



EUROPEAN COMMISSION
Impact Assessment Board

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Opinion

Title

Impact Assessment on Proposal for a Regulation (EU) of the European Parliament and of the Council No xx/yy on the professional cross border transportation of euro cash by road between euro-area Member States and the Proposal for a Council Regulation (EU) No zz/yy on the extension of the scope of Regulation (EU) of the European Parliament and of the Council No xx/yy on the professional cross border transportation of euro cash by road between euro-area Member

(draft version of 1 March 2010)

(A) Context

The Commission launched a first initiative to facilitate the professional transport of euro cash by road in the run-up to the euro cash changeover in 2002 and a working group with representations of the European federations of stakeholders was set up to discuss the scope and details of a possible EU legislative initiative in this area. The initiative was suspended in 2004. In May 2008 the Commission launched consultations to relaunch the work to remove existing regulatory barriers to cross-border transportation of euro cash by road and thereby facilitate the free circulation of the euro. In May 2009 the Commission adopted a White Paper on professional cross border transportation of euro cash by road between Member States in the euro area.

(B) Overall assessment

While the report provides the evidence base necessary to underpin action in this area, this evidence suggests that the overall scale of the problem is limited. Moreover, the potential benefits from taking action on the EU level seem to be lowered by the number of derogations and restrictions that are foreseen for the regime proposed for cross-border services. The Board suggests, therefore, that the report should present a more realistic picture of the scale of the problems and of potential benefits. The report should also provide a fuller assessment of the option of bilateral agreements between the Member States and why these are not possible. Stakeholders views, in particular those of social partners concerning the complexity of the proposed system, need to be presented more fully in the report. Finally, the report should analyse in greater detail likely use by cash-in-transfer companies of the possibilities offered by the proposed system, and issues related to implementation and enforceability.

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(C) Main recommendations for improvements

(1) The report needs to clarify the scale of the potential negative impacts stemming from current restrictions to cross-border services in transporting euro cash. Given that the evidence in the IA report suggests that the scale of the problem is small, rather than focusing on macro-economic impacts, the analysis should focus on more specific impacts, such as those on the banking sector or on the sector providing cash-in-transfer services. The report should analyse in more depth the reasons why Member States are reluctant to make bilateral agreements, and take these findings into account in the subsequent analysis of the policy options. Finally, the report needs to include a fuller analysis of how any measure in this area would relate to other relevant legislation, including the Posted Workers Directive, and the relevance of the latter in terms of potential competition in the CIT sector on the basis of salaries.

(2) The report needs to provide a fuller analysis of a wider range of options. The report needs to examine in greater detail the option 2 (bilateral /multilateral agreements) and option 4 (mutual recognition) and explain more fully why they would not be feasible, as compared to option 3. It needs to provide a clearer rationale for the specific options A to D on security, authorised types of transport, the restriction to day-time only activities, and the need for majority of cash deliveries/pick-ups to be carried out in the host Member State, by linking each of them more clearly to problems identified in the problem definition section. The report should also provide a clear overview of stakeholders' positions on policy options.

(3) The assessment of impacts should focus on the effects of the proposed measures and be supported by evidence. The assessment of impacts should focus on the more tangible effects of the proposed measures, in particular for the cash-in-transfer sector and public authorities, rather than on demonstrating the economy-wide effects which appear to be very limited. For this purpose the report should compare, by use of illustrative examples, how cash-in-transfer services would function in practice in the current and proposed regulatory environment. Furthermore the report should clarify how the preferred option will deal with the issue of competition on the basis of salaries in relation to the provisions of the Posted Workers Directive, and present clearly the views of both employers and employees on this issue. It should develop further the assessment of the extent to which the derogations and restrictions provided for in specific options A to D will reduce the benefits of the action to facilitate cross-border activity, and assess the willingness of CIT companies to make use of the possibilities it offers. The report should also provide an assessment of enforcement and monitoring of the proposed system.

Some more technical comments have been transmitted directly to the author DG and are expected to be incorporated in the final version of the impact assessment report.

(D) Procedure and presentation

The results of the stakeholder meeting that took place on 19 March 2010 need to be reflected in the report.

(E) IAB scrutiny process	
Reference number	2009/ECFIN/040
External expertise used	No
Date of IAB meeting	24 March 2010