

Annex 1

Overview of Euralarm and the European fire and security industry
A key market player

Euralarm is the association of European manufacturers, installers and service providers of electronic fire and security systems. Founded in 1970, its members include national associations and individual companies across 16 European countries.

Overall Euralarm represents more than 2500 companies, operating within the European Electronic Fire Safety and Security market with a value of 16.4 Billion Euros.

Activities and objectives

Euralarm is primarily concerned with increasing the safety and security of European citizens and operates in a number of fields. More specifically, it is active in the following areas:

- (i) fire safety, including detection, annunciation, alarming, evacuation and extinguishing
- (ii) intruder alarms, including detection, annunciation and alarming
- (iii) access control
- (iv) video surveillance
- (v) alarm transmission
- (vi) alarm receiving centres

The association’s main objectives are to provide technical and market expertise for policy making and standardisation work in the field of security and fire safety. To this end, it works with a number of committees dedicated to standardisation and certification, such as CEN, CENELEC, ETSI, as well as ISO and IEC. Euralarm pursues an open European market based on quality standards supported by a one stop, third party testing and certification.

Our mission is to increase the level of safety and security for Europe and its citizens by supporting the growth and development of our industry.

www.euralarm.org

Euralarm Membership:

National Associations:

 VBÖ Austroalarm	 SVDI	 ARTS
 VSÖ	 ZVEI/FV Sicherheit	 AES
 ALIA	 BHE	 TECNOFUEGO - AESPI
 NAFOTS	 ANIE SICUREZZA	 SWELARM
 AGA	 VEBON	 SES
 COFRAS	 UNETO VNI	 USIF
 GESI	 NORALARM	 BSIA
	 APSEI	 FIA

Companies:

 Autronica	 Honeywell	 Siemens
 Bosch Sicherheitssysteme	 Niscaya Group AB	 Tyco
 DEF	 Pelco Finland Oy	 UTC Chubb
 Hekatron	 Securiton AG	

7. Annex

Table 1. – European Market size: Sector breakdown

EMEA Market for Fire and Security Products and Services

Product Revenues:	
Access Control	612
Intruder Alarms	720
Video Surveillance	1.933
Fire Detection and Suppression	1.477
Service Revenues:	
Fire Services	3.633
Security Services	8.029
TOTAL Market Revenues:	16.404



Health & Social Care

Citizens rely on medical and social care 24/7. Euralarm helps protect healthcare facilities from fire, terrorism, vandalism and theft around-the-clock so that Healthcare Professionals can focus on their patients and their needs without concerns about their security.



Commercial & Industrial

With threats ranging from accidental fires to domestic terrorism, vandalism and common theft, the protection of commercial and industrial buildings is paramount. Euralarm members create flexible solutions to counter these threats and protect facilities and staff of all kinds on any scale.



Education

From Kindergartens to Universities, the members of Euralarm supply total fire and security packages that help identify potential dangers and provide an all embracing, yet unobtrusive, shield of protection for pupils, students and teaching staff.



leisure

Large sporting and concert venues require integrated fire and security systems that can rapidly detect problems and initiate prompt intervention. Across the EU, leisure venues from football stadiums to concert halls rely on Euralarm members' systems and services, ensuring that citizens can enjoy leisure activities safely and securely.



Residential

To sleep soundly, you need peace of mind. You need to know that what you value most—your family and home—are safe and secure. Euralarm members offer effective solutions to protect you and your loved ones from fire, theft and floods, helping you enjoy a good night's sleep.



Utilities & Civil Infrastructure

The protection of critical infrastructures is an issue of major concern. Terrorism, vandalism or technical failures can lead to service outages and citizen disquiet, as well as to serious economic loss. Euralarm members design and implement system-wide security to protect physical infrastructure, employees and the communities they serve.

Representing the wider world of **Fire Safety & Security**

Who we are

Euralarm is the association of European manufacturers, installers and service providers of the electronic Fire Safety, Security and Services industry.

Founded in 1970 Euralarm represents more than 2500 companies, operating within the European Electronic Fire Safety and Security market with a value of 16.4 Billion Euros.

Our members includes national associations in 16 countries as well as individual companies.

Our mission

Increase the level of safety and security for Europe and its citizens by supporting the growth and development of our industry.

What we do



Euralarm represents the electronic fire and security industry at European and worldwide fora, providing technical and market expertise for policy making and standardisation work in the field of security and fire safety.

Our main fields of activity are: Fire detection and alarms, intrusion detection and alarm systems, access control, video surveillance, alarm transmission and alarm receiving centres.

Euralarm is working with CEN, CENELEC, ETSI, and also ISO, IEC and pursues an open European market based on a highly professional approach and quality standards supported by a one stop, 3rd party testing and certification.