Brussels, 16 July 2007
D(2007)662

Opinion

Title
Impact Assessment on the proposed Revision of the Units of Measurement directive (80/181/EEC) - DG Enterprise and Industry (Draft of 22 June 2007)

Lead DG
DG ENTR

1) Impact Assessment Board Opinion

(A) Context
The existing Directive 80/181/EEC on units of measurement requires that measurement in the EU is done in metric units, but also allows the use of supplementary indications (without defining what they are) until the end of 2009 (sunset clause, previously extended in 1989 and 1999). After this date the directive would require all indications to be only metric and this would require cross-Atlantic trade to be continuously relabelled, essentially because the EU law on metric-only would then conflict with rules applicable in the US, that requires dual labelling (metric and US inch/pound).

(B) Positive aspects
The IA report provides a concise and accessible analysis of the problem. The main policy options are clearly explained, and their expected impacts are compared on the basis of relevant quantitative information. As the favoured option would entail no actual changes in the present situation the level of analysis can be considered broadly proportionate (see however specific points below).

(C) Main recommendations for improvements
The recommendations below are listed in order of descending importance. Some more technical comments have been transmitted directly to the author DG.

General recommendation: The IA report would be strengthened if certain elements of the arguments used in the assessment of the different options would also be summarised under specific headings (notably consultation and administrative cost). The Board welcomes the feedback that was received from DG ENTR on the more detailed comments, which largely anticipates the following more detailed
recommendations.

(1) The IA report should elaborate on the expected developments in the US. It is not clear from the report whether and at what pace the US is converging to metric units or that the present situation would remain stable over a longer period. It is recommended that this be clarified in the problem definition chapter, and that the influence that this may have on the comparison of the impacts of different policy options be explained. In this context it is further recommended to refer to relevant discussions in the transatlantic dialogue in the report.

(2) The IA report should provide a summary of the analysis of administrative costs under the different options in a separate paragraph. A justification should be given for not using the EU Standard Cost Method to set out administrative cost savings. The IA report should also extend the analysis of possible reduction of administrative costs into the near future, in the light of possible modifications of the regulatory regime.

(3) The IA report should provide a brief description of ways in which the results of the consultation have influenced the final report and the proposed policy choice. Given the importance of the input provided by stakeholders for the estimation of the (economic) impacts of the different options, it is recommended to give the effects of stakeholder input more visibility in the IA report, and to attach the relevant documents as an Annex to the report (or offer summaries thereof). The evidence provided by various Stakeholders should be critically reviewed and combined with analysis also based on the expertise and other evidence accumulated by the Commission services on related policy dossiers.

(4) It is recommended to give a more structured presentation of the (discarded) option of a time-limited extension. This can be done either through an appraisal of this option next to the other considered options or through a clearer justification of why this option has been discarded at an early stage.

(D) Procedure and presentation

All necessary procedural elements have been complied with.

2) IAB scrutiny process

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<th>2007/ENTR/033 [catalogue item]</th>
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<td>Author DG</td>
<td>ENTR-I-5</td>
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<tr>
<td>External expertise used</td>
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<td>Date of Board Meeting</td>
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