



Consejo de Armonización de Normas Electrotécnicas de las Naciones de las Americas
 Council for Harmonization of Electrotechnical Standards of the Nations of the Americas

Annual Report 2008

Fulfilling the Vision of the Founders

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Issue 8

By most measures, CANENA has come to be much of what its founders envisioned more than sixteen years ago. The Council's output, harmonized standards, is steady year-over-year; its membership has been steady for several years; member satisfaction is high and, the relevance of its purpose growing in importance as demonstrated by the results of its latest member survey.

Looking back, the Council's founders, North America's electrical industry leaders, mostly manufacturers, designed a voluntary process to reduce technical differences and barriers to trade between Canada, Mexico and the United States. Elimination or reduction of these differences, coupled with the elimination of tariff barriers promised through the signing of the North America Free Trade Agreement (NAFTA), was seen as fundamental to low cost and mutually open market access.

The early CANENA Council were able to foresee that the Spanish language edition of harmonized standards resulting from the CANENA process, and pub-

lished by the Mexican standards development organization ANCE, would be ready made for review and adoption in the Spanish speaking nations throughout the region of the Americas. After all, these nations were and still are consumers of North American standard electrical equipment and components and hold them in high regard.

Fast forward to the present. What's missing today in the CANENA process are the industry's market strategists. The long and arduous evolution of the CANENA process and detailed technical deliberations surrounding the harmonization of more than seventy electrotechnical standards are the success story to date. But, the strategies necessary to deliver the full benefits, the vision of the founders, are not in place. Don't be misled, value has been created. Numerous benefits realized through the CANENA process were identified at last year's Members Forum. However, the majority of CANENA members, manufacturers,



are still largely focused on the technical aspects surrounding the standards of importance to their companies and funding organizations. They are generally not the

business strategists that develop and execute market strategies and for most, even the history and original vision of CANENA is vague or lost.

The founders perhaps did not anticipate their role in the strategies to implement the harmonized standards once they were adopted or to promote their value and adoption throughout the region. And who at the time could have envisioned the competition today for which standard is best suited, fostered through political channels and commercial forces, and sometimes without regard to technical relevance with the installed infrastructure.

Continued on Page 4

From the President

Challenging economic times face us all. The events of 2008 have reinforced that



we are now part of one big global market. As such, the benefits of harmonized standards are becoming more evident, both in realizing market opportunities and managing risks.

During 2008, CANENA sought to document the value of the investment in harmonizing electro-technical standards over its more than 16 year history. Among the more tangible benefits that have been realized are cost savings from purchasing fewer standards, significantly reduced redundant testing, and increased productivity by the shrinking numbers of technical experts dedicated to writing and maintaining our industry standards. The most important benefits may not seem as tangible or easily quantified, but the need to shape and define markets through standards, like the realization of the fact of

globalization, cannot be understated.

Times such as these, creates the need for all to closely manage our resources and costs of doing business. We have to evaluate what we're doing and focus on what is essential, and then streamline the way we do them. In doing so, we often emerge from such times better for the experience. Changing market conditions often result in great innovation and that takes us back to standards. Standards need to accommodate innovation and manage its safe assimilation into the market. These are not times to abandon standards processes but to reinvent them.

The CANENA process has proven efficiencies that will serve well during this period. Our members need to find ways to continue their priorities in even more efficient ways, but their funding organizations need to continue to place high value on the work and develop strategies that deliver the results to market. In fact, times as these are often best for developing strategies for the future. CANENA's

Inside this issue

- Regional Standardization on a Fast Track
- Company and Association Member Classifications
- Dates to Remember
- CANENA Technical Programs
- New SDO Initiatives Support CANENA Objectives
- CANENA Extends an Invitation
- FINCA Offers Assistance to IEC Affiliate Countries

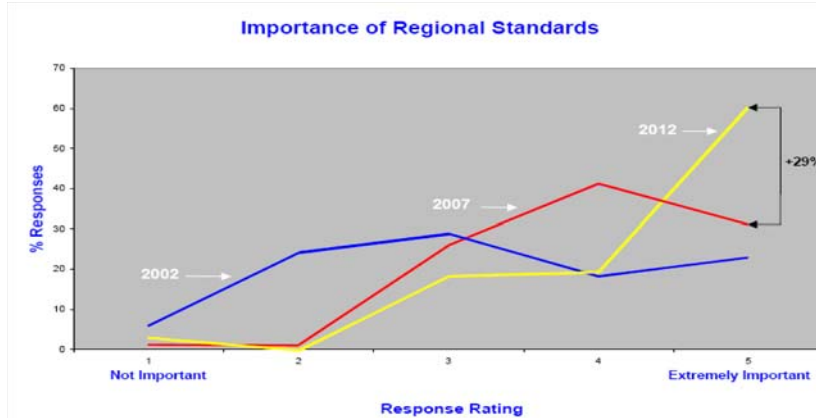
Executive Committee has established priorities to improve the Council's website making it a better tool for committees to manage their work programs. New member classes have been created to generate additional revenue to fund our modest administration and facilitate broader outreach and communications. We have also invited more direct involvement by the industry trade associations and companies of our members to advise the future direction of CANENA. The Council is well positioned, even in these difficult times, to continue to demonstrate value to its members and the industry. I encourage all CANENA members to continue working hard to face the challenges ahead in 2009.

Rafael Yáñez Hoyos

Regional Standardization on a Fast Track

The results of the CANENA member survey announced in 2008 provided a wealth of guidance to the CANENA Executive Committee and the Council at-large. By far however, the most compelling and clear message is that the importance of cooperation in electro-technical standardization in our region is still on the rise, and in fact expected to accelerate over the next five years. This is both good news and a wake-up call.

Why is the importance of regional standardization increasing? For present CANENA members, there is an increasing sense of urgency. New multi-national trade agreements throughout the region are already in place or nearing completion. In aggregate, the nations involved in this new patchwork



realizing though that markets without established standards are high maintenance and very fragile. Feedback from the region gives a strong indication there is demand for standards in most every country. An increase in regional cooperation in standards is seen as essential to close the gap between this demand and the supply of the right standards that solidify trade relationships and provide safe electrical installations.

of trade pacts may not represent the size of opportunity of a NAFTA, which was the catalyst for the creation of CANENA, but it may surprise many just how big, and growing is this market opportunity. Many also know just how fertile this opportunity is, with a high value perception and extensive installed infrastructure of North American products.

CANENA members are

Company and Association Member Classifications

In direct response to feedback provided by Council members during the 2007 member survey, two new membership classes are now available to participants in CANENA. Companies are now able to consolidate the individual members they fund, even those in multiple countries, under a single Company Membership. Additionally, the important contributions of electro-industry associations are being recognized through the creation of Association Membership. Individual memberships are still available.

Along with these new classes of CANENA membership, the CANENA Executive Committee announced the formation of a "Sustaining Company and Association Advisory Committee" (SCAAC).

According to President, Rafael Yañez, "Our members will ensure CANENA's continued relevance in the next five years. Through engagement of the companies and industry associations that comprise large sets of our most dedicated members, four areas of importance identified as keys to CANENA's future success are addressed: sustaining funding for program

development and communications; increasing awareness and demonstration of value from regional cooperation; continuous and increasing participation in the work programs of our Technical Harmonization Committees; and strategic guidance from the Council's most committed members."

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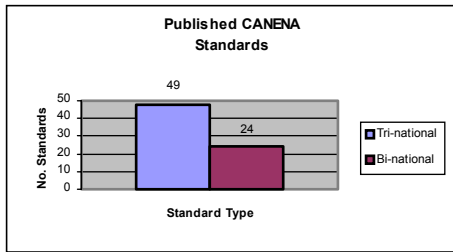
Company members will be entitled to an unlimited number of CANENA individual memberships with up to ten designated as voting members of the Council. There are three tiers of company members "Regular", "Supporting" and "Sustaining".

Learn more about Company and Association memberships, and the Sustaining Company and Association Advisory Committee at www.CANENA.org/membership.

Dates to Remember

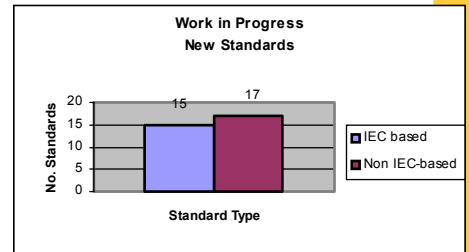
- ◆ CANENA Council 17th Annual Meeting – February 25-26, 2009 Orlando, FL USA
- ◆ COPANT General Assembly Meeting – May 11-14, 2009 Santo Domingo, Dominican Republic
- ◆ NFPA World Safety Conference and Exposition – June 8-11, 2009 Chicago, IL USA
- ◆ CSA Annual Conference – June 14-16, 2009 Gatineau-Ottawa, Quebec Canada
- ◆ Standards Engineering Society (SES) Conference – August 17-18, 2009 Toronto, ON Canada
- ◆ 73rd IEC General Meeting – October 18-25, 2009 Tel Aviv, Israel

CANENA Technical Programs



As a result of the efforts under CANENA, there were three (3) harmonized standards published in 2008. The publication of these standards brings the total number of harmonized standards to

information and instruction on how to format and number national differences. THCs tasked with developing draft standards based on IEC standards are encouraged to use the numbering guidance document during development. Adhering to these rules will result in properly formatted documents being provided to the SDOs, eliminating the need for rework (and delays) at the time of publication.



seventy-three (73). The following are the most recent standards published as a result of the efforts under CANENA:

Binational: [Canada and U.S.]: *Communications Cable* (UL 444/ C22.2 No. 214-08), published July 11, 2008

Insulated Multi-Pole Splicing Wire Connectors (UL 2459/ C22.2 No. 2459-08), published August 22, 2008

Trinational: [Canada, Mexico, and U.S.]: *Electrical Rigid Metal Conduit – Aluminum, Red Brass, and Stainless Steel* (UL 6A/ C22.2 No. 45.2-08/ NMX-J-576-ANCE-2008), published October 31, 2008.

In 2008, the Standards Development Organizations published an updated document addressing the harmonization roles and protocols. This document, the *Procedures for Harmonizing ANCE/CSA/UL Standards*, was published March 1, 2008, and is available on the CANENA and UL websites.

The SDOs also collaborated to develop a document to further assist in the development of IEC-based standards. This document, the *Guidelines and Rules for Numbering National Differences to IEC-Based ANCE/CSA/UL Standards*, provides

The publication of these documents reflects the continuing SDO commitment to the CANENA harmonization efforts.

Addressing the Need for Urgent Standards Revisions

The *Procedures for Harmonizing ANCE/CSA/UL Standards* mention that an alternate approach may be used by an SDO in order to allow that SDO to address an urgent revision. However, the process for addressing the urgent change has not been formally documented. Therefore, the SDOs are developing a process to be followed to process revisions that need to be made in a shorter time than possible under the normal harmonization process.

Anyone interested in commenting on the draft approach for accelerating revisions to a harmonized standard should contact Sonya Bird, UL, at sonya.m.bird@us.ul.com.

New SDO Initiatives Support CANENA Objectives

Those who have been CANENA members for more than five years best realize how important the unique and voluntary cooperation among our participating standards development organizations (SDO) has been in facilitating the many successful industry harmonization initiatives. The continuous evolution of formal procedures, aligning of quite different internal standards development processes, agreement on format and other editorial policy, and training of THC Secretaries, Chairs and CANENA members all has been vital to CANENA's success. But for many, this behind the scenes cooperation may be quite transparent and go unnoticed.

Another cooperation among our SDOs that even long time CANENA members may not realize, is helping pave the way for broader regional acceptance of North American standard products. Independently, North American standards development organizations, ANCE, CSA, NEMA and UL, have established Memoranda of Understanding (MOU) or other agreements with national SDOs in many Central and South American and Caribbean countries. These agreements complement government-to-government trade pacts and often include sharing of intellectual property such as published standards. These agreements represent another important

building block for industry driven market access strategies as they promote the use of North American standards in the region.



The truly unique nature of the CANENA process, that the control of the intellectual property rights of the standards always remains with the SDOs, makes the voluntary cooperation between them even more complex and remarkable. Yet even these potential commercial barriers to cooperation have been surmounted. Agreement on co-publication of harmonized standards, that is simultaneous release of the published harmonized standards, helps ensure a level playing field for the sale and distribution of standards publications.

While the agreements our CANENA participating SDOs have with SDOs in Central and South American and Caribbean countries do not include co-publication of harmonized standards at present, adoption of harmonized standards in these countries is facilitated by the agreements. This feature can be a strong catalyst for the SDOs and industries in these countries to explore how the CANENA process can work for them to help meet their standardization priorities.

CANENA Extends an Invitation

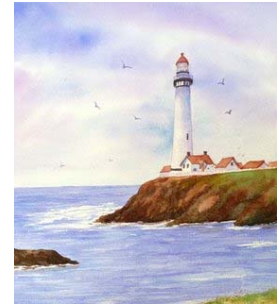
The message of CANENA's successful model for voluntary standards harmonization is being carried to the nations of Central America and the Caribbean. As a participant in the three-year program of seminars being conducted by the National Electrical Manufacturers Association (NEMA), CANENA is extending a personal invitation to the industries and standards bodies in these countries to become involved in CANENA.

The experience in North America has proven that common safety standards greatly facilitate the flow of products. The more than seventy regionally harmonized standards that have already been developed through the CANENA process represent many of the products used safely for decades throughout the region. The standards are up-to-date on the latest technologies and the CANENA process is integrally involved in their ongoing maintenance.

Many of the smaller countries in our region do not have a wealth of technical resources available to develop their own standards, or even to fully assess the available standards to ensure their safe adoption. Of course there are many standards necessary to address the complete scope of products in an electrical distribution system. No one should suggest that any country adopt any standard at face value.

The CANENA process provides a forum for specific technical discussion in each product sector and each standard.

Multi-national experts who are intimately familiar with the electrical systems throughout our region populate our Technical Harmonization Committees. Through their experience in CANENA they understand that legitimate national differences do exist and must be considered in the resulting standards. CANENA's members have initiated many work programs based on IEC standards in recent years. CANENA's members have no bias against IEC standards but do insist that any international standard is inclusive of globally relevant test methods and safe products.



Over the past several years, CANENA has actively pursued a complementary relationship with official standardization entities in the countries of our members and throughout the region. We especially have nurtured a liaison relationship with COPANT and national committees of IEC.

The CANENA process has proven very adaptable and certainly must be ready to accommodate the needs of smaller nations who would like to participate. We invite all interested parties to learn more about CANENA and help form the process to their needs.

FINCA Offers Assistance to IEC Affiliate Countries

Atlanta, Georgia U.S.A. was the venue for an October, 2008 meeting of the national IEC committees from full IEC member nations Argentina, Brazil, Canada, Mexico and the United States. This group has met informally over many years in advance of the IEC Annual Meeting to collaborate on IEC subjects common to the region of the Americas.

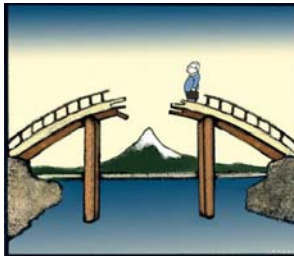
At this meeting, the participating countries christened this unique regional cooperation, FINCA, Forum of IEC National Committees of the Americas, and invited IEC Affiliate Countries from the Americas to join in the future discussions on mutual cooperation and assistance.

IEC created the Affiliate Country Program in 2001 with the goal to nurture involvement by developing economies in international standardization in pace with their growth. Recent decisions in IEC afford affiliate members additional incentives to consider adopting IEC based standards through participation in IEC conformity assessment programs,

like the IECCEB and Ex schemes.

Participation in the FINCA group will certainly benefit affiliate member countries through the sharing of experiences, organizational philosophies and procedures. And, since many affiliates lack broad in-country industry sector representation, the forum presents the opportunity for IEC affiliates and full members alike to share sometime diverse perspectives on a widening array of standardization issues.

This gathering of nations of the region of the Americas, is encouraging as is all regional cooperation on standardization. CANENA members are interested to see if this new cooperation might reach beyond policy and procedural collaboration to actually encourage real cooperation at a sector-technical level and how the CANENA process might fulfill a role. For more information about the IEC Affiliate Country Program visit: www.iec.ch/affiliates/



Fulfilling the Vision... from page 1

CANENA's success in recent years can be largely attributed to its conscious strategy to ensure its complementary relationship with official standardization entities in the countries of its members and throughout the region. This will remain very important if CANENA is to attract participants from beyond our historical base. What's wrong with CANENA? the lack of strategic engagement by its commercial drivers.

Many of CANENA's manufacturer members are affiliated in strong, strategic trade associations, NEMA, EFC, CANAME, AHRI and AHAM. These associations, while having no official standing in CANENA have been strong contributors to its success and administrative support. CANENA's members have

continuously demanded that the Council's focus remain on its technical processes.

Besides the fact that CANENA's financial resources and in-kind contributions will just support its technical program administration, its continued commercially neutral position is important to its relevance and complementary relationship in the region. Therefore, it is incumbent upon our members' funding organizations and trade associations to put to work, the harmonized standards as part of a regional open market strategy. Where in the past, lack of such a strategy can be seen as marginalizing the benefits of the harmonization work that has been accomplished, increasingly there is risk of closing markets in our region to North American standard products for the future.