

A comparative study of 6 European inspection models

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Preface

In collaboration with the European Business School IESE, we have carried out research comparing the different inspection models concerning Industrial Safety in 5 European countries. Although each country has historically developed its own national model concerning Industrial Safety, now the increasing European integration is reshaping the competitive dynamics of the sector.

Scope of the project

The broader framework is the “*European conformity assessment activities*”

Today, there are more products and services available than ever before. This means the need for consumer and user protection has never been greater. Consumers and users can be protected by certification, inspection and testing of products and by manufacturing under certified quality systems.

In Europe, the conformity assessment activities include:

- Testing and calibration
- Inspection
- Certification of management systems
- Certification of products
- Certification of personnel
- Environmental verification under the European Eco-Management and Audit Scheme (EMAS) regulation

The conformity assessment activities are carried out by the corresponding organizations (inspection bodies, certification bodies, laboratories), which, in turn, are accredited by their corresponding accreditation body. Indeed, the certifiers of systems and products as well as testing and calibration laboratories need to demonstrate their competence. They do this by being accredited by a nationally recognized accreditation body.

Our study focuses on the **inspection** activities:

|  | Initial inspection | Periodic inspection |
|---|--|---------------------|
| Legislation | • Description of the legal system concerning the roles of the different actors in the process | |
| Quality of the Public Administration | • Estimation of the level of knowledge by the Administration of the installations on their territory • Analysis of the degree of public control over the actors involved (public and private) | |
| Protection of owner of the installation | • Analysis of the guarantees offered by the system to the owners of installations with respect to impartiality, correct treatment, correct prices and access to the inspection service | |
| Market | • Market structure of the inspection entities in each country | |
| Tendencies | • Synthesis of the opinions of different actors and experts with respect to probable evolutions in legislative and business environment | |

Historical and cultural elements determined the development of industrial safety policy in each country. This resulted in different models with respect to the delegation of functions to private entities. In this respect, we found three generic models: *concession* (or monopoly), *authorization with conditions* (technical/economical), *authorization without conditions* (free competition).

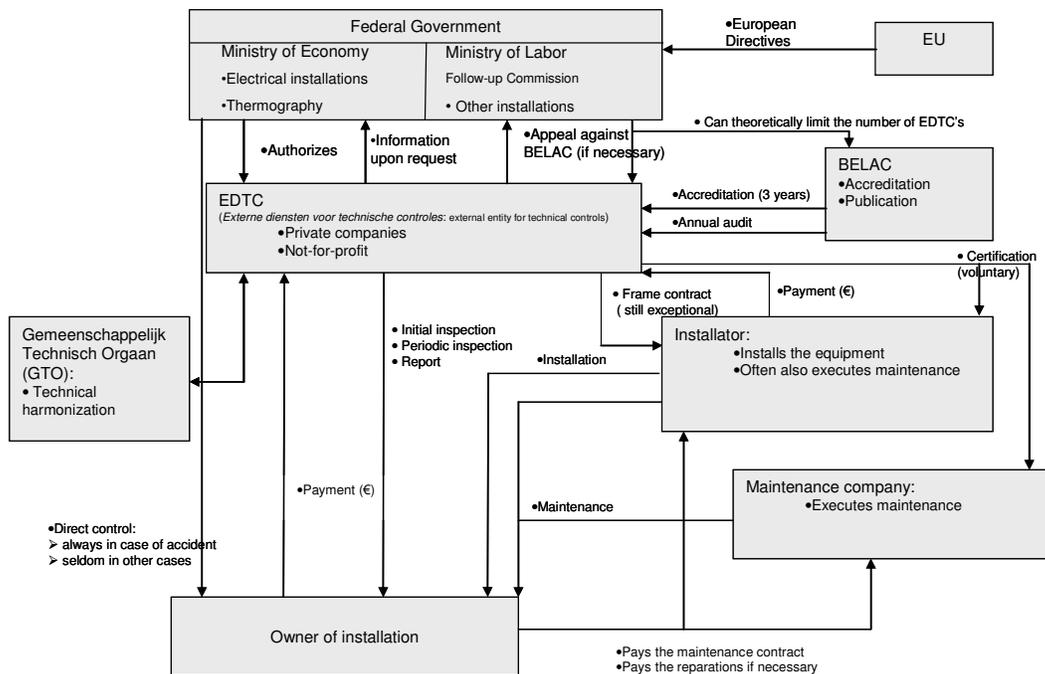
In addition, each country realizes its model in its own specific way with its own legal framework, institutions and competitive environment.

For each country a description is given of:

(1) The model in place

For example, Belgium:

Belgium



A description of each model is given and illustrated by comments of relevant actors in each country.

(2) The practices in the field

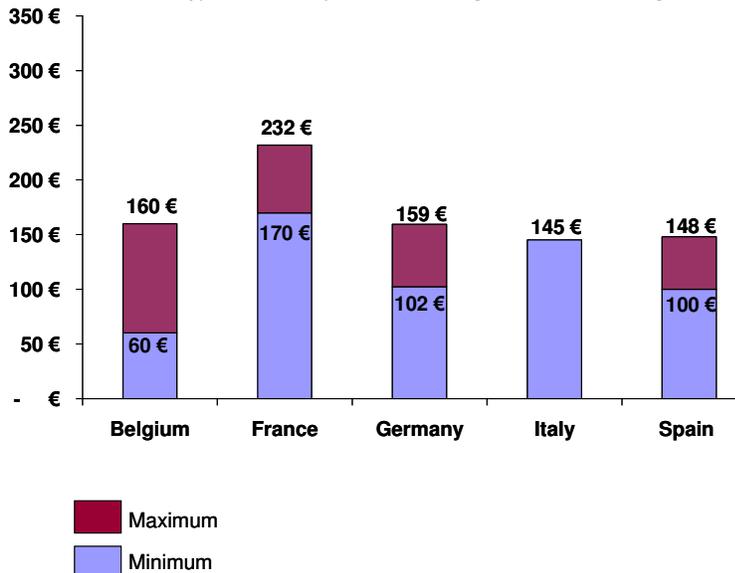
Through desk research and interviews with relevant actors we got an accurate picture of the competitive environment in each country. The competitive structures vary from country to country, but, in general, the entrenched positions of the “historic” market leaders are under increasing assault from national and international competition.

In addition, it was also relevant to contrast the very different inspection practices in each country.

For instance : the periodical lift inspections

Cost of a periodic inspection of a typical¹ lift

1: Typical lift: 8 stops, 1 door, 650kg, residential building



Notes

- **Germany:** Price reported by one TÜV. The highest value corresponds with the in depth inspection every other year. The lowest value to the more superficial inspection in the other years.
- **Belgium:** It concerns here the regime with 2 obligatory inspections per year. The lowest price corresponds the more superficial inspection, the higher to the in depth inspection. It concerns lowest and highest price reported by 3 organisms
- **France:** The price range reflects the prices of 3 organisms
- **Italy:** Price applied by a market leader. They say they use a flat price independently of the type of lift
- **Spain :** Prices from Basque Country and Catalonia. Basque Country: Medium price range according to the Service for Industrial Security. Catalonia: Price fixed by law. The highest value corresponds to the first inspection in each building. Second lifts etc. and successive inspections cost less.

These prices are just indicative prices and they form just 1 element in the comparison between countries. Indeed, the frequency of inspection varies widely from country to country, as well as the responsible entity who carries out the inspection.

The study presents the other comparative elements as well to give a balanced picture of the practices in each country, which turn out to be quite different.

The different country models are compared along objective criteria on their appropriateness to deliver a public good: “industrial safety”.

| CRITERIA | Belgium | Catalonia | France | Germany | Italy | Spain |
|--|---------|-----------|--------|---------|-------|-------|
| Quality of Public control | | | | | | |
| Uniformity of inspection criteria | ◐ | ● | ◐ | ● | ◐ | ◐ |
| Preventive security | ◐ | ● | ◐ | ◐ | ◐ | ◐ |
| Swiftness of implantation of new norms | ◐ | ● | ◐ | ● | ◐ | ◐ |
| Market transparency | ◐ | ● | ◐ | ● | ◐ | ◐ |
| Readily access to technical data | ◐ | ● | ◐ | ◐ | ◐ | ◐ |
| Direct supervision of inspections | ◐ | ◐ | ◐ | ◐ | ◐ | ◐ |
| Protection of the installation owner | | | | | | |
| Guarantee of territorial covering | ◐ | ● | ● | ● | ◐ | ◐ |
| Guarantee of independence | ● | ● | ◐ | ● | ◐ | ◐ |
| Transparency of prices | ◐ | ● | ◐ | ● | ◐ | ◐ |
| Guarantee of continuity of service and constant innovation | ◐ | ◐ | ◐ | ● | ◐ | ◐ |
| Right to direct appeal | ◐ | ● | ◐ | ◐ | ○ | ● |

● = Best practice

In general, the concession based models score well on an overall basis. However each country will need to evolve according to its own national specificities.

The future tendencies in the public and business domain point into a direction of increasing liberalisation, with the resulting challenges for the inspection entities operating in Europe.

We are glad to present you this short summary of our research and appreciate your collaboration which added the necessary perspective to otherwise one-dimensional data.

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