

COMMISSION WORK PROGRAMME 2006

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Roadmap

Title of proposal: **The EU and China** (*n.b. this proposal will consist of two communications*)

Expected date of adoption of the proposal: Third quarter 2006

A. The EU and China: The Way Ahead (chef de file: DG RELEX)

A. Initial impact assessment screening

1. What are the main problems identified?

The latest Commission Communication on strategy towards China dates back to September 2003 (COM(2003)533 final) and has now been overtaken by the rapid development of China itself, the growth in the EU-China relationship, and in China's ever growing importance in the world at large. A recent stock take shows that some 80% of the action points defined in the 2003 strategy have now been delivered. With China such an important partner (now the EU's second largest trading partner, more than 20 policy dialogues and six sectoral agreements established - many of them since 2003) there is a need to develop a more mature approach, to inject greater coherence into the relationship, and not least, for the Commission to provide a degree of leadership going forward.

2. What are the main policy objectives?

Definition of a comprehensive new strategy for EU-China relations over the next five years.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

The Commission will produce a Communication after wide internal and external consultations. The Council will be invited to produce conclusions on the document. This will provide common guidelines for future EU policy towards China. This approach reflects current institutional arrangements and has already proven its merits for the last strategy paper. In parallel, it is envisaged to open negotiations on a new Framework (Partnership and Cooperation) Agreement with China (see separate AWP item). Both actions should complement and cross-fertilise each other.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

The new strategy needs to consolidate the ongoing process of broadening and widening EU-China relations. With so many European economic, scientific and technical operators now involved with China, not to mention virtually all Commission services, the impact will be widespread. The Chinese side might again contribute to this process by updating their own strategy towards the EU next year. This should further strengthen bilateral relations in a very comprehensive way.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

Information will be gathered by Commission services from internal and external sources (political and economic studies informing the work will be launched before the end of 2005, with reporting during the first half of 2006)

6. Which stakeholders & experts will be consulted, how and at what stage?

Relevant Commission services and other EU institutions, Member States, contracted Experts and Chinese authorities will be repeatedly consulted at various stages of the process.

7. Will an inter-service steering group be set up for the IA?

Formal inter-service consultation will take place prior to the adoption of the Communication.

B. China's economic rise and the European Union: the way ahead (chef de file: DG TRADE)

A. Initial impact assessment screening

1. What are the main problems identified?

China's rise as a major player in the world trading system is one of the new realities of the 21st century. We cannot and should not resist it. But we need to address the imbalances and uncertainties caused by the extremely rapid pace of China's development. China has now become the EU's second trading partner, but also the source of the highest external trade deficit of the EU. China is increasingly competing with EU industries both in the internal market and in third countries, while at the same time the Chinese market is offering considerable opportunities. Dealing successfully with the competitiveness challenge posed by China is fundamental if we want to successfully implement the Lisbon agenda. 2006 will be the final year of the 5 year transition periods granted to China to fully implement her WTO commitments in most areas. This juncture provides us with a timely opportunity to comprehensively review China's implementation of her market opening commitments as well as proposing a forward looking strategy to "close the gaps" in particular in those areas which are of crucial interest for the EU but where there has been insufficient progress. This concerns notably the services' sectors where the EU has a strong competitive edge (e.g. banking, construction, telecommunications) and intellectual property where the absence of effective protection in China is threatening one of the EU's key competitive advantages.

Europe also needs to address the challenges created by China's aggressive industrial policies to support its national industries and attract foreign investment and R&D as well as China's extensive use of non-tariff barriers to restrict imports of transformed goods. In some key areas for us such as steel, automobile and natural resources, this is not only having an impact on our relation with China but also weakening our world-wide competitive position.

2. What are the main policy objectives?

The Communication will provide a vision of our relationship with China for the period 2006 – 2011, with a view to ensure that the global tensions caused by the emergence of a new industrial and trading superpower do not cause excessive strain neither on the overall bilateral relationship nor on the global trading system. We will need to develop a strategic management of the relationship with China, preserving and defending the EU interests, while avoiding protectionism and maintaining a fair and non discriminatory treatment of our partner. Given the breadth and scope of the relationship, it will be essential to define clearly four or five key priorities to identify the focus of the future work of the Commission services, thus giving a clear and strong signal to our trade partner.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

The Commission will provide a roadmap on how to increase market access for EU operators and rebalance the trade and investment relationship by using the relevant mix of bilateral trade policy instruments: regulatory cooperation (dialogues), trade related technical assistance, political pressure, trade review mechanism in Geneva, dispute settlement, export support but also of regional and multilateral trade policy instruments and negotiations, but also by suggesting new and innovative approaches to solve the issues identified as our key priorities. The problems specifically faced by new member states who suffer from rapidly increasing trade deficits with China as well as those of SMEs who face considerable barriers when exporting to China should be also addressed.

In parallel, work will be coordinated with the future negotiations on a new Framework (Partnership and Cooperation) Agreement with China as well as a separate communication on the political relations with China. This and the work undertaken in the multiplicity of dialogue between the European Commission services and the Chinese government should complement and cross-fertilise each other.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

The policy options should deliver a positive impact in terms of market access and investment opportunities in China and support to EU exporters thus contributing to economic growth and job creation in the EU, in line with the fundamental objectives of the Lisbon agenda.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

The Communication will build upon the results of the study on EU China competitiveness which is currently being launched and whose results will be available mid-2006.

6. Which stakeholders & experts will be consulted, how and at what stage?

The Commission services will ensure that the Communication is drafted after wide external consultation. Relevant EU institutions, in particular the European Parliament, Member States, contracted Experts, NGOs and business organisations and Chinese authorities will be consulted at various stages of the process

7. Will an inter-service steering group be set up for the IA? No.

ROADMAP

Title of the proposal: Communication to Council and Parliament on an **EU Development Support Strategy for the Pacific Region**

Expected date of adoption of the proposal: March 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

Need to update EU/EC policy vis à vis the region and need to enhance efficiency of EC assistance

2. What are the main policy objectives?

Clarified EU policy vis à vis the region and improved aid efficiency

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

Option 1: Continue with broad-spread development assistance to the Pacific ACP/OCT groups. Option 2: Analyse XXIst century Pacific regional interdependence; identify the EU's role in the region and propose support for the Pacific ACP/OCT which reflects EU value added.

A Communication to Council and Parliament is the appropriate instrument.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

All stakeholders should benefit from option 2: namely the Pacific ACP and their regional organisations, EU member states and other bilateral and multilateral development partners.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

Most relevant information is already available in Delegation reports, regional initiatives such as the Pacific Plan, the annual Post-Forum Dialogue and academic papers. Complementary information will be obtained internally over the next two months.

6. Which stakeholders & experts will be consulted, how and at what stage?

Regional Delegations and other DGs (Relex, Trade, AIDCO) are currently being consulted. The Pacific Islands Forum Secretariat and the Council of Regional Organisations in the Pacific will be consulted in October/November and individual Pacific ACP countries will be consulted at Ambassador level in Brussels and as appropriate and feasible in the field.

7. Will an inter-service steering group be set up for the IA?

Yes, an ad hoc group chaired by DG DEV will meet to assess impact.

ROADMAP

Title of the proposal: Communication on an **EU strategy for the Caribbean**

Expected date of adoption of the proposal: February 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test).

Since the 1970s, the average growth in the region has been slowing down in each decade, the productivity between the 1980s and 1990s has declined and there has been a build-up of debt in most Caribbean countries. Most of the Caribbean States are struggling against a series of natural, economic and social vulnerabilities. In line with the other international donors, the trade and aid mix of the European Commission's policy perhaps has not sufficiently taken into consideration the need to improve productivity and diversify. The EPA negotiations with the Caribbean regional authorities were launched in April 2004. Much of the region still depends on a limited number of commodities. The implementation of our cooperation in the Caribbean tends to be project based, partly as a result of many different instruments and funding sources. Moreover, traditional development cooperation projects have progressed at a less than optimal pace for a variety of reasons. The relevant Caribbean countries are partners of the European Union in the context of the ACP-EU partnership agreement of Cotonou. Therefore, there is a need for a streamlined and coordinated European Union development support strategy for the region. Taking into account that most of the problems in the Caribbean stem from a large spectrum of vulnerabilities and the yet incomplete regional integration there is a clear added value for an increased EU intervention as compared to the sole action of the individual EU Member States.

2. What are the main policy objectives?

The main policy objectives of this EU development support Strategy for the Caribbean are (i) To ensure that the EU supports the efforts of the Caribbean countries to tackle their vulnerabilities, complete their regional integration process and reposition themselves as a high potential added value region and (ii) To contribute to the creation of a single coherent and comprehensive EU development support policy towards the Caribbean.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

One option would be to maintain the current political and development approach, which suffers from problems of both policy coherence and implementation. A second option would be to refocus the EU development cooperation on assisting the Caribbean in tackling their vulnerabilities and accelerate and deepen their regional integration process.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

The continuation of the current policy towards the Caribbean would most likely result in further political and implementation inconsistencies and the loss of credibility of the EU development policy vis à vis the region. The impact of a streamlined policy which would help the region tackle their major vulnerabilities and complete their regional integration process would among others: 1. reinforce the coherence between the different EU policy areas and coordination of the development assistance between the EU and the Member States 2. increase the effectiveness of the EU development support strategy, 3. maximise the efficiency of the implementation of the development assistance, 4. contribute to creating a more favourable political climate between the EU and the relevant Caribbean States and regional organisations.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf.

principle of proportionate analysis)?

A large amount of data, studies and political, development related and economic updated information is available for the Caribbean region. No further data or information gathering efforts are therefore necessary.

6. Which stakeholders & experts will be consulted, how and at what stage?

Consultations with the concerned Commission DGs, representatives of EU Member States and other International donors (particularly within the UN and the World Bank and the IADB), as well as of governments of the Caribbean, regional organisations and Institutions and civil society organisations will take place within existing institutional mechanisms.

7. Will an inter-service steering group be set up for the IA?

An EU-Caribbean group chaired by the Director S. Brouwer will coordinate the input from other DGs.

ROADMAP

Title of the proposal: Proposal for an **EU Governance Facility for Africa** (Communication from the Commission to Council and European Parliament)

Expected date of adoption of the proposal: 25.07.2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States?

Need to encourage and support African countries to systematically develop good governance within their national Poverty Reduction Strategy Paper (PRSP) and development strategies, by encouraging participation in the APRM process and supporting African countries in the implementation of their African Peer Review Mechanism-driven reforms

2. What are the main policy objectives?

To encourage participation in the African Peer Review Mechanism (APRM) process and provide further support to African countries for the implementation of their APRM-driven reforms

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

Option 1 - Continue providing support to governance reforms through National Indicative Programmes
 Option 2 - Launch a specific Governance Initiative that will encourage participation in the APRM process and provide additional support to implementing governance-related reforms.
 A Communication to Council and Parliament is the appropriate instrument.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

Different stakeholders should benefit from option 2: population in Africa, African governments and institutions, regional organisations, EU member states and other bilateral and multilateral development partners.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

The information already available (Joint annual reports on cooperation with the African countries concerned, reports from the African Union, ...) will be completed by both internal and external over the following months.

6. Which stakeholders & experts will be consulted, how and at what stage?

Other Directorates General (RELEX, AIDCO, TAXUD, ...), EC Delegations, African Union Commission, partner countries' representatives will be consulted in Brussels and in the field in the process of preparation of the Communication (outline, draft, ...)

7. Will an inter-service steering group be set up for the IA?

No (not a crosscutting issue)

ROADMAP

Title of the proposal: Communication from the Commission to the Council and the European Parliament: **EU-Africa partnership on infrastructure**

Expected date of adoption of the proposal: 2nd quarter 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

The launching of an EU-Africa partnership on infrastructure is a proposal of the Commission as part of the future EU strategy for Africa that is planned to be adopted by the Commission in October 2005.

Despite much progress, 40% of all Africans still live on less than one dollar a day, three out of four persons that die of AIDS are Africans, and one African out of five lives in a country affected by war or violent conflicts. In terms of per capita income, eighteen out of the twenty poorest countries in the world are African and the continent is the only part of the developing world where life expectancy has been falling over the last 30 years. Statistics tell us that without substantial additional political will and financial resources Africa will only be able to reach most of the UN Millennium Development Goals (MDGs), not by the target year of 2015, but by 2050.

Limited access to transport and communication services, water and sanitation, and energy, constrains economic growth. These limitations, together with the missing links in cross-border connections and regional networks means that trade and commerce often become uncompetitive as transport and service costs in landlocked countries can reach three-quarters of a country's total export value. In addition, potentially lucrative natural resource exploitation becomes unprofitable due to insufficient or unsuitable infrastructure and trade links. Consequently, national economic growth is stifled and the competitiveness of African countries to trade at a regional, continental and international level is held back. According to recent estimates, infrastructure investments would need to be equivalent to 5,5% of GDP and, for poorer countries as much as 7-9%. Currently, governments are spending on infrastructure about 2-4% of GDP.

A concerted action at the EU level is required to raise awareness and mobilize resources that help Africa close the existing gap in infrastructure. The European Commission is a major actor in financing infrastructure in Africa and must give an answer to the challenge.

2. What are the main policy objectives?

The Commission proposes to establish an EU-Africa Partnership for Infrastructure to support and initiate programmes (Trans-African Networks) that facilitate interconnectivity at a continental level for the promotion of regional integration. The Partnership for Infrastructure should encompass investments in trans-boundary and regional infrastructure and their regulatory frameworks in the widest sense: transport networks (roads, railways, inland waterways, ports and airports), water and energy infrastructure and connections as well as telecommunication networks.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

- i) One option would be to maintain the current approach which relies on national programmes in support of national strategies in the sectors of transport, water, energy and information and communication technologies (ICT).
- ii) A second option would be to establish a partnership on infrastructure with the relevant African institutions, opened to EU Member States and other actors, to mobilise additional resources in support of interconnection infrastructure (trans-African networks) with a regional or continental dimension.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

The first option will not address the current demand from our African partners for an increased attention to regional and continental infrastructure. The second option will open a window opportunity to leverage funds in support of the definition and eventual development of trans-African networks that will help regional integration efforts. The principle of ownership will be guaranteed since African Union, Regional Economic Communities (REC) and other relevant institutions will be fully associated from the early stages of the process.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done

(e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

Data, studies, evaluation results and expertise in the area of infrastructure exist already within Commission' services. There is also a large amount of information made available to us by Nepad (Infrastructure Short-term Action Plan), the World Bank and other partners. Should additional, non-readily available, information be required an external contractor might be hired.

6. Which stakeholders & experts will be consulted, how and at what stage?

Member States, European Investment Bank, African Union, RECs through both formal and informal consultations all along the process of formulation of the communication.

7. Will an inter-service steering group be set up for the IA?

Given the focus of the communication on infrastructure in Africa, cross-cutting implications are not expected; therefore, no group will be set up.

ROADMAP

Title of the proposal: Communication from the Commission to the Council and the European Parliament on the **monitoring of Bulgaria and Romania** composed of:

- Summary Paper on the Comprehensive Monitoring Reports for Bulgaria and Romania
- Comprehensive Monitoring Reports for Bulgaria and Romania

Expected date of adoption of the proposal: 2nd Quarter 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

The Copenhagen European Council of June 1993 stated that those candidate countries of Central and Eastern Europe who wish to do so shall become members of the Union if they meet the following conditions:

- stability of institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities;
- the existence of a functioning market economy, as well as the ability to cope with competitive pressures and market forces within the Union;
- the ability to take on the obligations of membership, including adherence to the aims of political, economic and monetary union.

In order to assess progress achieved by each country in preparing for accession, following the publication of the Commission's Opinions on the applications for membership of the candidate countries in 1997, the Commission submits Progress Reports to the Council and the European Parliament. The reports serve as a basis for the Council to take decisions on the conduct of the negotiations.

2. What are the main policy objectives?

The main policy objectives of enlarging the Union to include these countries: [Bulgaria](#), and [Romania](#), are political, economic, and cultural:

The extension of the zone of peace, stability and prosperity in Europe will enhance the security of the whole continent. Rapidly growing economies would boost economic growth in general and should contribute to creating jobs in both old and new Member States.

There will be a better quality of life for citizens throughout Europe as the new members adopt EU policies for protection of the environment and the fight against crime, drugs and illegal immigration.

The arrival of new members will enrich the EU through increased cultural diversity, interchange of ideas, and better understanding of other peoples.

Enlargement will strengthen the Union's role in world affairs - in foreign and security policy, trade policy, and the other fields of global governance.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

The enlargement policy is outside the realm of the Commission's right of initiative and therefore not a policy, which the Commission can strictly speaking propose on the basis of policy options – and their impact assessments. Nevertheless, an important impact assessment element is built into the enlargement process since its inception.

To a large extent the impacts of future accessions are discounted in the Treaty's open-ended wording. The Copenhagen criteria set out more precise criteria (economic, political and regulatory or acquis-related) against which applications from non-member European countries are to be assessed by the Union on a case by case basis.

The Treaty and the Copenhagen criteria thus effectively set the framework for the whole of the enlargement processes and narrow down the assessment criteria that can be used against forward and actual impacts of the implementation of this policy.

A third step in the process that led to the founding of the fifth enlargement was the Agenda 2000, which i.a. enabled the

financial framework for foreseeable accessions and considered their impacts. The communication [COM(97) 2000] described, in a single text, the overall prospects for the development of the European Union and its policies, the horizontal problems occasioned by enlargement and the shape of a future financial framework, in the context of an enlarged Union. The Commission opinions on each country's application have further explored, within the framework of the applicable criteria, the likely and foreseeable impacts for the country and the Union.

Within this rather precisely charted terrain, the enlargement process for each country runs as a continuous feedback loop, whereby compliance gaps relative to the criteria are identified, the countries then take commitments and measures to plug them – which the Commission again vets, partly funds, monitors and eventually evaluates.

In this sense accession processes are underpinned by a permanent impact assessment loop that in the run-up to the Accession Treaties culminates in the final Commission opinion, and Council decision, on the country's readiness for accession, including a date and any transition measures and safeguard clauses.

In March 1998 the EU formally launched the process that will make enlargement possible. The applicant countries Bulgaria and Romania, are part of this process.

In order to assess progress achieved by each country in preparing for accession, following the publication of the Commission's Opinions on the applications for membership of the candidate countries in 1997, the Commission submits Progress Reports to the Council and the European Parliament. The reports serve as a basis for the Council to take decisions on the conduct of the negotiations.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

The impacts of enlarging the Union to include these countries: Bulgaria and Romania, are political, economic, and cultural:

The extension of the zone of peace, stability and prosperity in Europe will enhance the security of the whole continent. Rapidly growing economies would boost economic growth in general and should contribute creating jobs in both old and new Member States.

There will be a better quality of life for citizens throughout Europe as the new members adopt EU policies for protection of the environment and the fight against crime, drugs and illegal immigration.

The arrival of new members will enrich the EU through increased cultural diversity, interchange of ideas, and better understanding of other peoples.

Enlargement will strengthen the Union's role in world affairs - in foreign and security policy, trade policy, and the other fields of global governance.

Benefits are already visible: In Central and Eastern Europe, stable democracies have emerged, with democratic institutions and increased respect for minorities. The economic reforms in these countries have led to high rates of economic growth (higher than in the EU) and better employment prospects. This process has been helped and encouraged by the prospect of EU membership, and by the EU's financial assistance. As a result the Union enjoys growing trade with these countries, and this generates employment and growth in the Member States.

Bulgaria and Romania

In the 2004 Regular Reports, progress made by Bulgaria and Romania towards meeting the membership criteria was assessed, in terms of legislation and measures actually adopted or implemented. These Progress Reports assessed Bulgaria and Romania's ability to assume all obligations of membership by accession. They evaluated progress made over the last year and also looked at progress achieved by each country since the 1997 Opinions and their track record in implementing the commitments made in the negotiations.

The Commission's assessment confirmed that the Union's pre-accession strategy with Bulgaria and Romania had been a success. Both countries had made further progress in their preparations. They both continued to meet the political criteria and they both fulfilled the criterion of being a functioning market economy.

The Reports gave a detailed analysis of where each country stood in the various areas. They pointed to a number of areas where further improvements still needed to be made. Both countries needed to continue their efforts in order to remedy shortcomings identified. For example, they needed to improve the functioning of their public administration and judiciary, and their fight against corruption. They also needed to continue efforts to develop a sufficient administrative capacity to apply the *acquis* by accession. And the Union would continue to help them through the pre-accession strategy which includes substantial financial aid.

Comprehensive Monitoring Reports for both countries are due to be completed on 25 October 2005.

B. Planning of further impact assessment work

6. Which stakeholders & experts will be consulted, how and at what stage?

The Comprehensive Monitoring Report draws on expertise available within the Commission services as a whole but also on information and opinions gathered from a range of external official and non-official sources.

The Commission receives contributions from the governments of the countries concerned, from the major international organisations and a number of NGOs which are active in the countries concerned and in the fields covered by the monitoring (such as rule of law and public administration; fundamental rights; economic policy). The sources used also include Council deliberations and European Parliament reports and resolutions

7. Will an inter-service steering group be set up for the IA?

No, but there will be an inter-service consultation with the participation of all commission services.

ROADMAP

Title of the proposal: Communication from the Commission to the Council and the European Parliament on the 2006 Enlargement Package composed of: Strategy Paper on **Enlargement**
 Progress Reports on Croatia, Turkey, Albania, Bosnia and Herzegovina, the former Yugoslav Republic of Macedonia, Serbia and Montenegro/Kosovo
 Comprehensive Monitoring Reports for Bulgaria and Romania
 Expected date of adoption of the proposal: 4th Quarter 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

The European Council at Feira explicitly recognised the Western Balkan countries' vocation as "potential candidates" and spoke of "a clear prospect of accession" once the relevant conditions had been met.

The Copenhagen European Council of June 1993 stated that those candidate countries of Central and Eastern Europe who wish to do so shall become members of the Union if they meet the following conditions:

a) stability of institutions guaranteeing democracy, the rule of law, human rights and respect for and protection of minorities;
 the existence of a functioning market economy, as well as the ability to cope with competitive pressures and market forces within the Union;

b) the ability to take on the obligations of membership, including adherence to the aims of political, economic and monetary union.

The same basic entry requirements apply to the countries of the Western Balkans as to other countries that aspire to join the Union.

The countries must also meet the criteria specific to the SAP as set out in the Conclusions of the General Affairs Council in April 1997 and in accordance with the Commission Communication of May 1999 on the establishment of the SAP¹. These criteria include full co-operation with the International Criminal Tribunal for the former Yugoslavia (ICTY)², respect for human and minority rights, the creation of real opportunities for refugees and internally displaced persons to return and a visible commitment to regional co-operation.

In order to assess progress achieved by each country in preparing for accession, following the publication of the Commission's Opinions on the applications for membership of the candidate countries in 1997, the Commission submits Progress Reports to the Council and the European Parliament. The reports serve as a basis for the Council to take decisions on the conduct of the negotiations.

2. What are the main policy objectives?

The main policy objectives of enlarging the Union to include Bulgaria, Romania, Croatia and [Turkey](#) are political, economic, and cultural:

The extension of the zone of peace, stability and prosperity in Europe will enhance the security of the whole continent. Rapidly growing economies would boost economic growth in general and should contribute to creating jobs in both old and new Member States.

¹ COM (99) 235

² Cooperation with the ICTY is a legal obligation under UN Security Resolution 827 of 25 May 1999. It is also an obligation under the General Framework Agreement for Peace (the "Dayton/Paris Peace Agreement").

There will be a better quality of life for citizens throughout Europe as the new members adopt EU policies for protection of the environment and the fight against crime, drugs and illegal immigration.

The arrival of new members will enrich the EU through increased cultural diversity, interchange of ideas, and better understanding of other peoples.

Enlargement will strengthen the Union's role in world affairs - in foreign and security policy, trade policy, and the other fields of global governance.

In the case of the Western Balkan countries, the SAP has been designed to help them transform their aspiration to join the Union into reality, and to establish a strategic framework for their relations with the EU.

The components of the SAP are the following:

Stabilisation and Association Agreements (SAA), modelled on the Europe Agreements and also containing SAP related specificities.

Autonomous Trade Measures (ATMs). In November 2000 the EU unilaterally granted almost totally free access to its markets for goods from the Balkans. The aim was clear: to boost the general level of imports from the Western Balkan countries, and thereby to encourage economic growth in the region as well as serving as a catalyst to the development of a network of free-trade agreements between the countries of the SAP and beyond.

Assistance (through CARDS), designed to bring a more strategic approach to the support to the countries of the region and to reinforce the objectives of the Stabilisation and Association process.

Regional co-operation also constitutes an essential element of the SAP and is a specific requirement under the Stabilisation and Association Agreements.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

The enlargement policy is outside the realm of the Commission's right of initiative and therefore not a policy, which the Commission can strictly speaking propose on the basis of policy options – and their impact assessments. Nevertheless, an important impact assessment element is built into the enlargement process since its inception.

To a large extent the impacts of future accessions are discounted in the Treaty's open-ended wording. The Copenhagen criteria set out more precise criteria (economic, political and regulatory or acquis-related) against which applications from non-member European countries are to be assessed by the Union on a case by case basis.

The Treaty and the Copenhagen criteria thus effectively set the framework for the whole of the enlargement processes and narrow down the assessment criteria that can be used against forward and actual impacts of the implementation of this policy.

A third step in the process that led to the founding of the fifth enlargement was the Agenda 2000, which i.a. enabled the financial framework for foreseeable accessions and considered their impacts. The communication [\[COM\(97\) 2000\]](#) described, in a single text, the overall prospects for the development of the European Union and its policies, the horizontal problems occasioned by enlargement and the shape of a future financial framework, in the context of an enlarged Union. The Commission opinions on each country's application have further explored, within the framework of the applicable criteria, the likely and foreseeable impacts for the country and the Union.

Within this rather precisely charted terrain, the enlargement process for each country runs as a continuous feedback loop, whereby compliance gaps relative to the criteria are identified, the countries then take commitments and measures to plug them – which the Commission again vets, partly funds, monitors and eventually evaluates.

Progress achieved by each country in its preparations for accession is regularly assessed by the Commission. The Commission submits Progress Reports to the Council and to the European Parliament every year. The reports serve as a basis for the Council to take decisions on the conduct of the negotiations.

In this sense accession processes are underpinned by a permanent impact assessment loop that in the run-up to the Accession Treaties culminates in the final Commission opinion, and Council decision, on the country's readiness for accession, including a date and any transition measures and safeguard clauses.

In the case of the Western Balkan countries, the Stabilisation and Association process (SAP) is the specific policy framework for relations with the EU. Since its inception in May 1999 the aim of the Stabilisation and Association process has been to equip the countries of the Western Balkans with the means, based on European practice and standards, to maintain stable democratic institutions, to ensure that the rule of law prevails and to sustain open and prosperous economies. Underlying this is the desire to replicate the successful transition achieved by the countries of Central and Eastern Europe before beginning negotiations on accession to the EU.

The “Thessaloniki Agenda for the Western Balkans” of June 2003 reconfirmed the “European perspective of the countries of the Western Balkans, as potential candidates”. The Thessaloniki European Council enriched the EU’s policy for the region, borrowing some elements of the enlargement method, and decided that the SAP “will constitute the overall framework for the European course of the Western Balkan countries, all the way to their future accession.”

The annual Progress Report on the Stabilisation and Association Process in the Western Balkan countries is the main tool for the Commission to present its assessment of the progress of the reform process and the implementation of the SAP in the region to the Council and to the European Parliament. The Report assesses political and economic developments and also discusses some of the instruments of the process, such as the assistance and the trade measures. On the basis of this analysis, the Commission makes recommendations related to the region.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

The impacts of enlarging the Union are political, economic, and cultural:

The extension of the zone of peace, stability and prosperity in Europe will enhance the security of the entire continent. Rapidly growing economies would boost economic growth in general and should contribute creating jobs in both old and new Member States.

There will be a better quality of life for citizens throughout Europe as the new members adopt EU policies for protection of the environment and the fight against crime, drugs and illegal immigration.

The arrival of new members will enrich the EU through increased cultural diversity, interchange of ideas, and better understanding of other peoples.

Enlargement will strengthen the Union’s role in world affairs - in foreign and security policy, trade policy, and the other fields of global governance.

Benefits are already visible: in Central and Eastern Europe, stable democracies have emerged, with democratic institutions and increased respect for minorities. The economic reforms in these countries have led to high rates of economic growth (higher than in the EU) and better employment prospects. This process has been helped and encouraged by the prospect of EU membership, and by the EU’s financial assistance. As a result the Union enjoys growing trade with these countries, and this generates employment and growth in the member states.

Bulgaria and Romania

In the 2004 Regular Reports, progress made by Bulgaria and Romania towards meeting the membership criteria was assessed, in terms of legislation and measures actually adopted or implemented. These Progress Reports assessed Bulgaria and Romania’s ability to assume all obligations of membership by accession. They evaluated progress made over the last year and also looked at progress achieved by each country since the 1997 Opinions and their track record in implementing the commitments made in the negotiations.

The Commission’s assessment confirmed that the Union’s pre-accession strategy with Bulgaria and Romania had been a success. Both countries had made further progress in their preparations. They both continued to meet the political criteria and they both fulfilled the criterion of being a functioning market economy.

The Reports gave a detailed analysis of where each country stood in the various areas. They pointed to a number of areas where further improvements still needed to be made. Both countries needed to continue their efforts in order to remedy

³ Conclusions of the General Affairs Council of 21 June 1999, based on the Commission *Communication to the Council and the European Parliament on the Stabilisation and Association process for countries of South-Eastern Europe* [COM(99)235 of 26.5.99].

shortcomings identified. For example, they needed to improve the functioning of their public administration and judiciary, and their fight against corruption. They also needed to continue efforts to develop a sufficient administrative capacity to apply the acquis by accession. And the Union would continue to help them through the pre-accession strategy which includes substantial financial aid.

Comprehensive Monitoring Reports for both countries are due to be completed on 25 October 2005. Further comprehensive monitoring reports are planned for Spring 2006.

Croatia

The Commission opinion on Croatia application explored, within the framework of the applicable criteria, the likely and foreseeable impacts for the country and the Union. The Council repeatedly declared that negotiations with Croatia will start as soon as there is full cooperation with the International Criminal Tribunal for the former Yugoslavia.

Turkey

Alongside the Recommendation and the 2004 Regular Report on Turkey, a first evaluation by the Commission services of the issues arising from Turkey's membership perspective has also been prepared. This working paper primarily addresses the effects of Turkey's integration in EU policies and is therefore mainly related to Copenhagen criteria on the capacity of the EU to absorb new members. The December 2004 European Council decided to open accession negotiations with Turkey on 3 October 2005 and set out the requirements for starting negotiations. These requirements have meanwhile been fulfilled by Turkey.

The working hypothesis has been to assess the possible effects on the basis of existing policies, assuming that Turkey's accession would not take place before the end of the next financial perspective.

Turkey's accession would be different from previous enlargements (population, size, geography, economy, security and military potential, cultural characteristics). The accession perspective brings new opportunities but also risks. No insurmountable obstacles have been identified (for more details see Document COM(2004) 657 final).

Turkey's membership would – inter alia - bring the following positive factors/opportunities for the EU:

The accession perspective would give solid support to the ongoing process of radical change in Turkey and could also send an important positive signal to countries in the neighbouring regions with a majority Muslim population.

The characteristics of Turkey give it a considerable capacity to actively contribute to regional and international stability. Given its geographic position, Turkey would have a major role to play in the security of energy supply of the enlarged EU.

Managing migration and asylum as well as fighting organised crime, terrorism, trafficking and smuggling would all be facilitated through closer cooperation both before and after accession.

At the same time, the prospect of Turkey's accession inevitably entails a number of risks and challenges:

In spite of its strategic assets, Turkey could also bring some regional foreign policy problems closer to the EU. Much will depend on how the EU itself will take on the challenge to become a fully fledged foreign policy player.

Accession of Turkey would increase regional disparities in the enlarged EU. A number of regions in present Member States benefiting from structural funds support could lose their eligibility on the basis of present rules.

Successful integration into the internal market depends on more horizontal reforms, such as strengthening corporate governance and regulatory frameworks intensifying the fight against corruption and improving the functioning of the judiciary.

One of the most sensitive issues relates to migration. Available studies give very different estimates of expected migrations flows following Turkey's accession. Appropriate transitional provisions and a permanent safeguard clause could be considered to avoid serious disturbances on the EU labour market.

As regards institutions, Turkey would have an important voice in the decision making process in view of its population, but like any Member State it would need to build coalitions with others in order to defend and promote its interests. The budgetary impact – on the basis of present policies – would be substantial. It is, however, impossible to know now how EU policies will evolve during this period. In any case, the financial cost of Turkey's accession will ultimately be determined by the negotiations on the basis of what the EU Member States are willing to accept.

Western Balkans

The establishment of closer links with Albania, Bosnia & Herzegovina, and Serbia & Montenegro through the Stabilisation and Association process will contribute to regional stability and security, will promote good governance and the rule of law in the countries and enhance trade opportunities and therefore contribute to fostering economic development. As regards the former Yugoslav Republic of Macedonia, its status within the Stabilisation and Association process will depend on the outcome of the Commission's Opinion on the application for membership foreseen to be adopted in November 2005 and the decision to be taken by the European Council afterwards.

Negotiations on a Stabilisation and Association Agreement with Albania are reaching completion. In the 2005 Progress Report the Commission recommends to the Council the conclusion of a Stabilisation and Association Agreement with Albania.

Bosnia & Herzegovina has not yet met all 16 conditionalities contained in the 2003 Feasibility Study (police reform and the adoption of public broadcasting legislation being outstanding) and therefore SAA negotiations have not yet started. Monitoring of progress continues through existing instruments.

As regards the former Yugoslav Republic of Macedonia, the Commission's Opinion on the country's application for membership and subsequent decision of the European Council will have a clear impact on the relationship between the EU and this country. The outcome of the Opinion is not yet known.

Assuming negotiations are opened at the end of 2005, and depending on the progress achieved, the conclusion of a Stabilisation and Association Agreement with Serbia and Montenegro may be envisaged at the end of 2006.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

The Commission opinions on each country's application, the Commission annual Progress Reports and monitoring reports providing a detailed analysis of where each country stands in the various areas. Commission Communication on the establishment of the SAP and the annual SAP reports. Commission Working paper on the effects of Turkey's integration in EU policies.

6. Which stakeholders & experts will be consulted, how and at what stage?

The Progress Reports and Comprehensive Monitoring Reports draw on expertise available within the Commission services as a whole but also on information and opinions gathered from a range of external official and non-official sources.

The Commission receives contributions from the governments of the countries concerned, from the major international organisations and a number of NGOs which are active in the countries concerned and in the fields covered by the assessment (such as rule of law and public administration; fundamental rights; economic policy). The sources used also include Council deliberations and European Parliament reports and resolutions

7. Will an inter-service steering group be set up for the IA? No, but there will be an inter-service consultation with the participation of all commission services (regular meetings of the Inter- Service Group "Enlargement")

ROADMAP

Title: **Patient Capital Initiative (PCI)**

Expected date of adoption: 1st qtr 06

A. Initial impact assessment screening

1. What are the main problems identified? Are they likely to be solved satisfactorily by the sole action of Member states? (principle of subsidiarity – necessity test)
<p>The leverage of public sector funds in support of renewable energy investments has traditionally been low. Private sector project developers and entrepreneurs are not applying to traditional grant-based mechanisms due to the long lead times associated with finance decisions and the limited alignment of public and private sector interests. Furthermore, few mainstream financial institutions have renewable energy expertise within their core teams combined with the necessary expertise to invest in emerging markets. Whilst the potential for investments in renewable energy is significant and returns on investment in renewable energy are improving, returns are usually insufficient to offset the risk perceived by private commercial investors. Many commercial investors, including International Finance institutions, have minimum investment thresholds which are significantly higher than the average size of investments in renewable energy-based utilities, manufacturers. Due to the lack of effective bundling mechanisms the relative transaction costs for renewable energy projects remains high. As a result, many project and business developers active in the renewable energy sector have difficulties accessing commercial risk capital, in particular for financing investments in developing countries and economies in transition. Limited access to risk capital and limited engagement of the private sector in turn limits the possibility to follow-up on awareness raising and capacity building projects whilst also limiting the possibilities of International Finance Institutions for placing loans.</p> <p>A community based initiative, based on voluntary participation by Member States, will complement national initiatives whilst offering a significant contribution to the visibility of EU public support, to the reduction of the administrative burden for public support, and to the risk mitigation tools available to public finance institutions.</p>
2. What are the main policy objectives?
<p>The main policy objectives are to (1) create affordable “patient” risk capital so as to increase access to risk capital for entrepreneurs and project developers active in developing countries, (2) increase engagement of private sector experts and investors, and (3) increase the leverage of public sector funds.</p>
3. What are the policy options? What regulatory or non-regulatory instruments could be considered?
<p>Following the conclusion of a feasibility study, the creation of a special purpose instrument is recommended instead of the use of traditional grant-based instruments to better accommodate the partnering of public and private donors and investors and to ensure the principles of sound financial management. At this stage it is assumed that no new regulatory instrument will be required.</p>
4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?
<p>The implementation of the envisaged innovative public-private financing mechanisms will increase the leverage of public funds, reduce the risk associated with renewable energy investments in developing countries through a portfolio based approach, increase the clean energy capacity in developing countries and/or substitute expensive fossil fuel based solutions thereby generating positive effects on domestic security of supply and growth opportunities, including growth opportunities for remote rural communities, reduce greenhouse gas emissions and other pollutants, and create synergies for poverty eradication programmes.</p> <p>This initiative will increase the range of public-private financing instruments available to the European Community for guiding investment towards renewable energy and for developing renewable energy markets in developing countries and economies in transition. This initiative will complement other parallel initiatives that encourage countries and regions to establish a stable and reliable regulatory framework for encouraging the development of such markets.</p>

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

A feasibility study was conducted by financial, legal and technical experts and finalized in November 2004. The recommendations were positive and now need to be tested against the market. External professional financial managers will be hired by end October 2005 to implement the recommendations of the feasibility study and to establish a public – private investment vehicle together with interested co-investors.

6. Which stakeholders & experts will be consulted, how and at what stage?

A broad international consultation of public and private experts in renewable energy policies and investments has already taken place. Such consultation will continue to take place between 2005-2007.

7. Will an inter-service steering group be set up for the IA?

The current feasibility study has been conducted with the help of an informal inter-service group including representatives from ENV, DEV, TREN, ECFIN, AIDCO, etc. Follow-up activities will be carried out in a similar setting.

ROADMAP

Title of the proposal: EU External Relations Strategy to **Counter Terrorism**

Expected date of adoption of the proposal: Second half of 2006

A. Initial impact assessment screening**1. What are the main problems identified?**

Terrorism is an internationally recognised threat. The European Security Strategy of December 2003 acknowledges terrorism as a major threat to Europe's security. Responding to this threat requires both internal and external action. Terrorism is a cross cutting issue linked to other threats such as state failure and organised crime and particularly the danger of terrorist acquisition of WMD. The Commissions proposal for the financial instrument for stability makes specific reference to responding to terrorism other financial instrument will also contribute (neighbourhood, development).

Recognising the threat posed by global terrorism more and better targeted Community counter-terrorism technical assistance and cooperation can be provided to prioritised third countries particularly neighbourhood countries. Such assistance, to be fully effective, would need to be programmed in a co-ordinated manner working in the international framework particularly the UN Counter-Terrorism Committee.

Decisions on geographical areas and projects would be made through traditional frameworks with a view to building on existing work to maximise the Community's impact. Such assistance would primarily relate to government capacity building to strengthen third states ability to counter terrorism. (This will include inter alia support for the judiciary, the police, border control, transport security, export control, customs, and consequence management.)

This policy will help underpin the overall security of the Union by reducing the risk of terrorism abroad. As a consequence the security of EU citizens and EU interests both here and abroad will be strengthened.

2. What are the main policy objectives?

To support the EU's Counter Terrorism objectives, in particular,

- To strengthen 3rd country partners capacities to counter terrorism in line with international commitments.
- To support United Nations objectives and promote international standards in the fight against terrorism
- To contribute to the overall security of the EU citizen.

In 2006, the objective will be to further strengthen the role of the Community both through political relations with third countries and through the development of a horizontal strategy for counter-terrorism assistance which maximizes the practical and political impact.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

Developing a horizontal strategy to encourage projects aimed at countering terrorism in third states through the appropriate legal instruments under the new financial perspectives (2007-2013).

In 2006, the Community role on counter-terrorism will require engagement with the geographic and country delegations to develop horizontal programming for Counter Terrorism policies and activities under the appropriate legal instruments, under the 2007-2013 financial perspectives.

The aim would be to further mainstream actions relevant to the fight against terrorism in the programming of all appropriate programming instruments.

In this context and subject to developments concerning the financial perspective 2007-2013 and the provision of staff resources a Communication may be considered in the course of 2006. The Communication would primarily address best practice on Counter Terrorism assistance.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?
Such an initiative on the part of the Commission will improve international efforts to combat terrorism, the visibility of EU and EC action and the security of the EU citizen at home and abroad.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?
Considerable information on third country Counter Terrorism needs is already available particularly in the United Nations, other international organisations (G8, IMF and others) and Member States.

6. Which stakeholders & experts will be consulted, how and at what stage?
Consultations are ongoing under existing arrangements and involve the Commission services, the Council Secretariat, Member States governmental and non-governmental experts, the European Parliament, international organisations (UN, G8) and key international partners.

7. Will an inter-service steering group be set up for the IA?
An Inter-service Steering group has already been set up.

ROADMAP

Title of the proposal: EU policy in the field of Conventional Disarmament. Commission Communication
Conventional Disarmament as contribution to Human security
 Expected date of adoption of the proposal: Second half of 2006

A. Initial impact assessment screening

1. What are the main problems identified?

It is widely recognised that in post-conflict situations the amount of conventional weapons, notably remnants of war, small arms and light weapons left behind by official or rebel fighters and/or by armed civilians represents a major, constant threat to the security of populations, to the efforts of stabilisation and to durability of the development of the country. The proliferation and uncontrolled spread of conventional arms and their delivery systems, in particular small arms and light weapons (SALW) as well as unexploded (UXO) and abandoned explosive ordnance (ERW) have massive humanitarian, security, economic and societal consequences.

The EC lacks the appropriate legal basis and budget to cope with the issues of excessive accumulation and illegal possession of conventional weapons as a whole. This prevents the EC from contributing with a specific policy in this field and the EU from playing an essential role in the pursuit of human security and stabilisation of fragile states.

2. What are the main policy objectives?

- To contribute to the human security of populations, notably those in post-conflict situations or in unstable or fragile states as well as the neighbouring and pre-accession states.
- To reduce the spread, destabilising accumulation of surplus weapons, to eliminate the threats posed to civilians by conventional weapons and ammunition and abandoned or unexploded ordnance notably Anti-personnel Landmines, left behind by conflicts, contribute to stem the illegal accumulation and transfers of conventional weapons, contribute to a better control of the arms transfers.
- To assist third countries to comply with the Mine Ban Treaty and to implement the UN Programme of Action in the field of SALW.

To merge the Anti-Personnel Landmines policies, programmes and the political and financial commitments already undertaken by the Commission in this area with the new strategic and programming of a policy on APL, SALW and ERW, for implementation, with a commensurate budget, under the new financial perspectives.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

In 2004 and 2005 exploratory activities have been undertaken by the Commission through two Pilot Projects on SALW and ERW in order to identify the problems as well as best practices and start the establishment of a policy and programming capacity to cope with the numerous and diverse issues at stake.

The policy instrument considered is a Communication from the Commission to the European Parliament and the Council aiming at extending the scope of the Anti-Personnel Landmines Regulations (1724/01 and 1725/01), which provides a stepping stone for a wider action on weapons removal actions.

Subsidiarity is proved by the need already recognised by MS to have a CFSP budget to be used for Small Arms and Light Weapons, and related ammunition, while Community instruments have been created to deal with the problem of Landmines.

In 2006, the strengthening of the Community role and instruments in the field of Human security/conventional weapons control/removal will require:

- 1) The presentation of the Communication (preparation to start end 2005);
- 2) Engaging the Programming of the EC Conventional weapons policies and activities under appropriate legal instruments (e.g. Stability, Neighbourhood and Development Instruments) under the 2007-2013 financial perspectives;
- 3) Extend overall internal and external co-ordination of policies and programmes to the different categories of policies and programmes to the different categories of conventional weapons, to be introduced via the new legal bases. These activities are to be added to current Conventional Disarmament portfolio.

As foreseen in the Annual Policy Strategy 2006, the Commission proposes to give the EC an appropriate legal basis to cover all threats posed by all Conventional Weapons, extending the policy capacity acquired in the area of Antipersonnel Landmines (APL) also to SALW and ERW. This possible legal basis will need to be articulated and argued in a dedicated Communication. In turn, this Communication will pave the way to the Multi-annual Programming exercises under

appropriate legal instruments (e.g. Stability, Pre-accession, Neighbourhood and Development Instruments).

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

On a preliminary basis, such an initiative on the part of the Commission will improve the safety of populations victimised by past conflicts, will have an impact on the Community's and MS's development assistance, will contribute to stabilisation of countries in post-conflict situations and to prevent re-emergence of hate, violence and instability. It is recognised that such a policy will furthermore have an impact on the measures to fight terrorism and crime.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

A Preparatory Action is likely to be approved in 2006 in order to provide further assessment of the impact of such a policy.

6. Which stakeholders & experts will be consulted, how and at what stage?

Consultations will involve the Commission services, the MS governmental and non-governmental experts, the European Parliament, competent international organisations and the NGOs community. These consultations start in 2005 (November Conference under the first Pilot Project) and will continue in 2006 via the second Pilot Project as well as the Preparatory Action.

7. Will an inter-service steering group be set up for the IA?

An Inter-service Steering group has already been set up in the framework of the first Pilot Project.

ROADMAP

Title of the proposal: Strategy for and Programming of the Community contribution to **non- proliferation and disarmament of WMD**

Expected date of adoption of the proposal: April 2006

A. Initial impact assessment screening

1. What are the main problems identified?

WMD (and related material, equipment, expertise) Proliferation is recognised as one of the major threats. It covers both State and non State actors (terrorists). This is stated in the European Security Strategy and also the substance of the UNSCR 1540. All nations are bound to develop and implement effective measures to combat the proliferation of WMD and related materials. A lot of nations will require help and support to proceed. The EU has declared its readiness to help.

2. What are the main policy objectives?

The main policy objective is twofold:

- 1) to support the EU WMD Strategy which asks to increase the Community financial means in the next budget cycle (2007-2013)
- 2) to support the commitment made in the framework of the G8 Global Partnership against the proliferation of WMD (1 billion Euros between 2002 and 2012).

The objective of this initiative is to take concrete steps to allow the financing of projects over the period 2007-2013 through the appropriate new legal instruments (Stability Instrument, Nuclear Safety Instrument or other as appropriate).

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

Developing a programme to finance initiatives and projects against the proliferation of WMD through the appropriate legal instruments under the new financial perspectives (2007-2013).

In 2006, the strengthening of the Community role and instruments in support to WMD non-proliferation and disarmament will require :

- 1) the presentation of a communication (preparation will start at the end of 2005);
- 2) engaging the programming of the EC WMD co-operative threat reduction policies and activities under the appropriate legal instruments, under the 2007-2013 financial perspectives.

The draft communication should be available for first inter-service round at the end of March 2006.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

A Pilot Project entitled "Reinforcing EU Cooperative Threat Reduction Programmes: Community action in support of the European Union Strategy against Proliferation of Weapons of Mass Destruction" is currently ongoing with the aim to provide an adequate impact assessment.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

Given a lack of data already available and the need to gather more information, a Pilot Project (2004) has been carried out by external contractors in 2005. Research studies have been conducted by SIPRI, the Stockholm International Peace Research Institute, on behalf of UNIDIR (the United Nations Institute for Disarmament Research).

6. Which stakeholders & experts will be consulted, how and at what stage?

Consultations will involve the Commission Services, the Council, the EU Member States and the European Parliament.

7. Will an inter-service steering group be set up for the IA?

An inter-service Steering Group for Non-Proliferation of WMD exists already and meets every three months. Additionally, a specific Steering Committee for the Pilot Project has been set up.

ROADMAP

Title of the proposal: Communication on **External Aspects of Competitiveness**

Expected date of adoption of the proposal: April 2006

A. Initial impact assessment screening

1. What are the main problems identified?

The top priority today is to restore sustainable dynamic growth and jobs in Europe with a view to put Europe back on track to long term prosperity, in accordance with the new Lisbon strategy. In the last decade, Europe's growth and productivity gains have failed to match those of its major economic partners. A low labour force participation and employment ratio give rise to sluggish internal demand, low investment and innovation, and directly feed oppositions to structural change as well as to open and competitive markets. Greater openness to trade and investment represents a major engine of growth and productivity gains through greater competition, better specialisation based on comparative advantage, innovations generated by greater competition; the technology included in foreign imports and investments, and increased economies of scale. Trade negotiations can offer new opportunities to open new markets for European exports and better rules to improve fair competition with a view to develop qualified jobs in Europe.

2. What are the main policy objectives?

The Communication will assess a critical review of the current trade policy impact on European competitiveness and make some recommendations on trade and trade related policies to maximise their contribution to the main objectives of the new Growth and Jobs Strategy. The Communication will represent a general framework for new initiatives in trade and trade related policies and will pave the way for more specific communications and EU actions.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

Conducted at the multilateral, bilateral and unilateral level, the European trade policy entails a mix of different tools which cover all the main aspects of trade in goods and services (tariff and non-tariff barriers, trade defence, particularly in cases of dumping and subsidies, export loans, etc.) as well as key aspects of intellectual property, investment and public procurement. The purpose of this Communication is to give a general overview of trade and trade related policies and to propose a new set of policy options. As a general framework for new initiatives, the Communication will pave the way for more specific communications, which will possibly entail regulatory or non-regulatory instruments. For instance, the Communication will give rise to more specific communications and regulatory or non-regulatory instruments concerning the definition of a new Market Access Strategy, as foreseen in the 2006 Annual Policy Strategy, and a new public procurement tool. The policy options could be the status quo, or to establish a new mix of policies in the range of trade and trade related policies or to develop new tools.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

Economically, socially and environmentally, each European citizen and entity may be affected by trade and trade related policies. As the main focus of the Communication is on competitiveness, special attention will be given to trade and investment flows, the functioning of markets, growth and employment and more broadly speaking to the overall macroeconomic environment. Specific issues that would be examined will be:

1. the impact of price changes on households revenues and on job creation or destruction;
2. the specific impacts on certain regions, sectors and workers in the EU;
3. the consistency of the proposals with the EU network of international agreements, as well as with the objectives of EU/EC development policy;
4. the impact on least developed and other developing countries, with particular attention to the countries with which we have preferential trade arrangements;
5. the impact on employment and labour market, in particular on the scope of the demand for labour and its quality.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

The impact assessment of the major policy options which will be under review in the Communication will build on existing and new studies and tools which have long been used by the DG Trade such as the Sustainability Impact Assessment and the Framework Contract to Provide Economic Analysis in Support of Multilateral and Bilateral negotiations.

6. Which stakeholders & experts will be consulted, how and at what stage?

DG TRADE will circulate a working paper in order to give all parties the possibility to react and to express their views. On this basis, a process of stakeholder consultation will be launched. The main identified stakeholders are: civil society, which is to be consulted through the Civil Society Dialogue; business representatives and academics who will be given the opportunity to react and express their view in an important symposium on Market Access to be organised in September 2005 as well as at the occasion of the Competitiveness Day to be organised by UNICE in October. The Communication proposal will be presented to the Member States through the 133 Committee and to the MEP through the MEP Trade Committee.

7. Will an inter-service steering group be set up for the IA?

No

ROADMAP

Title of the proposal: Communication de la Commission au Conseil, au Parlement et au Comité Economique et Social sur la **Stratégie Européenne d'Accès aux Marchés**

Expected date of adoption of the proposal: Septembre 2006

A. Initial impact assessment screening

1. What are the main problems identified?

L'année 2006 marque le dixième anniversaire de la Communication COM(96) 53 du 14 février 1996 par laquelle la Commission Européenne a élaboré une Stratégie Européenne d'Accès aux Marchés. Cette stratégie précise les objectifs d'ouverture des marchés. Elle explicite spécifiquement les modalités d'action fondées sur l'identification et la levée des barrières à l'accès aux marchés extérieurs à l'Union et leur enregistrement dans une Base de Données gratuite, la Base de Données Accès aux Marchés. Ce dixième anniversaire de la Stratégie Européenne d'Accès aux Marchés fournit une bonne occasion de réviser cette Stratégie dans le sens d'une proactivité toujours améliorée.

C'est aussi en 2006 que débute la mise en œuvre concrète de la stratégie à 5 ans présentée par le Président de la Commission le 26 Janvier 2005 et qui vise notamment à renforcer la stratégie de Lisbonne. L'un de ses objectifs majeurs est ainsi d'assurer une plus grande prospérité pour les Européens. De ce point de vue, l'amélioration de l'accès aux marchés est un point clé du renforcement de la compétitivité européenne. En effet, les marchés de pays émergents parmi les plus importants (l'Inde, le Brésil et la Chine pour ne citer qu'eux) sont moins ouverts que ceux de l'Union Européenne ce qui offre un potentiel d'augmentation de nos exportations qu'il convient d'exploiter. Pour faire bénéficier les entreprises européennes de la forte réduction des coûts de transport et de communication à l'échelle mondiale, il convient aussi de lever les barrières à l'accès aux marchés dont les effets sont désormais prépondérants : défauts de protection des droits de propriété intellectuelle, obstacles techniques au commerce, obstacles au commerce des services, freins à l'investissement dans les pays tiers. Ces défis exigent de poursuivre et d'amplifier la Stratégie Européenne d'Accès aux Marchés.

2. What are the main policy objectives?

L'adaptation des modalités d'action de la Stratégie Européenne d'Accès aux Marchés est nécessaire pour développer l'ouverture des marchés mondiaux, au bénéfice de l'Union Européenne comme des pays tiers. Il s'agit d'utiliser au mieux l'ensemble des instruments de politique commerciale, qu'ils impliquent des négociations aux niveaux multilatéral régional et bilatéral ou qu'ils prennent la forme d'instruments spécifiques tels que le dialogue réglementaire qui vise à suivre la bonne mise en œuvre des engagements pris par nos partenaires. L'interactivité avec les entreprises européennes découlant de l'utilisation de la Base de Données Accès aux Marchés constitue à cet égard un atout qu'il convient d'exploiter plus finement.

En termes de politique commerciale, les objectifs concernent la facilitation des exportations de biens et de services, et des investissements, notamment dans les pays émergents à fort potentiel de croissance. Il s'agit aussi, en levant les barrières à l'accès aux marchés où qu'elles se trouvent, d'aider les entreprises européennes travaillant dans les secteurs à plus fort potentiel, à tirer profit de la spécialisation sectorielle mondiale par des économies d'échelle. Il est prévu que les critères d'importance de ces pays et secteurs soient énoncés dans une communication de la Commission prévue pour avril 2006 sur le thème des aspects externes de la compétitivité.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

Les options disponibles sont les suivantes :

- le maintien du contenu actuel de la Stratégie Européenne d'Accès aux Marchés, le cas échéant complété par des améliorations ponctuelles concernant tel ou tel acteur, tel ou tel pays, ou tel ou tel type de barrière,
- l'amplification de la Stratégie Européenne d'Accès aux Marchés par une mobilisation accrue de l'ensemble des acteurs concernés par sa mise en œuvre et par la définition de priorités énoncées le cas échéant dans une déclaration ou un rapport annuel.

Seule la deuxième option paraît de nature à répondre aux défis actuels.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

Les impacts attendus concernent *in fine* les entreprises européennes, par une meilleure information sur les barrières à l'accès aux marchés et sur les actions engagées pour les lever, et par une meilleure maîtrise du processus de levée des

barrières prioritaires. Ceci doit permettre d'améliorer la performance globale en matière d'accès aux marchés, d'améliorer la compétitivité des entreprises européennes et d'augmenter les échanges et ainsi la croissance économique.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

◆ Une enquête « ouverte » avait été lancée à la fin de l'année 2004 auprès des Etats Membres en vue de recueillir leurs souhaits concernant la base de données Accès aux Marchés et plus généralement la mise en œuvre de la Stratégie Européenne d'Accès aux Marchés. Les premiers résultats ont fait apparaître un niveau de satisfaction élevé mais des marges de progrès dans la mobilisation autour de la Base de Données.

◆ Tirant le meilleur parti des indications fournies par les Etats Membres, des questionnaires « fermés » ont été largement diffusés au début de l'année 2005 auprès d'entreprises de toutes tailles et d'organisations des Etats Membres qui sont impliquées dans le commerce international. Les fédérations européennes ont également été consultées.

Le bilan synthétique de ces enquêtes sera présenté au Symposium Européen Accès aux Marchés du 19 Septembre 2005.

◆ En outre, depuis le dernier trimestre 2004, les contacts avec des organisations professionnelles représentatives de secteurs européens considérés comme prioritaires ont été dynamisés en vue de dégager les moyens d'une plus grande efficacité de l'action de la Commission Européenne.

◆ Ces démarches sont poursuivies et complétées par des études complémentaires en cours :

- une étude de benchmarking des principales Bases de Données d'accès aux marchés disponibles dans le monde,
- des enquêtes qualitatives menées auprès d'entreprises de toutes tailles et de fédérations européennes en vue de connaître plus finement les améliorations qu'elles attendent,
- une exploitation des avis qui seront transmis par toutes les autres parties intéressées (y compris les organisations syndicales...).

En outre, des informations issues d'une évaluation de la Base de Données Accès aux Marchés dont la consultation a été lancée avant l'été seront utilisées dès qu'elles seront disponibles, la période cible étant la fin du premier trimestre 2006.

6. Which stakeholders & experts will be consulted, how and at what stage?

Voir la question précédente.

7. Will an inter-service steering group be set up for the IA?

Si la préoccupation d'Accès aux Marchés est horizontale, elle concerne en pratique les services de la DG Commerce. Aucun Groupe Interservice n'est donc à prévoir.

ROADMAP

Title of the proposal: Draft recommendation for a negotiating mandate for an economic integration and free trade agreement with the **Republic of Ukraine**

Expected date of adoption of the proposal: End of 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

The proposal will not address a problem but will aim at achieving opportunities resulting from deep economic integration between the EU and Ukraine. The negotiation of a bilateral free trade agreement with Ukraine, after Ukraine has joined the World Trade Organisation, is part of the EU-Ukraine European Neighbourhood Policy action plan.

2. What are the main policy objectives?

To achieve a deep trade and economic integration between the EU and Ukraine

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

International agreement

4. What are the impacts likely to result from each policy option and who is affected?

Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

Both the EU and Ukraine will be affected, in a positive manner. Specific positive effects will include:

- Increase in trade between Ukraine and the EU
- Deep economic reforms in Ukraine, with a view to achieving a high level of regulatory convergence with the *acquis communautaire*
- Further economic and business opportunities offered to both EU and Ukrainian companies.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

The update of an existing feasibility study began in September 2005. The study has been contracted to an external consultant. Results of the study are expected by the fall of 2005. This study will gather most of the data needed for an impact assessment that is not already available internally.

6. Which stakeholders & experts will be consulted, how and at what stage?

Member States – 133 Committee. Contacts with the EU industry will also be organised.

7. Will an inter-service steering group be set up for the IA?

The feasibility study will be monitored and managed by DG Trade and DG Relex, with the active participation of the Ukrainian authorities. The inter-service group working on the proposal for the agreement will also be consulted on the impact assessment.

ROADMAP

Title of the proposal:

Communication to the European Parliament and the Council on the development of a **pan-European energy market**

Expected date of adoption of the proposal: December 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

La sécurité de l'approvisionnement est un enjeu stratégique majeure pour l'UE. A moins d'une percée technologique importante, toutes les prévisions concourent au fait qu'elle restera fortement dépendante des sources externes de pétrole et de gaz naturel dans les décennies à venir. Il faut dès lors gérer au mieux cette pénurie au niveau Communautaire et tisser des liens forts avec les principaux pays producteurs et de transit ainsi qu'avec les grands pays consommateurs.

Faisant suite aux actions déjà en cours, notamment la coopération avec la Russie, cette Communication discutera de la création d'un marché paneuropéen de l'énergie, fondé sur la complémentarité des stratégies énergétiques de l'Union et de nos voisins immédiats qu'ils soient producteurs, consommateurs ou pays de transit. Ce marché pourrait inclure la Russie, l'Ukraine, la Turquie, les pays de Balkans et celles du Maghreb.

Any pan-European energy market would be based on the internal energy market of the EU. Thus, issues of feasibility, costs and benefits and ways forward need to be considered at EU level and with the EU's partners.

2. What are the main policy objectives?

The main policy objectives which would be pursued by the creation of a pan-European energy market are (i) security of energy supply for the EU and its neighbours, and (ii) enhanced cooperation throughout the region, fostering conditions for peace, stability, security, sustainable development and growth.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

The EU has developed in recent years considerable experience in cooperation in the energy field with neighbouring and partner countries, based on a range of structures from dialogue to Treaty-based market integration. This year the EU will sign the Energy Community Treaty with nine States of South East Europe. Furthermore, the EU has developed a wider cooperation within the Euromed framework. From 2000 EU has initiated an energy dialogue with Russia.

In the future the options could be to do nothing more, develop the continental integration of electricity and gas markets, or to push forward a global comprehensive continental market (including oil, renewable, nuclear energy, energy efficiency etc...) in order to improve convergence between energy strategies all over the continent and build an integrated sustainable energy policy.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

Do nothing will restrain the EU competitiveness in the medium and long term.

Limiting continental integration to electricity and gas will not allow an integrated sustainable energy policy for the future. In both cases lack of coordinated energy policies and strategies would hinder security of energy supply of the EU.

A pan-European energy market would be likely to have a substantial impact on incentives for investments and infrastructure development, technological diversification, energy efficiency and demand, security of supply, environmental impacts, safety and competitiveness, in Europe and in neighbouring and partner countries. Experience of cooperation to date can provide indications, will be the main basis of the Impact Assessment and will be included in the Communication.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

As noted above, experience of cooperation to date can provide indications and will be the main basis of the Impact Assessment, which will be produced in-house. The Communication on the implementation of the 2000 Green Paper on European energy supply security (CLWP 2005/TREN/068), to be adopted in 2006, will include first elements and an overview.

6. Which stakeholders & experts will be consulted, how and at what stage?

Public consultations with stakeholders (Member States, industries and consumers) will take place in the second half of 2006, based on the draft Impact Assessment and draft Communication.

7. Will an inter-service steering group be set up for the IA?

Yes

ROADMAP

Title of the proposal: **White Paper “European transport policy for 2010: time to decide” 2005 Mid Term review**

Expected date of adoption of the proposal: 4th quarter 2005

A. Initial impact assessment screening

1. What are the main problems identified?

- The transport system is subject to rising congestion which amounts to 0.5% of GDP, increasing pollution including CO₂ emissions (transport produces 26% of CO₂ emissions in EU-25), and lack of safety notably in road transport where there are near 50 000 fatalities each year in the EU-25. At the same time other modes of transport less polluting and safer have large unused capacities and either are growing less than road transport or are being marginalised, as it is the case of freight railways. These problems should become worse as traffic tends to grow coupled to GDP, in particular freight transport. The enlargement has added a new dimension to these problems as a much less developed infrastructure has to meet the needs of a quickly rising transport demand which is due to economic growth rates higher than in the rest of the Union.

The effects of enlargement as well as economic and other developments since its adoption make an assessment of the Common Transport Policy and the Transport White Paper necessary.

2. What are the main policy objectives? –

At a policy level, the main objective is to ensure the good functioning of the Common Transport Policy and the trans-European networks to reach the objectives of the Treaty.

The objective is to provide the mobility needed for economic growth and social welfare, while at the same time tackling the negative effects of transport. To meet these objectives, the White Paper proposes an action programme promoting modal shift and better quality and safety for users with deadlines for adopting these measures and for achieving specific objectives. These measures cover a wide range of actions such as market opening, notably for railways, investments in trans-European networks (including the Galileo project), charges for infrastructure use, intermodality, better regulatory enforcement and dissemination of best practices.

In 2005 the White Paper should undergo an overall assessment concerning the implementation of the measures it proposes and to check whether its targets - for example, on modal split or road safety - and objectives are being attained or whether adjustments are needed.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

- As a result of this assessment it may turn out that no major adjustment is needed or that new regulatory and non-regulatory measures are necessary. The White Paper policy options include the whole scope of the Common Transport Policy through its set of more than 60 concrete policy measures. In general, the already existing measures could be further strengthened if they prove unsatisfactory. For example if proven necessary, market opening could be accelerated, more resources could be allocated to solving TEN bottlenecks, safety regulations could be tightened and pricing could be extended to new modes, new vehicles or to the urban context. The instruments mainly used are regulatory and financial ones, although RTD and the identification and dissemination of best practices are also used. It should be noted that, the White Paper being the Commission's Common Transport Policy programme, most of the individual measures that it contains (TENs, Galileo...) are decided one by one and in that process they have to satisfy their own impact assessments. However, their combined economic, social and environmental impact will also be assessed under this Mid-term review.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

- All EU citizens and firms are affected by the Common Transport Policy and the trans-European networks through their mobility and accessibility conditions. The list of main impacts to be examined is very exhaustive including economic, social and environmental assessment, safety and security issues, impact on spatial development and effects on logistics, with special attention being paid to the effects from the enlargement.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? - Some studies are being completed by external consultants: a study on the use of indicators to assess the implementation of the White Paper and a second one on the analysis of the national transport policies of the EU-15.

The main study also carried out by external consultants is just to be launched under 2004 budget. It will start in December 2004 and will deliver its main results in autumn 2005, including a final dissemination stage of two months. The study will take a three pillar approach based on the use of analysis, indicators and models. It will thus combine a qualitative assessment with a quantitative appraisal based on the use of indicators and models. The study will cover the EU-25 and the current candidate countries plus other potential candidates providing, in particular, a detailed analysis of those effects of the enlargement liable to affect the structure of the European transport system.

A second study is also being launched on the analysis of the national transport policies of the EU-10 which should last 8 months

6. Which stakeholders & experts will be consulted, how and at what stage?

- A wide range of representatives from EU level associations in the different modes and related horizontal activities as well as representatives from Member States will be consulted. A group of experts in transport and environment from the Member States will be consulted at the initial stages of the evaluation (January). Bilateral contacts with stakeholders are already being held. The final study will be presented to stakeholders from the different transport associations at European level (including service providers and infrastructure suppliers, customers and safety and environmental groups) as well as Member States representatives. The purpose of these meetings will be to have their input before the evaluation is finished.

7. Will an inter-service steering group be set up for the IA?

- The steering group of the main study, comprising representatives from different Commission services, will also take the role of steering group of the final evaluation.

Roadmap

Title of the proposal: **European Qualifications Framework (EQF)**

Expected date of adoption of the proposal: 3rd quarter 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

In a Europe characterised by rapid technological and economic change lifelong learning has become a necessity. An ageing population accentuates this problem – underlining the need for a continuous updating and renewal of knowledge and skills.

The realisation of lifelong learning at a European scale, that is, involving several national or sectoral settings, is however complicated by the lack of communication and co-operation between education and training providers/authorities at different levels. Barriers between institutions and countries prevent access to education and training and also prevent an efficient use of already acquired knowledge and competences.

The main problem addressed in this initiative is the lack of transparency of qualifications, a reluctance to recognise qualifications acquired in another Member State and the lack of arrangements allowing citizens to transfer qualifications from one setting to another. An additional problem linked to these is the tendency to value learning in formal settings higher than those acquired in non-formal and informal settings (for example at work).

As the nature of the main problem addressed here is transnational, it cannot be solved by individual Member States alone, but requires either bilateral/multilateral or EU level action (see section 3. below)

2. What are the main policy objectives?

The main policy objectives are (1) to facilitate the transparency of qualifications in Europe, (2) to support the comparability of qualifications held by individual citizens and, by doing so, to ease the process of recognition, and (3) to help to improve the transfer of qualifications between different national or sectoral qualifications systems. These will contribute to achieving the general objectives to reduce barriers to lifelong learning at a European level, to facilitate and encourage geographical mobility of workers and learners as well as occupational mobility, and to reduce barriers to the effective and smooth functioning of the European labour market. The immediate operational objective to achieve these objectives is to create a co-operation mechanism between European qualification authorities and other stakeholders.

The need for a European Qualifications Framework was first stated in “Education and Training 2010 – Joint interim report of the Council and the Commission on the implementation of the detailed work programme on the follow-up of the objectives of education and training systems in Europe” adopted on 26 February 2004 (Council document 6905/04). In its March 2005 conclusions on the mid-term review of the Lisbon strategy also the European Council asked for the adoption of a European Qualifications Framework in 2006.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

Option 1: No Action

No action would imply continuing difficulties with the transfer and recognition of qualifications between Member States. In view of a growing internationalisation of the economy and labour markets, existing problems would be accentuated. Stakeholders’ demands to continue ongoing work on improving transparency, recognition and quality assurance would not be met. While important progress has been made through the existing Directive on the recognition of professional qualifications, the scope of this directive is limited to the legal right to exercise a regulated profession in another Member State. It does thus not apply to the academic recognition of qualifications and to non-regulated professions.

Option 2: Bilateral/multilateral arrangements

Existing problems could be addressed by a system of bilateral and multilateral arrangements between Member States and sectors without EU involvement.

Option 3: Regulatory action

Articles 149 and 150 of the Treaty exclude any regulatory action in the field of education and training. Any EU policies in this field shall support and supplement the action Member States while fully respecting their responsibility for content and organisation of education and vocational training.

Option 4: A voluntary approach

This option implies to establish a European reference framework to be used by Member States on a voluntary basis for their co-operation to facilitate transparency, transfer and recognition of qualifications in Europe and to build up mutual trust between the relevant stakeholders.

A set of common reference levels would facilitate the comparison of education and training provisions and thus enhance overall quality assurance and improvement. These reference levels would support recognition of (foreign) qualifications, provide a framework for development of qualifications at sector level and support the lifelong learning of individual citizens.

In addition to the reference levels, an EQF built on this principle would build on a set of principles/criteria agreed at European level - for example related to quality assurance and validation of non-formal learning. Member states and sectors wanting to use the EQF as a reference would be expected to commit themselves to these principles and criteria.

The framework would at a later stage be supported by a credit transfer and accumulation system providing practical support to citizens wanting to combine learning outcomes from different countries and institutions.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis

Option 1: No Action

Negative: No-action would not be accepted by stakeholders and could increase existing problems and deficiencies for individual citizens as well as for the performance of European education and training systems and European labour markets.

Positive: None

Option 2: Bilateral/multilateral arrangements

Negative: The bi-lateral/multilateral option is too limited to provide an appropriate answer to the challenges at hand. The different bilateral or multilateral agreements that would be needed would be of different character, quality and coverage. In a European Union of 25 Member States a system of bilateral agreements between all Member States would result in a very complex and in-transparent regime. Bilateral/Multilateral arrangements can support and supplement but not replace a Europe wide solution.

Positive: Positive in the sense that it could result in immediate, practical solutions for some Member States and sectors. It will be necessary to take existing bi-lateral/multilateral arrangements into consideration to see how they can supplement the EQF. Establishing the EQF as a reference will also facilitate bi-lateral/multilateral options - not least by increasing transparency and comparability.

Option 3: Regulatory action

This option is not possible to apply for legal reasons.

Option 4: A voluntary approach

Negative:

Follow up and implementation is uncertain – especially if objectives and indicators for success are insufficiently defined and agreed.

Positive:

If based on a clear understanding of needs and objectives, a voluntary approach will in some cases be more efficient than a regulatory approach. Impact will rely heavily on the preparatory stages (formulation of proposal and consultation process) where a main task will be to ensure and strengthen credibility and legitimacy of the proposal.

The introduction of a set of common reference levels based on learning outcomes will facilitate comparison of education, training and learning provisions across Europe. This will directly and indirectly improve access and support progression in lifelong learning.

The common reference levels, and the implementation of shared quality assurance criteria, will make an impact on the way objectives are set for education, training and learning systems.

The EQF will have a direct impact on the way learning outcomes are valued and recognised; opening up for more widespread recognition of non-formally and informally acquired competences. These are necessary elements in a strategy trying to bring together the learning taking place in formal education and training systems and the learning taking place in work-based learning environments.

An impact may be the introduction of comprehensive national qualifications frameworks stimulating administrative and institutional reform and modernisation.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

A substantial amount of information has already been gathered, notably linked to the follow up of the common European objectives for education and training (2002), the Copenhagen/Maastricht process (2002/2004) and the intergovernmental 'Bologna process' in higher education. A number of specific studies have been made supporting the initiative, notably the report 'Common reference levels supporting a European credit transfer system for vocational education and training' by CEDEFOP (2004), the proposal for 'A framework for qualifications of the European higher education area' (Bologna process 2005) and 'The role of national qualifications frameworks in supporting lifelong learning' (OECD 2005).

Substantial experience exists from comparable voluntary processes at European level, in particular from the Bologna process in higher education and the Copenhagen process for vocational education and training. The EQF can be seen as an initiative bringing together many of the experiences and results of these two processes. Stakeholders responsible for the two processes mentioned above will also be involved in the work on the EQF.

An expert group has been set up to support the Commission in developing the EQF. This expert group is representing all major sectors in formal education and training (general education, vocational education and training, higher education), the social partners and representatives of sectors.

An external contractor has been engaged to support the Commission in developing the EQF.

The impact assessment will analyse all the different policy options presented above, but devote most of its work to the voluntary approach (option 4). This is the preferred policy option as the Commission and the Council as well as the European Council have already asked for the establishment of a European qualifications framework, thus indicating that options 1 and 2 are politically not desired, while a regulatory approach – option 3 – seems unfeasible for legal reason.

The impact assessment will be of a qualitative nature and focus on the following issues:

- The proposed framework - by introducing a set of common European reference levels and descriptors - could reduce barriers between education and training providers and thus improve access to initial, continuing and lifelong learning.
- The proposed framework - mainly through its focus on learning outcomes - could improve the functioning of the labour market by making possible a better matching of qualifications needs and supply.

- The proposed framework - by strengthening transparency and simplifying transfer of qualifications - could facilitate mobility of learners and workers.
- The proposed framework - by focusing on quality assurance and common principles for policy co-operation - could help to improve standards of education and positively impact job quality.
- The proposed framework - by emphasising the crucial importance learning outcomes - could facilitate the recognition non-EU qualifications.
- The proposed framework could – by its focus on national and sectoral qualifications frameworks – contribute to the governance of education and training.
- The link between the proposed framework and the Directive on recognition of professional qualifications must be assessed and agreed.

6. Which stakeholders & experts will be consulted, how and at what stage?

An extensive consultation process – based on Commission Staff Working Paper SEC (2005) 957 of 8 July 2005 – has been launched at the informal meeting of Education Ministers in London on 12 July and will last until end December 2005. This consultation process addresses a wide range of stakeholders; ranging from national education and training authorities to organisations, bodies and associations at sector and branch level (for more information see http://europa.eu.int/comm/education/policies/2010/consultations_en.html). An important event to discuss the implications and modalities of the setting up of a European Qualifications Framework will also be a conference on qualifications framework organised by the Scottish Executive in the framework of the UK Council presidency which will be held on 22/23 September 2005 in Glasgow.

7. Will an inter-service steering group be set up for the IA?

Yes.

ROADMAP

Title of the proposal: Proposal for a Regulation establishing the **European Institute of Technology (EIT)**

Expected date of adoption of the proposal: 2nd quarter 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

Over the past 50 years, Europe's share in knowledge creation has declined significantly. At the same time, the relationship between research and economic and social development has intensified. Despite some notable exceptions, European universities, research institutes and companies have been less effective than their competitors in using the results of their work to develop commercially viable products and processes. These issues can only be addressed effectively at the European level, through an effective mobilisation of energy, talent and resources in cooperation with Member States.

2. What are the main policy objectives?

Addressing the knowledge and innovation challenge is a major dimension in the EU's Lisbon Strategy, through which all Member States and the Commission are seeking ways to enable Europe to make the best use of its knowledge potential. This is the main purpose of new policy initiatives related to research and innovation (cf. the objective to invest 3% of GDP in these areas) as well as to education and training (work programme Education & Training 2010, in particular its higher education strand). It is in this context that the Commission raised the issue of a possible European Institute of Technology (EIT) as one instrument (among others) which might help to provide critical mass and a European outlook to research capacities and achievements.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

The EIT would need to maximise Europe's potential to create, apply and disseminate knowledge by drawing together and coordinating key players from the academic, research and business worlds, including both the public and the private sectors.

Following internal discussions within the Commission and preliminary discussions with a limited number of external qualified persons, four main options were identified:

1. The "green field" option: building an EIT as an entirely new institution:
2. The "single site" option: building on one institution's existing excellence:
3. The "network EIT" option: in this case the EIT would be organised on the basis of existing institutions and would allow them to work together in groups or networks addressing series of specific disciplines, themes, issues or complex problems.
4. The "no-EIT" option: this would mean that the EU would continue to invest in high level people and institutions through the policy debate around the Lisbon Strategy, through the Open Method of Coordination and through the current and future programmes for education, research, innovation, entrepreneurship, etc.

From the 3 options involving the creation of an EIT, the Commission services think the "network EIT" is the best suited to Europe's needs and capacities. However, none of the other options (including the "no-EIT" option) have been discarded at this stage, and it is very important to evaluate the various possibilities for a "network EIT" against each other. This is the reason why the Commission is currently launching a public consultation of all stakeholders (launching date 16 September, closing date 15 November 2005). The consultation document consists mainly in questions on the mission, status, structure, added value and thematic priorities of the EIT. In the light of the outcomes of this consultation, the Commission will define whether or not the proposal should be further pursued and if so on what main strategic options possible EIT might be established.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant

further analysis

1. The “green field” option: : this would take at least a decade to decide upon and build it up physically and intellectually, and the creation from scratch would not be an effective means to mobilise the best from existing institutions
2. The “single site” option: : the advantage of this option is that it could be built up rapidly on existing facilities and that it might be easier to attract some of the best professors, students and researchers to an existing community, in particular if located in a region with strong technological and entrepreneurial capacities. At the same time, this option means huge difficulties in selecting the site (politically as well as academically) that would entail negative relations with other centres of excellence and would thus jeopardize the achievement of the EIT’ Europe-wide objectives; in addition, choosing a strong partner on which to build up the EIT might mean that the partner was more interested in the finance than in the EIT and might subordinate the EIT to its own ends. A single site might also entail limitations in the scope of the initiative.
3. The “network EIT” option: : in this case the EIT would be organised on the basis of existing institutions and would allow them to work together in groups or networks addressing series of specific disciplines, themes, issues or complex problems. The EIT would add to them a dimension of structured relationship at European level that would enable them to become more than their individual parts. Over time, the EIT is expected to have a major impact on Europe’s ability to enhance its competitiveness, ensure future economic growth and create more and better jobs - and hence to increase social cohesion. The impact should reach beyond direct stakeholders such as universities, research institutes and enterprises and should affect society at large.
4. The “no-EIT” option: EU would continue to invest in high level people and institutions through the policy debate around the Lisbon Strategy, through the Open Method of Coordination and through the current and future programmes for education, research, innovation, entrepreneurship, etc. The focus of these programmes is however primarily on mobility and specific cooperation schemes and would not offer the same strong incentive for continued, streamlined and coordinated effort able to link the best brains, institutions and enterprises in Europe and to enhance their worldwide visibility and attractiveness.

Although the Commission services have already identified a preliminary series of advantages and disadvantages of each option outlined above, a deeper analysis of these will only be possible in the light of the consultation process in progress. This analysis needs to cover the political as well as academic, economic and social dimensions of the proposal under consideration, as well as costs and benefits involved.

The most important expected outcome of the consultation is a more refined understanding of the various sub-options for a “network EIT”. Different types of networks could be envisaged, e.g. building up on a single, strong already existing network of institutions, or a network linking the leading graduate/doctoral schools in Europe, or a new network of relevant departments at a limited number of leading universities chosen for their excellence in various fields, etc. In all cases, a network EIT would need to be able to build up an identity of its own, different from (and stronger than) that of the institutions involved, which means that a network EIT needs a central node able to define the EIT’s strategy and priorities and build up its identity and reputation. The network EIT would build on Europe’s diversity, turning it into a competitive advantage by providing a strong, lasting and flexible link between the best institutions, people and network in selected areas. It would also give all institutions and countries a chance to get involved with the EIT in those areas/disciplines where they have the highest contribution to make.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

The main diagnosis of Europe’s relative weakness in the production, utilisation and dissemination is well established. It lies at the core of the Lisbon Strategy and has been further analysed in major policy documents such as the Kok Report, the Commission Interim Review of the Lisbon Strategy and, at a more detailed level, the various Communications on the European Research Area and on the need to mobilise the brainpower of Europe.

Further information on how best to achieve this mobilisation is being gathered, notably through the work of various working groups set up within DG RTD, DG ENTR (e.g. the Group of Senior Officials on Innovation and EAC (Education & Training Coordination Group)). These groups will be presented with the outcome of the consultation, process and will play a key role in:

- making certain that an EIT is only created (in whatever form) if the European value added clearly outweighs the “no-EIT” option;

- if the EIT is created, choosing the most effective option for its organisation and functioning in the light of the two basic requirement (mobilisation of world class capacities, European-wide benefits).

6. Which stakeholders & experts will be consulted, how and at what stage?

Three restricted “workshops” with main stakeholders have already taken place in summer 2005. They served mainly to prepare a public consultation for which the opening date is 16 September and the closing date 15 November 2005. The consultation is by internet, via a special site on Europa and is open to all interested parties – institutions, governments, enterprises, individuals, NGO’s, etc. The consultation document (6 pages) provides short background information to the EIT proposal and consists, in its main section, of open questions around 4 main issues:

- the mission and main objective of the EIT;
- its added-value (how it could best contribute above and beyond the current provision);
- its structure (what format would best allow it to achieve its goals);
- its priorities in terms of research/teaching/transfer activities and whether these should be problem-driven, discipline-oriented, theme-centred, economic sector-focused, etc.

In addition, a series of site visits to universities will take place between Nov 2005 and March 2006.

7. Will an inter-service steering group be set up for the IA?

Yes.

ROADMAP

Title of the proposal: **Convergence Report 2006**; proposal for Council Decision on euro area entry of one or more Member States (poss.); proposal for Council Regulation on conversion rates of the currencies of the Member States concerned to the euro (poss.)

Expected date of adoption of the proposal: 2nd Q 2006

A. Initial impact assessment screening

1. What are the main problems identified?

Since EU accession, the new Member States participate in Economic and Monetary Union as “Member States with a derogation”, i.e. they do not participate in the euro area. The Treaty foresees that, at least every two years, the Commission and the ECB examine which non-euro area Member States have achieved a “high degree of sustainable convergence” (as measured by low inflation and interest rates, high exchange rate stability and the absence of excessive fiscal deficits and public debt), which is required for euro area entry. The compatibility of legislation is also examined. If the Commission finds that one or more Member States fulfil the conditions for euro area entry, it submits a proposal to the Council, which takes the final decision. Based on a proposal from the Commission, the Council also has to decide on the irrevocably fixed conversion rates of the currencies concerned to the euro.

2. What are the main policy objectives?

Enlargement of the euro area, based on sustainable convergence, will be a major milestone of economic integration within the Union. However, Member States only join when the necessary conditions are met, which is in the interest of both existing and new euro area members. Participation in the single currency area underpins long-term growth prospects notably by allowing countries to fully benefit from the single market (lower transaction costs, higher price and cost transparency, enhanced trade integration) and by strengthening macroeconomic stability (elimination of intra-area exchange rate risk, higher resilience against external shocks, lower country risk premia on financial markets).

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

The procedure is foreseen in the Treaty.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

Not applicable, as the Treaty does not give a choice between different policy options.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

ECFIN undertakes extensive monitoring and analysis of developments in the new Member States, including in the context to the policy co-ordination and surveillance procedures foreseen by the Treaty. The specific information underlying the (possible) proposal for a Council Decision to enlarge the euro area by one or more countries will be contained in the

Convergence Reports 2006 prepared by the Commission and the ECB.

6. Which stakeholders & experts will be consulted, how and at what stage?

The formal procedure following the Commission proposal for a Council Decision involves consultation of the ECB and the EP. Discussions with Member States on economic policy challenges in Member States are held under various headings on a regular basis in the Economic and Financial Committee and ECOFIN/Eurogroup. These include informal discussions on issues specifically relevant to the preparation of eventual euro area entry (incl. exchange rate policies). Dialogue with academics and other interested groups takes place in the context of conferences/seminars and on an ad-hoc basis.

7. Will an inter-service steering group be set up for the IA?

No.

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3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

The procedure is foreseen in the Treaty.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

Not applicable, as the Treaty does not give a choice between different policy options.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

ECFIN undertakes extensive monitoring and analysis of developments in the new Member States, including in the context to the policy co-ordination and surveillance procedures foreseen by the Treaty. The specific information underlying the (possible) proposal for a Council Decision to enlarge the euro area by one or more countries will be contained in the Convergence Reports 2006 prepared by the Commission and the ECB.

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No.

ROADMAP

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Expected date of adoption of the proposal: 2nd Q 2006

A. Initial impact assessment screening

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Since EU accession, the new Member States participate in Economic and Monetary Union as “Member States with a derogation”, i.e. they do not participate in the euro area. The Treaty foresees that, at least every two years, the Commission and the ECB examine which non-euro area Member States have achieved a “high degree of sustainable convergence” (as measured by low inflation and interest rates, high exchange rate stability and the absence of excessive fiscal deficits and public debt), which is required for euro area entry. The compatibility of legislation is also examined. If the Commission finds that one or more Member States fulfil the conditions for euro area entry, it submits a proposal to the Council, which takes the final decision. Based on a proposal from the Commission, the Council also has to decide on the irrevocably fixed conversion rates of the currencies concerned to the euro.

2. What are the main policy objectives?

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3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

The procedure is foreseen in the Treaty.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

Not applicable, as the Treaty does not give a choice between different policy options.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

ECFIN undertakes extensive monitoring and analysis of developments in the new Member States, including in the context to the policy co-ordination and surveillance procedures foreseen by the Treaty. The specific information underlying the (possible) proposal for a Council Decision to enlarge the euro area by one or more countries will be contained in the Convergence Reports 2006 prepared by the Commission and the ECB.

6. Which stakeholders & experts will be consulted, how and at what stage?

The formal procedure following the Commission proposal for a Council Decision involves consultation of the ECB and the EP. Discussions with Member States on economic policy challenges in Member States are held under various headings on a regular basis in the Economic and Financial Committee and ECOFIN/Eurogroup. These include informal discussions on issues specifically relevant to the preparation of eventual euro area entry (incl. exchange rate policies). Dialogue with academics and other interested groups takes place in the context of conferences/seminars and on an ad-hoc basis.

7. Will an inter-service steering group be set up for the IA?

No.

ROADMAP

Title of the proposal: Legislative proposal **consolidating and strengthening new approach** directives, policies and principles

Expected date of adoption of the proposal: 3rd quarter of 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

After 20 years of experience with the legislative technique of the New Approach and the adoption of 25 directives, certain weaknesses concerning horizontal elements common to all directives have been identified. These elements need to be improved and adapted to developments on the market place. The Communication of May 2003 set out a number of these issues, which have been endorsed by the Council Resolution of November 2003.

The main problems identified are:

- Lack of definitions or inconsistencies throughout the directives
- Lack of transparency of the notification process and lack of mutual confidence concerning the competences of notified bodies
- The meaning of the CE marking is not clear to consumers, confusion exists with regard to voluntary marks
- Different levels of enforcement of New Approach directives throughout the Community
- Inefficiency of the safeguard clause mechanism

As the problem concerns EU legislation, action cannot be limited to Member States. This is a domain where effective co-operation between national and EU level is key to the achievement of the better regulation objective.

2. What are the main policy objectives?

With a view to the general objectives of Better regulation, the overall goal is to enhance the quality and efficiency of the New Approach system and to ensure more consistency in the application of the sectoral New Approach directives, while simplifying the management and implementation of these directives.

The main operational objectives are:

- Consolidating and reviewing key definitions
- Enhancing mutual confidence in conformity assessment bodies and increasing transparency of the notification process by defining a Community policy on accreditation and by consolidating and reviewing designation requirements
- Facilitating the notification process concerning notified bodies
- Reviewing the existing conformity assessment modules
- Clarifying the meaning of the CE marking and its relationship to voluntary marks
- Establishing a Community framework consisting of essential requirements for national market surveillance activities
- Enhancing cooperation of national market surveillance authorities
- Improving the safeguard clause mechanism

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

Option 1 - No policy changes

Option 2 – Non regulatory instrument: Revision of guidance documents

Option 3 – Horizontal instrument containing elements common to all New Approach directives (legal form to be decided at a later stage, following results of the Impact Assessment)

Option 4 - Modifying all sectoral New Approach directives

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

Option 1 - No policy changes

This option would lead to a continuation of the identified current weaknesses of the 'new approach' system, which are due in part to inconsistent and ineffective implementation, in part to inconsistencies or weaknesses in the directives themselves. It is unlikely that these problems could be effectively addressed on a voluntary basis, as this has not happened in the past. The issues involved have been discussed with the Member States authorities within the forum provided by the Senior Officials Group on Standardisation and all areas where a voluntary approach has been possible have been fully explored.

Option 2 – Non regulatory instrument: Revision of guidance documents

Only a few problems (inconsistencies in interpretations) could be addressed by revising the guidance documents. Inconsistencies in the provisions of directives cannot be eliminated in that way. With regard to inconsistencies in the implementation and enforcement, see option 1.

Option 3 – Horizontal instrument containing elements common to all new Approach directives

- economic: positive impacts: Overall, a common base instrument will increase the efficacy of the 'new approach' system, improve its functioning and reliability as well as increase its transparency, to the benefit of all involved parties. The strengthening of the New Approach as a flexible and innovation-friendly legislative technique will contribute to the objectives of Better Regulation. The adoption of a horizontal instrument containing the elements common to all New Approach directives will furthermore lead to a simplification of the existing legal framework.

It would have a considerable (positive) impact on the authorities of the Member States because the level of ambiguity as to how to apply elements of the various 'new approach' directives, some of which differ in varying degrees of detail, would be removed. Efforts to work with the market surveillance authorities of other Member States would be able to be supported by the Commission.

Manufacturers and conformity assessment bodies would benefit from a greater efficiency, reliability and transparency in the operation of the system. There are no perceived negative impacts for EU enterprises
negative impacts: administrative costs for the Commission in the medium-term as all existing 'new approach' directives would need to be amended: references to elements covered in the 'horizontal' directive have to be removed, and a cross-reference to the 'horizontal' instrument be inserted. Further, there would be some financial implications as EU funding would be required to support improved intra-administrative cooperation at the Member State level (eg. supporting the exchange of information relating to market surveillance).

- social: The end-users (i.e. consumers, employees) are also likely to benefit from greater efficiency, reliability and transparency in the operation of the system by slightly reduced costs (as manufacturers' uncertainty as to the appropriate requirements of the individual 'new approach' directives would be reduced, and in some cases multiple testing of products could be avoided).
- environmental: no direct environmental impacts are expected; however the issue of introducing environmental essential requirements into New Approach directives will be addressed in order to encourage the use of this technique for environmental legislation

Option 4 – Modification of all sectoral 'new approach' directives

In principle the effects would be the same as in option 3: However in terms of simplification and Better Regulation it seems preferable to have a common base instrument serving as a reference document. This would reduce the amount of legislation as horizontal elements would not have to be repeated in every directive, ensure a coherent approach and facilitate the management and the implementation of New Approach directives.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

- Preparatory work for the Communication – IPM stakeholder consultation in 2002
- Communication from the Commission to the Council and the European Parliament of 7 May 2003: Enhancing the Implementation of the New Approach Directives COM(2003)240 and Council Resolution of 10 November 2003 on the Communication of the European Commission 'Enhancing the Implementation of the New Approach Directives
- Feedback from Senior Officials Group on Standardisation and Conformity Assessment Policy (SOGS) and sectoral expert groups
- Studies and position papers provided by industry
- Sectoral studies
- Conference on market surveillance 10-11 March 2005, Brussels (organised by DG SANCO and DG ENTR)

Further information will be gathered during the continued consultation process; Sufficient material and expertise is available to carry out the impact assessment inside.

6. Which stakeholders & experts will be consulted, how and at what stage?

Member States – Senior Officials Group on Standardisation and Conformity Assessment Policy (SOGS) and sectoral expert groups. A first general document has been presented to SOGS in November 2004. In the subsequent meetings (February, April and July 2005) specific thematic documents (“CERTIF documents” have been presented and discussed (requirements for notified bodies, accreditation, market surveillance, quality assurance modules, EC Declaration of conformity, etc) The CERTIF documents have also been distributed by sectoral units via the circa sites to their expert groups. Further documents will follow.

The CERTIF documents have been put on the unit’s website and a specific mailbox for sending comments has been created. http://www.europa.eu.int/comm/enterprise/newapproach/index_en.htm

The general document has been sent to a targeted group of stakeholders (Accreditation organisations, conformity assessment bodies, industry, consumer organisations, employees’ organisations, environmental organisations) inviting their comments. Consultation will continue for further documents.

7. Will an inter-service steering group be set up for the IA?

yes

ROADMAP

Title of the proposal: Community Regulation concerning the **free movement of goods in the non-harmonised area**

Expected date of adoption of the proposal: July 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

The principle of mutual recognition as it emerges from the case law of the Court of Justice concerning the application of Articles 28 to 30 of the EC Treaty plays an important part in the functioning of the internal market guaranteeing the free movement of goods in the absence of any Community harmonising legislation. It should prevent a Member State from prohibiting the sale on its territory of goods which are lawfully produced and marketed in another Member State, even if those goods are produced to technical or qualitative specifications that differ from those required of its own goods, unless the destination Member State has technical or scientific proof that the product constitutes a risk for human health, safety or the environment.

Unfortunately, the principle does not seem to work very smoothly, increasing the cost of trading across borders inside the EEA. There are numerous reasons for this:

Enterprises are often ignorant about mutual recognition: A large number of enterprises do not know exactly to what extent goods which are not harmonised at Community level may have access to the market of another Member State, without being adapted to the rules of the Member State of destination. Very often they take the technical rule of the Member State of destination for granted, without considering that Community law provides for mutual recognition.

National Rules are very diverse and often difficult to find: One of the most frequent barriers to intra-Community trade in non-harmonised goods is the application of domestic technical rules to the goods. As these rules differ by Member State, enterprises prefer to evaluate the technical regulations in the target market before marketing their products. Too often, the national rules are difficult to find and, if in doubt, enterprises do not know whom to address to in order to obtain more precise information. The uncertainty which results from this lack of information and, if case be, the cost for obtaining legal or administrative information via other channels than the competent administration, can be particularly discouraging for enterprises wishing to sell their goods in another Member State.

Finding the competent national authorities: Most enterprises wish to avoid any event having a negative impact on the reputation of their product, such as the suspension of the marketing once with the official report, by the authorities of the Member State of destination. Unfortunately, enterprises do not find it easy to locate an official source for more precise information. They may turn to other, costly channels to obtain the necessary legal or administrative information.

National administrations of the Member State of destination are often ignorant about mutual recognition: A large number of national administrations do not know exactly to what extent goods, not harmonised at Community level, may have access to their domestic market without being adapted to their rules. Very often this ignorance results in a refusal to allow a product to be placed on the market (or its withdrawal from the market).

Mutual Recognition may be unpredictable: Enterprises regularly complain about the fact that mutual recognition applies too often on a case to case basis without any certainty as of the admission of the product on the market of the recipient Member State. The problem is exacerbated in some Member States where there is no specific legal basis in national technical laws on which to assess the conformity of a product, making it wary of applying Articles 28 to 30 of the EC Treaty. Moreover, there is no clear rule in most national legislations clarifying the burden of proof. For obvious reasons, national legislations tend to put the onus on the economic operator to show that the products meet the requirements of the Member State of destination.

Mutual recognition clauses: The Court of Justice has repeated several times that Articles 28 to 30 of the EC Treaty takes precedence over any national technical regulation. Nevertheless, very few enterprises and national administrations realise such primacy. Therefore, “mutual recognition clauses” are inserted in national law. However, such clauses are often ambiguous or not sufficiently detailed so that enterprises and national authorities can hardly rely on them. Furthermore, it is impossible to distinguish national rules that do not have a clause due to the fact that nobody has ever thought about inserting one, from national rules that do not have a clause due to the fact that the rules are justified and proportionate in the light of mandatory requirements of public interest. Inserting a mutual recognition clause into a national legislation is recommended practice but not obligatory (see the judgment of the Court of Justice of 5 February 2004, Commission v. France, Case C-24/00). There are a few or no sanctions if a Member State refuses to insert the clause, or if it inserts an unclear clause. Only if the clause constitutes a breach of Community law, the Commission can start infringement proceedings.

Procedures for challenging market access denial: Although, in theory, every Member State should have put in place a

clear procedure for a company to challenge a decision by a Member State not to apply Articles 28 to 30 of the EC Treaty, this procedure is often difficult for enterprises which often prefer to establish good contacts with the competent administration of the Member State of destination and to avoid litigation. Litigation frequently cuts friendly contacts between the administration and the enterprise. Furthermore, a procedure for a company to challenge a decision by a Member State not to apply Articles 28 to 30 of the EC Treaty, may be expensive for an enterprise, as it often requires a specialised lawyer. It is also expensive since the product cannot be marketed until a final Court decision is taken.

Notification to the Commission: EC law often provides for the obligation of the receiving Member State to notify the Commission of a decision restricting the free movement of goods on its territory. In the non harmonised field, the notification has to be done in accordance with Directive 2001/95/EC concerning the general safety of the products, or Regulation 178/2002 drawing up the general principles and the general regulations in food legislation. When these articles do not apply, the receiving Member State has to notify the Commission the restrictive decision under Decision n° 3052/95/EC establishing a procedure of mutual information on the national measures derogating from the principle of free movement of goods inside the Community. Notifications under Decision n° 3052/95/EC, however, have become very rare. There may be various reasons for the very low number of notifications: the number of remaining obstacles may be very limited or the restrictive national rules have already been notified in another context (for example as a project under Directive 98/34/EC). Another possibility is that Member States do not apply the decision correctly. In theory, the notification procedure enables the Commission to intervene if necessary and to assume fully its responsibility of guardian of Community law. However, the current notification procedure involves the risk of creating new red tape, especially when the notification procedure does not constitute any value added for all the interested parties.

2. What are the main policy objectives?

The main policy objective is improving the functioning of mutual recognition in the non-harmonised area, by finding a solution for most of the problems set out above. Mutual recognition in the non-harmonised area of goods needs more structure so as to enhance transparency and to encourage national authorities to act more 'European'. It is also important that, in cases where mutual recognition is refused, the possibility for companies to demonstrate that the disputed product is indeed lawfully marketed elsewhere in the EU is clearly set out.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

- Option 1: Continue current policy unchanged
- Option 2: Improve current policy without new Community legislation: create an elaborate website with a list of products on which mutual recognition applies, insist on the simplification of national technical rules, require better mutual recognition clauses and strengthen Commission involvement in the day-to-day treatment of the cases in SOLVIT
- Option 3: A new Community Regulation establishing key principles and organising administrative cooperation. The regulation would be a broad-based, legislative framework of a horizontal nature. Besides referring to the principle of free movement of goods within the E.U., it would specify more in detail in which exceptional circumstances the marketing of a product lawfully manufactured or marketed in another Member State may be restricted.

For further details, see annex. The full Impact Assessment may identify and analyse other options.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

A cautious estimate of the likely impacts shows the following results:

- Option 1 (Continue current policy unchanged – Baseline hypothesis): no specific impacts.
- Option 2 (Improve current policy without new Community legislation): slightly positive economic impact, mainly on competition, operating costs and conduct of business, administrative costs on business and on consumers. This option relies heavily on additional Commission efforts, implying more infringement proceedings and more resources on implementing the different measures. These efforts should have an impact on public authorities who will be increasingly obliged to apply mutual recognition and to allocate resources accordingly. No identifiable environmental or social impacts. Monitoring and evaluation will remain very difficult under this option since data collection will continue to be the main stumbling block.
- Option 3 (A new Community Regulation establishing key principles): positive economic impact, mainly on competition, operating costs and conduct of business, administrative costs on business and on consumers. It is expected that SMEs will be the main beneficiaries. Public authorities will be forced to apply the fundamental principles and will have to invest more in contacts with enterprises. No identifiable environmental or social impacts. Monitoring and evaluation will be facilitated since the Regulation will contain a reporting obligation.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

- First biennial report on mutual recognition: SEC(1999)1106 of 13 July 1999;
- Second biennial report: COM(2002)419final of 23 July 2002;
- Results of different consultations (IPM and European Business Test Panel);
- Literature reviews;
- Studies from third parties.

6. Which stakeholders & experts will be consulted, how and at what stage?

A first consultation of stakeholders was closed on 30 April 2004. The European Business Test Panel was consulted between June and September 2004. It is not excluded that further consultations will be organised through IPM.

7. Will an inter-service steering group be set up for the IA?

Yes

ROADMAP

Title of the proposal: **Revision of Directive 88/378/EC on the safety of toys**

Expected date of adoption of the proposal: 3rd/4th quarter 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

- need to update certain essential safety requirements and introduce new ones to improve the safety of toys;
- need to clarify and enforce the obligations of the person who places the toy on the market, and in particular the importer;
- clarification of the relationship between the Directive on the Safety of toys and the General Product Safety Directive (RAPEX and safeguard clauses, administrative co-operation);
- improve the conditions for a more coherent approach in enforcement by Member States, in particular in the area of market surveillance;
- provide the Commission and the Member States with the appropriate organisation to address issues raised by the implementation of the Directive in an efficient manner;
- clarification on whether some specific new products are covered or not by the Safety of Toys Directive (for instance, video-games peripherals);

Directive 88/378/EC is a total harmonisation Directive. There is no specific national legislation. Better enforcement of the legislation on the safety of toys can take place through co-operation. However, the other identified problems require changes in the current legislation.

2. What are the main policy objectives?

The main policy objectives are the simplification of the current legislation, the improvement on the safety of toys by clarifying essential safety requirements, the improvement in the functioning of the Internal Market by developing conditions for a better common approach by national market surveillance authorities in the implementation of the legislation in force.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

- Option 1: No changes in the current policy and in the current Directive.
 Option 2: Improvement of the implementation of the current Directive by promoting joint initiatives by the market surveillance and customs authorities of different Member States.
 Option 3: Revision of Directive 88/378/EC on the safety of toys.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

Option 1: the problems identified under 1 will persist. In particular, grey zone areas involving essential safety requirements, namely related to chemicals and noise, will remain, legislative simplification will not take place, better organisation will not be available.

Option 2: Effective enforcement would be improved with positive results for the responsible toy manufacturers and consumers.

Option 3:

- economic impact – many of the proposed modifications are considered to improve the efficiency of the directive thus contributing to benefit all involved parties. However, the impact of possible modifications on chemicals

essential safety requirements will need to be examined. Furthermore, the impact assessment study concluded also that a positive impact on reducing the level of counterfeiting was to be expected.

- social impact – consumers are likely to benefit most from legislative greater efficiency, clarification of safety provisions and transparency.

No environmental impacts are expected from this proposal pending the possible modifications in the area of chemicals.

Different possible modifications to the Directive were assessed by an impact assessment study carried out by an outside consultant (see http://europa.eu.int/comm/enterprise/toys/index_en.htm). It states that “the complexity of the structure of the toy market makes it impossible to develop meaningful aggregate estimates of the likely costs of the existing Toys Safety Directive, and proposed modifications to it, on the sector as a whole;...” The cost-benefit analysis was approached through case studies, available in the above mentioned web-address.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

An impact assessment study of the main changes to the Directive has been completed in 2004 by an outside consultant (see http://europa.eu.int/comm/enterprise/toys/index_en.htm).

A call for tender for a study on certain chemicals used in toys has been launched in order to obtain elements for the revision of the chemicals part of the directive. The study will be finalised by the Summer 2006. Progress in this study will allow to assess whether further work in the area of impact assessment is needed.

6. Which stakeholders & experts will be consulted, how and at what stage?

The revision is discussed with the Member States experts and stakeholders (industry/consumers) as well as with standardisation organisations within the Expert Group on Toys Safety. A public consultation on the revision will be organised once the chemicals study has been completed and enough elements for the impact assessment are available.

7. Will an inter-service steering group be set up for the IA?

The impact assessment study was followed by a steering group with the participation of other services of DG ENTR and DG SANCO. The chemicals study will be followed by an inter-service group with the participation of DG ENTR chemicals Unit and of DG SANCO.

ROADMAP

Title of the proposal: **Recast and Extension of Directive 98/34/EC**

Expected date of adoption of the proposal: First Semester of 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)
Existence of barriers within the EU to the cross-border provision of services and the establishment of services operators. Outdated provisions in the area of standards.
They are unlikely to be solved satisfactorily by the sole action of the Member States.

2. What are the main policy objectives?
To ensure that the Lisbon agenda goal of ensuring a smooth functioning Internal Market for services by 2010 is achieved. To eliminate potential obstacles to the Internal Market for services even before they appear, thus avoiding a posteriori and lengthier interventions and increasing the competitiveness of EU enterprises. To adjust the standardisation part of the Directive to the latest developments in this area.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?
No policy change / Recommendation / Extension to cover certain categories of services for which a real need exists / Extension to cover all services.
For this exercise, a Directive is considered.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?
Various impacts (transparency, prevention, better regulation, deadlines, costs, technical support, translation, etc.) on economic operators, Member States and the Commission.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?
Study carried out in 2003 (external contractor). Public consultation (online questionnaire) in 2004. Discussions within the 98/34/EC Committee, the Senior Official Group for Standardisation (SOGS) and with the DGs concerned.
A cost/benefit analysis is already ongoing and will be finalised (impact assessment study).

6. Which stakeholders & experts will be consulted, how and at what stage?
Public consultation (online questionnaire) in 2004, before drafting the proposal. Standardisation bodies consulted on a draft proposal in 2005.

7. Will an inter-service steering group be set up for the IA?
No. However, bilateral meetings have been held by DG ENTR and DG MARKT together with the interested DGs.

ROADMAP

Title of the proposal: Communication on a **competitive automotive regulatory framework**

Expected date of adoption of the proposal: 3rd/4th quarter 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

The European automotive industry is facing important challenges in the global competitiveness race (relatively low productivity and high labour costs, technological challenges to address the scarcity of supply of conventional fuels). Although these challenges are largely to be faced by industry itself in the market context, it is a responsibility of public authorities to ensure the best framework conditions for European industry to compete in the global market. The scale of the market, which encompasses the Single Market but goes beyond to global trade issues, makes Member States' action insufficient and even inappropriate to tackle the problem. This is why the Commission has set up in 2005 a high level group ("CARS 21" – "Competitive Automotive Regulatory System for the 21st century") with representatives from industry, unions, NGOs, users, the European Parliament, Member States and the Commission. Its objective is to make recommendations by the end of 2005 on the most appropriate regulatory framework for this sector, and to draw up a strategic road map for the next ten years. During 2006 the Commission will have to take a position on the recommendations made by the group and, based on these, adopt its own conclusions.

2. What are the main policy objectives?

The main objective is to enhance the EU industry's global competitiveness and employment, while sustaining further progress in safety and environmental performance of vehicles at a price affordable to the consumer. The main policy areas involved therefore are better regulation, competitiveness, environment and road safety.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

In order to achieve the policy goals without distorting the market, the following options are at hand:

- No action at EU level (status quo)
- Regulatory / non-regulatory initiatives to be proposed over the next 10 years directly and individually, without considering them as a whole package.
- The Commission's conclusions on the High-level group's recommendations and the relevant action plan could be first presented in a Communication which presents the various possible options for regulatory and non-regulatory initiatives to be proposed in the next ten years.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

- If no action is taken at EU level, the recommendations of the High-Level Group CARS 21 would be of limited practical value, EU automotive industry would find it more difficult to face the global challenges, and progress would not be made in the environmental and road safety areas.
- Uncoordinated initiatives would result in a lack of predictability for industry on the future regulatory framework, and potentially bring about negative cumulative effects and even contradictory policies.
- A follow-up to the CARS 21 Group's recommendations in the form of a Communication would aim at charting a predictable, coherent and consistent regulatory roadmap for the next ten years, which should reduce the regulatory burden on the sector while sustaining further progress in key policies such as road safety and environment.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

Supporting information is being gathered as part of the work of the CARS 21 High Level Group and an internet consultation closed in April 2005. The latter provided the Commission with the views of stakeholders in the automotive sector not directly involved in the CARS 21 High Level Group (i.e. some component manufacturers, the distribution sector, independent aftermarket operators, some Member States, NGOs).

6. Which stakeholders & experts will be consulted, how and at what stage?

The CARS 21 High Level Group is composed of key stakeholders in the automotive field at the highest level. Stakeholders represented are the Commission, the Member States, the European Parliament, industry, trade unions, NGOs and users.

Other stakeholders and the public at large have been involved through the internet consultation.

7. Will an inter-service steering group be set up for the IA?

Not foreseen in principle, since main DGs affected are involved in CARS 21 High Level Group (DGs ENV and TREN), and other interested DGs are associated on specific substantial issues (DGs RTD, MARKT, COMP, TAXUD).

ROADMAP

Title of the proposal: Communication “**Financing growth – the European way**”

Expected date of adoption of the proposal: 1 quarter 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

- Finance is at the core of enterprise policy. The Commission’s work has shown the complexity of the problems affecting both the demand and supply of finance, both bank lending and equity finance. In addition, the fragmentation of the European risk capital and secondary markets along national lines robs almost all of them from liquidity and critical size.
- There is a particularly well-documented market failure in financing the early-stages of firm growth due to information asymmetries and underdeveloped markets. In addition, there are obstacles for venture capital funds operating across borders, which makes them in general smaller and less profitable than in the US. This affects the growth of SMEs because they cannot access the funding they need to reach their growth potential.
- In bank lending, the different levels of financial system development affect the level of bank lending to the corporate sector in general, especially affecting the small firms. Evidence shows that especially those firms that would require financing instruments mixing debt and equity features have difficulties. This affects particularly new and innovative firms and transfers of business.
- To improve Europe’s competitiveness, larger research and development budgets need to be complemented with actions that support commercialisation of new products and services, leading to concrete employment and growth. A sustainable risk financing system covering all the development stages of a firm, from pre-seed to public offerings, is indispensable.
- Many of the problems that contribute to the market failure in financing, including the problems of early-stage and sometimes even mid-sized firms, are in the competence of the Member States. To support them, the Commission needs to continue to improve policy learning and the spread good practices.
- Taking into account the complexity and long-term nature of the market failure, the Commission needs to outline a longer-term policy on how to address the multiple issues. A Communication on growth financing will tackle this issue in the first quarter of 2006.
- Based on the exploratory work that has been done in 2004-2005, the purpose of the Communication is to outline specific actions that the Commission and the Member States can take to improve SMEs’ access to finance. In particular, focus will be on SME-bank relationships and the completion of the single market in risk capital.

2. What are the main policy objectives?

- The Communication aims at specifying concrete actions contributing to the growth of the European innovative firms, in particular SMEs and mid-sized firms, by spreading good practices and policy learning in access to finance. In particular the new Member States, where the financial sector development is behind that of EU-15, can benefit from an open policy dialogue process.
- The Communication also aims to outline actions that would contribute to enhancing the single market by identifying and removing obstacles from cross-border investment. So far, the Member States have regularly confirmed their commitment to ease the access to finance, but have mainly focused on national solutions.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

- (1) The problems could be left aside and no action taken at EU level.
- (2) The complex problems could be mapped and addressed by the Commission and the Member States acting together. This will be the approach of the Communication. It will recommend actions that would increase the attractiveness of venture capital investments; the obstacles that hinder cross-border investments and exits; the obstacles to bank lending and the effects of Basel II; and the possibilities of

microfinance. On the demand side the Communication will review the outcomes of actions taken so far and will outline the possibilities for further action. The possibilities offered by the financial instruments of the CIP will be put into the context of the overall SME financing environment and the complementarity of European and Member State Action outlined.

- (3) Problems could partially be addressed through regulatory approach bringing the venture capital sector that is currently non-harmonised into the sphere of European legislation.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

- (1) If no action is taken, the markets for SME finance will not reach the liquidity, and scope needed, but would continue to be underdeveloped, hitting the prospects of new firms with high growth potential. The beneficiaries would be small and inefficient national and local funds that would face little additional competition.
- (2) Issuing a Communication presenting the actions that should be taken is not without problems, as it will take time and yield only gradual and most likely partial results as not all Member States would take action. Improving European financial markets oriented towards SME financing, including risk capital market, would reach many small firms and benefit European growth and employment. It would also lead to larger, more efficient venture capital funds that are currently rare.
- (3) Harmonising regulations on venture capital funds would help in removing only part of the problem, but would not necessarily provide incentives for the Member States to address the national taxation problems. If necessary, this option could be adopted later, should the open method of coordination not yield satisfactory results.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

- The Risk Capital Action Plan of 1998-2003 laid out the legislative framework for the single market in financing growing firms.
- To improve policy making in SME finance the Commission and the Member States have identified best practices in promoting guarantees, microcredit, early-stage investment, and business angel finance.
- To establish the problems facing venture capital funds, the Commission organised a workshop on the possibilities of a European fund structure and another one on exit mechanisms, in particular initial public offerings in stock markets. A conference on risk capital discussed the problems in October 2005.
- A survey of SMEs' problems in financing growth will be published in October 2005.
- Based on the work done, the Commission will proceed to complete the ground work for the impact assessment of the actions in the Communication in October-December 2005.
- The developments in SME finance after the Communication will be monitored through a scoreboard on finance policies and surveys on SME perceptions.

6. Which stakeholders and experts will be consulted, how and at what stage?

- Organisations representing SMEs, banks, venture capital industry, stock exchanges, business angels, and public SME finance institutions have already been consulted through their participation in various expert groups and workshops in 2004-2005. Further consultations will be held as needed, and in particular the the SME-bank Round Tables in 2006-2007 will be used to monitor developments.

7. Will an inter-service steering group be set up for the IA?

- An interservice group consisting of representatives of ECFIN, MARKT, SG, BUDG, COMP, EMPL, ENV, INFSO, REGIO, RTD, and TAXUD and has already met once.

ROADMAP

Title of the proposal: Communication on **Defence Industries and Markets**

Expected date of adoption of the proposal: November 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

Defence industries have so far been kept out of the implementation of the internal market. Member-States have maintained national control over defence equipment markets and related industries (based on article 296 of EC Treaty). Markets are therefore fragmented, leading to a corresponding fragmentation of research efforts and industrial bases. This has serious consequences in terms of competitiveness for the sectors concerned (aerospace, electronics, land and naval industries).

At the same time, defence budgets have been reduced in Member-States and the increase in development costs make this fragmentation of markets less and less sustainable, especially if access to top quality equipment and technology is to be preserved.

On a more positive note, increased emphasis on the Common Foreign and Security Policy and European Security and Defence Policy is paving the way for a progressively stronger framework for a European defence equipment policy.

As the problem is the market fragmentation, it is unlikely to be solved solely at Member States' level. Only an intervention at EU level could build a single market in this sector, and thus pave the way for increased competitiveness, scale effects and more focussed research efforts.

2. What are the main policy objectives?

The Commission wants to encourage the competitiveness of the European defence sector.

Appropriate measures, notably related to the functioning of the European market, are the main tools to achieve the objective.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

At this stage, three main options are identified:

1. Do nothing
2. Directly propose legislation, in the appropriate form according to the various domains touched
3. A communication reviewing with Member States and the European Defence Agency the progress made since the 2003 Communication as well as the domains for which Community instruments (legislative or not) could contribute to the shared objectives of setting up a European Defence Equipment Market and stimulating defence industries competitiveness. Such a review, in the form of a communication, would take stock of current actions carried out as a follow-up of the 2003 Communication (COM (2003)113). It would also present policy options for further progress in domains, such as:
 - Circulation of defence related goods within the EU (simplification of the licensing procedures)
 - Public procurement
 - Standardisation practices
 - Improve coherence of research efforts
 - Monitor defence economics (industries, technologies, national budget allocation)
 - Facilitate application of competition rules (merger regulation , state aids)

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

Option 1: The "Do nothing" option means that no follow-up will be given to the 2003 Communication which announced Community actions and that no further progress will be achieved. Moreover, it would not allow the Commission to fulfil its role and to co-operate with the European Defence Agency as envisaged in the Joint Action creating the latter. Although data are very difficult to obtain (see pt 5) market fragmentation prevents the necessary re-

structuring and consolidation of the sector. For instance, an independent study conducted recently (by Unisys) estimated that present arrangements in force for intra-EU transfers of defence related goods imply visible and invisible costs up to € 3.16 Bio, of which visible costs would represent € 238.9 Mio.

Option 2: Whereas on certain aspects of the 2003 Communication, Community legislation might be considered, on other aspects as well as on new areas to be identified, this would certainly be inappropriate or too early. Given the specificity and sensitivity of the defence sector for Member-States, legislative proposals could achieve little benefits, as they would probably find little support from Member States without a further preliminary consultation phase.

Option 3: This option, while leaving the possibility for legislation to be proposed on specific issues identified in the 2003 Communication (COM (2003)113), also allows to take stock of progress on all issues as well as identifying work and options for the future.

The impact of policy options will be further assessed at the level of the individual instruments that might be considered suitable in each of the fields listed under point 3. above.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

One of the major problems identified in this sector is the dearth of information currently available at a European level. The work presently envisaged by the Commission on monitoring/mapping of defence economics should help to produce data necessary to better gauge the impact of the various policy options over the years ahead.

First data should be available in 2006, being completed until end 2007.

6. Which stakeholders & experts will be consulted, how and at what stage?

All usually consulted stakeholders (in particular, Member-States, notably through the European Defence Agency, Industry and obviously other Commission services) will be associated from the outset in the reflection, conception, development and –later- implementation stages.

7. Will an inter-service steering group be set up for the IA?

No

A meeting of services involved in defence matters is held at regular (monthly) intervals and is used for all exchanges of information between services. It will also be used in this context. Of course, normal ISC will also be conducted.

ROADMAP

Title of the proposal: Communication on the functioning of the regulatory framework for **electronic communications networks and services**.

Expected date of adoption of the proposal: June 2006

A. Initial impact assessment screening

1. What are the main problems identified?

The EU regulatory framework for electronic communications (e-Communications) services and networks came into force in the EU-15 in July 2003, and in the EU-10 in May 2004. It comprises five Directives adopted under Art 95 TUE, and associated Commission measures. The framework provides a set of rules that are designed to be technology neutral and sufficiently flexible to deal with fast changing markets in the electronic communications sector, which are applied under the supervision of the national regulatory authorities in each Member State. The rules also cover certain privacy and data protection aspects.

The Commission is required to periodically review the functioning of the five Directives, and to report to the European Parliament and to the Council on the first occasion not later than July 2006. The review presents an opportunity to revisit the framework and to consider the extent to which it may need to be changed to take account of developments in the sector.

This Communication will provide a report on the functioning of the regulatory framework and will at the same time launch a public consultation on possible changes.

An overview of the EU regulatory framework for e-communications, can be found at:

http://europa.eu.int/information_society/policy/ecom/todays_framework/index_en.htm

The main legal instruments can be found at:

http://europa.eu.int/information_society/policy/ecom/info_centre/documentation/legislation/index_en.htm

2. What are the main policy objectives?

The main objective of the Communication is to review the functioning of the regulatory framework for e-Communications and to propose any necessary changes. This review is one of the major policies announced in the Commission's i2010 initiative (COM(2005) 229).

The objectives of the regulatory framework are to encourage innovation and stimulate new investment in communications networks and services, by both new entrants and existing operators; to create a competitive single market for electronic communications services and networks in Europe, providing users with choice, quality and value for money; to keep regulation to the minimum necessary to achieve these objectives.

These objectives serve in turn to meet the Lisbon goal that Europe should have a 'world class communications infrastructure', in recognition of the critical role played by e-communications networks and services in the economy as a whole, and of the contribution that ICT can make to growth and jobs.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

The options are to maintain the Directives in their current form, to make adjustments as necessary to ensure the framework meets developing policy needs, or to change fundamentally the way in which the framework is constructed.

Any changes will take the form of Commission legislative proposals to the EP and the Council (Art 95 TUE).

The current framework already makes provision for supplementary measures to be adopted by the Commission in the form of Recommendations. The most important of these is a Commission Recommendation on relevant markets, which defines those markets which may justify ex-ante regulation. It is proposed to review this Recommendation during 2006, in parallel with any changes to the legal framework.

Other Recommendations have been adopted by the Commission as a means of providing detailed guidance on specific regulatory issues. Also, the European Regulators Group, a group established under the EU framework comprising the national regulatory authority from each Member State, has developed the concept of a 'Common Position' which all NRAs undertake to follow. Both these instruments can be used to complement 'hard' legislation, and present advantages in terms of flexibility and speed of adoption. Such 'soft' regulation will continue to be used as and where appropriate.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

The nature and scope of possible revisions are not yet known, and so their impact cannot be assessed before the conclusion of the Commission's analysis. The Communication will be accompanied by an initial impact assessment of any changes proposed, and this will be open for public comment.

Any proposals to change – or not to change – the current framework would affect the following:

Economic Assessment

- Market players (network and service providers). This is a heterogeneous group including fixed and mobile operators, incumbent operators and new entrants, infrastructure providers and service providers. Given the value of their activities to the economy as a whole, it is important not to impose a disproportionate financial burden on the sector eg as part of Universal Service. However, members of this group differ significantly in their assessment of the minimum necessary level of regulation. The impact assessment will contribute an independent empirical evidence base to support the assessment of options and their economic impacts

- Economy as a whole. Today almost every economic activity uses electronic communications; e- communication services reduce the transaction costs of economic activities and contribute to enhance productivity and competitiveness. In addition, they have the capacity to contribute to the development of the local and regional economic fabric. The efficient application of ICT is a core element of the Commission's i2010 initiative.

Social Assessment

- Citizens and households. The current framework addresses user's rights for electronic communications services, including rights for privacy and protection of personal data, and any changes could affect these rights and the cost of communications for the user.

- Society as a whole. The capacity of electronic communications services to convey social benefits to all consumers must be assessed against the underlying costs which would result from any public intervention to mandate delivery these services.

Environmental Assessment

- Environment. Evidence to date suggests that Electronic communications services have positive effects on the environment, for instance by providing an alternative to the physical transportation of goods and persons (e.g. teleworking), but also some negative effects caused by laying cables, installing radio masts etc

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

The Commission regularly reports on Implementation of the EU Electronic Communications Regulatory Package. Annual reports covering the period 1997-2004 available at:

http://europa.eu.int/information_society/topics/ecommm/all_about/implementation_enforcement/annualreports/previousyears/index_en.htm

The next implementation report, covering the year 2005, will be available in February 2006.

The Communication will draw upon these implementation reports, and upon studies by external consultants to be launched in 2005. Terms of reference for these studies have been published in the OJ.

The Communication will launch a public consultation which will provide feedback from stakeholders on the impact of possible changes, and this will allow the Commission to assess the impact of the legislative measures that it will subsequently propose to the EP and Council.

6. Which stakeholders & experts will be consulted, how and at what stage?

The Communication is part of a broader public consultation on the Review of the regulatory framework, in which all stakeholders will be invited to participate (Member States, regulators, network operators and service providers, broadcasters, users, consumers etc).

Prior to the public consultation being launched by the Communication in June 2006, DG Information Society and Media will issue a 'call for input' in December 2005, with a public workshop in January 2006. A workshop with the ERG is planned for February 2006. There will also be discussion of the Review at meetings with Ministries, and at the Telecoms Council in December 2005.

DG Information Society and Media will publish the comments received on the Communication, and the conclusions that it draws from the consultation, before finalising any legislative proposals for adoption by the Commission.

7. Will an inter-service steering group be set up for the IA?

An interservice steering group will be set up in early 2006

ROADMAP

Title of the proposal: Communication: “**eGovernment 2010 Action Plan**”

Lead DG: INFSO/

Expected date of adoption of the proposal: April 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they likely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

In 2003 the European Commission adopted a policy document on “The Role of eGovernment for Europe’s Future” (COM(2003)567). The Member States adopted a Ministerial Declaration in 2003 as well as Council Conclusions on eGovernment. Many of the actions in the 2003 policy document are underway and nearing their completion. Since 2003 eGovernment in Europe has so much advanced that eGovernment is entering a new phase, with the emphasis shifting towards impact and benefits, from modernisation to innovation, and towards a stronger contribution to jobs and growth – the Lisbon Agenda. Information and communication technology in public administrations has been referred to in the revised Lisbon strategy and the importance of eGovernment was underlined in the Kok report. A Ministerial Declaration on eGovernment is expected to be adopted at the Third Ministerial Conference, “Transforming Public Services”, 24-25 November 2005. Correspondingly, with the launch of the i2010 initiative the European Commission has announced that an Action Plan for eGovernment will be proposed in 2006.

2. What are the main policy objectives?

The proposed Action Plan widely builds on close cooperation of Member States and Commission services that work on eGovernment related activities. The approach is strongly based on the result of the eEurope eGovernment subgroup (leaders and representatives of national eGovernment initiatives).

The eGovernment Action Plan for 2006-2010 will focus on impact of eGovernment and measurable benefits for citizens, businesses, administrations and will target a limited number of key areas of work that would ensure continued political commitment, drive progress, realise synergies and respond to challenges at European level.

Policy areas that are currently discussed include:

1. Making a reality of efficient and effective eGovernment with the reduction of administrative burden for businesses and citizens, the increase of efficiency and transparency of eGovernment services and increase user satisfaction.
2. Advancing inclusive eGovernment, meaning that no citizen or company is “left behind” due to eGovernment and that eGovernment increases measurably inclusion of citizens or businesses.
3. Delivering and adopting high impact services for businesses and citizens such as a widespread public eProcurement in Europe and services for citizen mobility in Europe.
4. Putting in place key enablers for eGovernment, including identification and authentication for eGovernment, document recognition across borders and electronic archiving, and the necessary supporting environments for a sustained EU cooperation: good practice exchange, sharing of building blocks, measurement and innovation framework, etc

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

There are four policy options to consider when writing the Communication:

- a) Do nothing – Stop the on-going initiatives on eGovernment and leave the ongoing work up to the Member States; politically and ethically unrealistic option given the social and economic issues at stake, as well as the associated risks of solution fragmentation at EU level leading to incompatible and non interoperable eGovernment services in the EU.
- b) Legislate – It can only be undertaken when sufficient evidence of failure of other less interventionist options is gathered. It is also against the preferred legislative approach agreed by the Council at the Laeken Summit in December 2001.
- c) Business as usual – Continue with the on-going initiatives for promotion, benchmarking and studies (eEurope action plan MODINIS), deployment (eTEN), implementation (IDABC) and innovation and research (IST), accepting the current situation as a status quo and the risks that the growing momentum and the potential high impact benefits of a world class eGovernment in EU is lost.
- d) Coordinate actions (a compromise)– This is indeed the perspective of the proposed Communication, aiming to be a focused Action Plan for all stakeholders in order to accelerate eGovernment benefits through converging actions, higher commitment and increased momentum.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

The successful option would aim at bringing maximum benefits to 1. Citizens, 2. Businesses, 3. Public Administration and 4. Economy/society at large. This is currently analysed with the support of the eEurope eGovernment subgroup and accompanied by study work undertaken under the Modinis programme and will be reported in the Impact Assessment document that will accompany the Communication.

Optimal benefits from a more efficient and effective, inclusive eGovernment should lead to:

Increased user satisfaction with public services as services become more effective through innovative use of ICT

Time and cost savings for businesses in their interactions with government

Increased opportunities for European citizens and businesses to realise their full potential

Reduced administrative burden and increased compliance against obligations

Reduced operational costs to administrations through offering a streamlined range of service delivery processes and channels

Increased access to new markets for SMEs, leading to impact at macro socio-economic level in consistency with Lisbon objectives

Increased engagement of excluded groups supporting improvement of social cohesion

Improved reach of policy goals and more competent delivery of policy outcomes

Working on joint objectives such as the development of key enablers, common building blocks or specific high impact eGovernment services should provide optimum quality and acceptance of secure interoperable services across the EU, supporting citizen and businesses mobility and increasing the flexibility of the labour market. It would also stimulate further use of innovative solutions and indirectly stimulate the related ICT market.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

Many past and current studies have/will produce important results on user satisfaction, efficiency of the back offices, benchmarking services in the EU, analysing take-up and time- and cost-savings, proposing an economic model for eGovernment, understanding legal barriers, etc. These will be used for the impact assessment. Furthermore the eEurope eGovernment subgroup has been very active in 2004-2005 and produced the "Bloomsday" and "CoBra" recommendations. References can be found at:

http://europa.eu.int/information_society/activities/egovernment_research/documentation/

More information will be gathered on general stakeholders objectives from working meetings with the eEurope eGovernment subgroup, a policy stakeholder meeting on 21st September 2005, a consultation on line, the conclusions of the Ministerial Conference 24-25th November 2005.

6. Which stakeholders & experts will be consulted, how and at what stage?

Beyond feedback from stakeholders that has already been collected, all stakeholders have been invited to participate to a policy stakeholder meeting 21st September 2005

http://europa.eu.int/information_society/activities/egovernment_research/, as well as responding to a questionnaire on line (IPM tool) from early October to early December.

Representatives of Member States and leaders of eGovernment initiatives will meet again on 28 Sep. and 23 Nov.

7. Will an inter-service steering group be set up for the IA?

A first meeting on eGovernment chaired by DG INFSO and organised in March 2005 gathered representatives from DGs having interest in eGovernment activities. Two more meetings in October 2005 and in January 2006 are foreseen without setting up an interservice steering group. The DGs involved are DG ENTR, MARKT, JLS, DIGIT, REGIO, EMPL, ESTAT, TAXUD, RTD and others.

ROADMAP

Title of the proposal: **Amendement des directives “recours” dans le domaine des marchés publics**

Expected date of adoption of the proposal: March 2006.

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

Efficacité insuffisante des recours nationaux sur des points non indiqués ou précisés par les directives « recours » actuelles (89/665 et 92/13/CEE), notamment sur les aspects suivants : effectivité des délais applicables aux recours précontractuels ; prévention effective de toute course à la signature pouvant rendre irréversible l'attribution illégale d'un marché ; effectivité des recours contre les marchés passés illégalement de gré à gré. Absence notable de « level playing field » dans l'UE et nécessité d'une intervention spécifique de l'UE dans l'intérêt des opérateurs économiques et du public en général, en vue d'améliorer l'efficacité des recours mettant en cause des pouvoirs adjudicateurs. Les problèmes constatés ne sont pas propres à l'un ou l'autre Etat membre. Seule une approche coordonnée des problèmes communs à un certain nombre d'Etats membres, permettra d'obtenir un résultat satisfaisant et équivalent d'un Etat membre à l'autre. En particulier, une modification des directives actuelles représente l'option privilégiée sur les points où l'autonomie procédurale des Etats membres recommande une solution négociée (comme en matière de délais minima de recours) et qui n'avaient pu être réglés par les directives actuelles.

2. What are the main policy objectives?

L'objectif général est d'encourager davantage les entreprises communautaires à soumissionner dans n'importe quel Etat membre de l'Union, en leur donnant la certitude qu'elles pourront, si nécessaire, engager des recours efficaces dans le cas où leurs intérêts auraient été lésés lors de procédures de passation de marchés de travaux, de fournitures ou de services.

La proposition de directive vise à améliorer certaines dispositions des directives « recours » sans changer les principes qui ont inspiré leur adoption. Ainsi, le principe de l'autonomie procédurale des Etats membres n'est-il pas remis en cause : les Etats membres conserveront la possibilité de fixer la juridiction ou l'autorité indépendante compétente selon leur droit procédural national pour connaître des recours relevant du droit communautaire des marchés publics. En outre, la proposition de directive prendra essentiellement la forme d'un renforcement des procédures ou mécanismes existants, en particulier par la mise en place de recours efficaces contre les marchés passés illégalement de gré à gré. Par ailleurs, les développements jurisprudentiels récents appellent une clarification voire une précision du cadre législatif existant, afin d'assurer un recours efficace contre les violations du droit communautaire des marchés publics.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

- a) Ne rien faire
- b) Publier un document interprétatif
- c) Engager des procédures d'infraction
- d) Amender les directives actuelles

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

Les recours concernés visant à faire valoir et appliquer le droit (déjà) applicable dans le domaine des marchés publics, l'amendement des directives recours ne saurait avoir par lui-même qu'un impact social ou environnemental positif mais non significatif eu égard à l'impact des dispositions des directives portant coordination des procédures de passation de marchés. En revanche, le caractère désormais effectif, proportionné et dissuasif du système de recours ainsi modernisé aura un impact économique positif du fait d'une meilleure mise en concurrence ; cette dernière générant des économies pour les autorités publiques et une amélioration de la compétitivité des entreprises européennes.

Quant à l'impact des différentes options :

- a) Ne rien faire : ceci impliquerait

- le maintien voire l'aggravation de situations très disparates d'un Etat membre à l'autre en termes d'effectivité des recours à disposition des entreprises candidates ou soumissionnaires,
- la persistance de situations d'insécurité juridique clairement démontrées et de violations graves ou répétées des directives relatives à la passation des marchés publics.

b) Publier un document interprétatif : solution efficace là où les directives « recours » actuellement en vigueur, éclairées par la jurisprudence de la Cour, permettent de fournir des éléments concrets d'interprétation dans le sens d'une amélioration de l'efficacité des recours existants, et lorsque la pratique s'accommode facilement de la diversité des systèmes nationaux (par exemple, afin de rappeler le champ d'application des directives "recours" et les obligations générales des Etats membres en matière de protection juridictionnelle effective),

c) Engager des procédures d'infraction : solution efficace lorsque le problème constaté est propre à l'un ou l'autre Etat membre ; en revanche, pour les problèmes communs à un certain nombre d'Etats membres, solution qui ne permet pas d'obtenir un résultat clairement satisfaisant et équivalent d'un Etat membre à l'autre, en particulier sur les aspects non traités par les directives « recours » actuellement en vigueur,

d) Amender les directives actuelles : telle est l'option privilégiée sur les points où l'autonomie procédurale des Etats membres recommande une solution négociée (comme en matière de délais minima de recours) et qui n'avaient pu être réglés par les directives actuelles. L'objectif étant de rendre les recours plus efficaces, les propositions envisagées n'augmenteront pas - diminueront même parfois - les coûts pesant sur les entreprises requérantes. Dans plusieurs Etats membres, un accroissement de l'efficacité des recours se traduira à court terme par une augmentation relative du nombre des recours et des coûts associés pour les instances compétentes et les organismes concernés, mais la qualité et l'efficacité accrues des recours incitera parallèlement les organismes adjudicateurs à mieux se conformer à leurs obligations de mise en concurrence des marchés. Cette amélioration des circonstances réelles dans lesquelles les marchés publics auront été mis en concurrence, générera non seulement des économies pour les autorités publiques, mais encore une amélioration de la compétitivité des entreprises européennes. A terme, on peut s'attendre à ce que l'efficacité même des recours dissuade les organismes adjudicateurs de se retrouver en situation contentieuse (i.e. diminution relative du nombre de recours)

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

Une « analyse d'impact approfondie » est en cours : le processus de consultation des Etats membres/adhérents a été lancé en mars 2003 au sein du "Comité consultatif Marchés publics" (CCMP). Les experts non gouvernementaux du "Comité consultatif pour l'ouverture des marchés publics" (CCO) ont parallèlement reçu un questionnaire sur le sujet et font l'objet d'une consultation complémentaire. Une analyse actualisée de la pratique des instances nationales de recours a été réalisée avec l'assistance technique d'un prestataire de services (août-octobre 2003). Fin 2003- début 2004, la consultation a été élargie aux opérateurs économiques et à toutes les parties intéressées par le biais de questionnaires en ligne (Interactive Policy Making / European Business Test Panel). Les pouvoirs adjudicateurs ont également fait l'objet d'une consultation publique spécifique en mai-juin 2004. L'exploitation des résultats des consultations est en cours et effectuée en interne. Les réunions du CCMP et du CCO qui ont lieu en 2005 sont mises à profit pour obtenir des contributions complémentaires des Etats membres et des milieux intéressés.

6. Which stakeholders & experts will be consulted, how and at what stage?

Etats membres, pouvoirs adjudicateurs et entités adjudicatrices, entreprises, professions juridiques, associations professionnelles et organisations non gouvernementales ont déjà été consultés (voir réponse ci-dessus)

7. Will an inter-service steering group be set up for the IA?

Non. Les directives 89/665 et 92/13/CEE se focalisent sur les aspects spécifiques des recours dans le domaine des marchés publics (notamment au stade précontractuel, en raison de l'extrême difficulté qu'il y a à remettre en concurrence un marché public qui a été illégalement attribué, lorsque le contrat correspondant a déjà été signé).

ROADMAP

Title of the proposal: White Paper on the Integration of the **EU Mortgage Credit market**

Expected date of adoption of the proposal: September 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

There is no Internal Market for mortgages. Obstacles of all kinds subsist, in the areas of consumer protection, legal and other rules relating to issues such as valuation standards and credit register data, the creation and transfer of the collateral relating to the mortgage credit loan and in the funding of mortgage credit. These obstacles severely restrict the level of cross-border mortgage credit activity on the supply and demand sides. This reduces competition and choice in the market. As a result credit providers may be less efficient than they could be and borrowers face less competitive offers, a more limited choice and some categories of borrowers may be marginalised or even excluded from this market. All this is of concern, as the purchase of a home is the single largest lifetime purchase for most EU consumers, and a significant aspect of the EU economy, with outstanding residential mortgage credit balances constituting almost 45% of EU GDP. The economic cost of the lack of an Internal Market for residential mortgage credit has been the subject of an independent study carried out on behalf of the Commission by UK based consultant London Economic (awarded the contract after an open call for tender). The study predicts that while partial and gradual integration may occur without intervention at EU level, such intervention would have the potential to promote integration, leading to greater competition and product completeness. It estimates the current (2005) value to the EU economy of increased integration over the next ten years at Eur94.6bn, which amounts to 0.89% of current EU GDP.

2. What are the main policy objectives?

To propose a strategy that will promote the integration of the EU mortgage credit market in order to make it more efficient and competitive for the benefit of all, provided always that the benefits of such a strategy can outweigh the costs. This could be achieved by ensuring that mortgage credit can be demanded and offered with little hindrance throughout the EU and that market completeness, product diversity and price convergence are enhanced.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

The variety of obstacles will merit a variety of options (regulatory and non-regulatory), should proposals be made. Options proposed for consultation in the different policy areas described above include legislation, self-regulation, market-led information sharing and cooperation initiatives and the creation of score-boards by the Commission to encourage best practice.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

Thus far no choices have been made between the various policies options described above. What is clear is that any action that may be proposed is likely to have an economic impact, focussed on competitiveness, competition, costs (with associated benefits) to business and savings to consumers. There is, to a lesser degree, the potential for a social impact.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

Information is available already in the form of a study on costs and benefits of integration. Further input will be received during the consultation on the Green Paper on Mortgage Credit in the EU. Thereafter, depending on the proposals made (if any), further impact assessments will be carried out as appropriate and proportionate.

6. Which stakeholders & experts will be consulted, how and at what stage?

All relevant stakeholders and experts are being consulted at every stage, through the following mechanisms – government expert group, market participants’ group, inter-service group, internal focus group and finally, the current open public Green Paper consultation and Hearing to be held on 7th December 2005 to mark its conclusion.

7. Will an inter-service steering group be set up for the IA?

An inter-service steering group exists, which will be used for the IA.

ROADMAP

Title of the proposal: White Paper on the **next steps towards an efficient investment fund market**

Expected date of adoption of the proposal: Autumn 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

In the late seventies, the free movement of investment funds was hindered by differences in Member States' relevant laws. This prevented a fair competition between funds and led to unequal protection of people investing in them.

To address those concerns the Commission adopted in 1985 the Directive on Undertakings for Collective Investments in Transferable Securities (UCITS). This Directive had two objectives: a) to set the ground for the successful pan-European development of the fund industry, while b) ensuring a high level of protection for investors. The first objective responded to the willingness to foster gains for all participants in an integrated market for investment funds. To this aim, the Directive introduced the concept of UCITS passport, allowing a fund, subject to a simple notification, to be offered to retail investors in any EU jurisdiction once authorised in its home country. The Directive's provisions defining investment limits, information requirements and other UCITS features were drafted with a view to protect investors.

However, nearly 30 years after the original design of the Directive, market developments are showing the limits of the UCITS framework and endanger the achievement of those objectives.

The UCITS passport is not fully working. Divergences in the interpretation and implementation of the Directive provisions, coupled with a lack of trust among national authorities have rendered cumbersome the notification procedure. This entails costs, delays and uncertainty incompatible with a well-functioning and integrated single market⁴. The resulting market fragmentation has led to a multiplicity of funds of a sub-optimal size⁵. In the absence of a framework encouraging the industry to get organised in a more efficient way, important economies of scale remain unexploited. This translates into higher cost (or lower net returns) for the investor.

Structural changes in the fund industry are also giving rise to concerns from an investor protection point of view. The emergence of new distribution models (such as open-architecture or on-line trading) may increase the risk for them, particularly at a time where new fund products and strategies develop quicker than investors' financial understanding. Competition from similar products subject to less restrictive investor protection requirements and developments in the alternative investments sector also deserve attention. Finally, the product approach pursued by the Directive prevents it from keeping pace with financial imagination/innovation. As a result, the Directive's ability to effectively protect investors is put into question.

The Green Paper on the enhancement of the EU framework for investment funds and its background document describe more in detail the issues at stake. The attached problem matrix provides a simplified overview of those.

At which level should action been undertaken? There is a clear role for the industry to play to improve its organisation and efficiency and to retain the trust of investors. Initiatives such as the development of standards to be used in the processing of fund parts or the adoption of codes of conduct are welcome. Part of the above described problems can be also solved at the level of Member States, particularly by implementing UCITS provisions in a timely and coherent way. In this respect, Commission and CESR's efforts to promote consistent implementation and enforcement and increased supervisory convergence will be pursued.

However, the identified problems, as well as the emerging risks associated to current trends in the industry have a pan-

⁴ In addition to the costs of the initial notification, estimates evaluate at € 25 million the annual costs of maintaining notification across the EU.

⁵ The average European fund's size is a fifth of that of the average American mutual fund.

European (if not global) dimension. Financial instruments, strategies, markets and firms are global. Investors' cross-border access to fund products is increasingly easy. Thus, these problems and risks cannot be isolated and dealt with within the borders of a particular country. Regulatory and commercial considerations will need to be assessed at EU level.

2. What are the main policy objectives?

Overall objective: to increase the efficiency of the European market for investment funds while assuring a high level of protection to investors

Intermediate objective: to modernise the existing regulatory framework so that it will achieve its objectives (market efficiency and investor protection) in a context where structural changes are transforming the environment in which the investment fund sector evolves.

Operational objectives: 1) to eliminate barriers to the integration of the European fund market 2) to encourage cost savings at different levels of the fund industry value-chain and that those savings are passed on to investors 3) to provide the appropriate framework for investors to make informed investment decisions

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

The Green Paper on the enhancement of the European framework for investment funds identifies some ways forward. On-going initiatives aim to improve the functioning of the existing rules, in particular of the UCITS passport. Level 2 clarifications on the assets an UCITS can invest in and CESR Guidelines on the ways to streamline the notification procedure are the instruments being considered in this respect.

In the medium and long-term, more far-reaching actions may be needed. A more supportive framework for cross-border pooling and mergers, the authorisation of master-feeder structures, the possibility for the management company and the depositary to be established in a country different from that of the fund, standardisation of operational protocols... are some of the options considered.

In any case the policy options and the instruments chosen will very much depend of the conclusions of the on-going Green Paper consultation. Those options will range from "doing nothing", to complete overhaul of the existing framework. Intermediary options will represent different combinations of upgrading measures.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

Impacts likely to result from each policy option will be basically of an economic nature. In the case of the "do nothing" option, impacts will be assessed in terms of the cost of opportunity of not having a fully integrated market for investment funds and the increasing risks that the current trends in the market may pose for investors and for the well functioning of the industry. In the case of the other options, it will depend of the policy mix chosen. Expected economic impacts of the different options include impact on the degree of competition in the internal market (between firms, between products), on operating costs and conduct of business, on administrative costs on businesses, on consumers and households (investors' protection, their ability to make informed investment decisions, the price they pay for the service/product, their access to a wider or narrower range of services/products ...), on competitiveness and investment flows, on the macroeconomic environment (better resources allocation, GDP growth...) Social impacts at the level of the labour market, job quality, financing of retirement and other similar aspects will be considered. No environmental impact is anticipated.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

Some information is already available in the form of industry or expert groups' reports, academic studies and publicly disclosed statistics. In addition to this, the below information, analysis and data will be needed to carry out our impact assessment:

- a summary of stakeholders' perceived pros and cons of the different Green Paper's proposals
- an analysis of the articulation of UCITS and MiFID provisions re. distribution
- an in-dept analysis of the different options that should enhance the efficiency of the investment fund industry
- an assessment of the risks and opportunities posed by alternative investments
- a complete and coherent set of data providing a reliable description of the asset management industry (including competition, distribution, integration and efficiency related indicators)
- (at least a preliminary) updated analysis of current trends in the fund industry and its associated risks
- (at least a preliminary) quantification of potential savings deriving from a greater fund market integration

We plan to gather this information by means of:

- the analysis of the responses to the consultation on the Green Paper on the enhancement of the EU framework for investment funds.
 - further internal research (including screening and examination of other relevant EU directives and case law, further analysis based on published studies, articles and relevant literature, close monitoring of market, products or actors' related changes)
 - the establishment of two expert working groups. One of those will be focused on the means to enhance market efficiency and another on the risks and opportunities posed by alternative investments. The expert groups' discussions are not expected to start before the end of 2005.
 - two externally tendered studies: "potential costs savings in a fully integrated European market for investment funds" and "Current and risks in the European asset management industry". The final report of the tendered studies will not be available before middle 2006.
 - regular or ad hoc meetings with the ESC, CCSR and market participants.
- The planned impact assessment analysis will follow the principle of proportionality. It will offer an in-depth qualitative and, where possible, a quantitative assessment of the impacts.

6. Which stakeholders & experts will be consulted, how and at what stage?

Open consultations: Stakeholders (including industry, regulators and consumer associations) have already been consulted on the report prepared in May 2004 for the expert group on asset management. Another consultation, on the Green Paper on investment funds, is currently on-going (finishing on 15th November 2005).

Working Groups: The terms of reference for the two expert groups' mandates will be drafted in Sept.-Oct. 2005. The groups will gather experts with a recognised expertise and relevant experience in the issues that will be debated. It is expected that they will produce their final report by the second quarter 2006.

Other meetings: Several meetings have been held with industry experts, Member States and consumer representatives. More will take place in the coming months (e.g. open hearing on the Green Paper on 13th October, ESC and CCSR meetings, ad-hoc discussions with market participants...) in order to gather information, test the acceptance and feasibility of the different options and keep stakeholders informed during the whole process.

7. Will an inter-service steering group be set up for the IA? Yes

ROADMAP

Title of the proposal: **Securities Clearing and Settlement Directive**

Expected date of adoption of the proposal: Q3-2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test).

Current arrangements for the finalisation of transactions in the EU are generally considered efficient at a national level, but very inefficient at a cross-border level. The inefficiencies of cross-border arrangements in the EU are due to a lack of global technical standards, the existence of differing business practices and inconsistent fiscal, legal and regulatory underpinnings. As a result, cross-border Clearing and Settlement in the EU is much more costly and complex than at purely domestic level and, potentially, less safe.

In view of the multitude and different nature of the issues that need to be addressed, the often conflicting interests of the actors in that market and the diverging policy approaches of Member States, it is not very likely that a suitable solution could be achieved in the foreseeable future by relying on the sole, uncoordinated and purely voluntary action by Member States and/or the markets.

2. What are the main policy objectives?

The Commission's overarching objective is to foster EU Securities clearing and settlement systems that are efficient and safe and ensure a level playing field among the different providers of clearing and settlement services, even when they deal with cross-border transactions.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

All policy options would require the close collaboration between, and the coordination of actions of, the public and the private sector. On that basis, the main options are:

- (i) to rely mainly on market-led self regulatory processes to achieve efficiency complemented by the adoption of non-mandatory standards by securities regulators/supervisors and central banks that are (mainly) aimed to achieve safety of clearing and settlement systems;
- (ii) to complement the market-led self regulatory processes with a framework directive that would provide a secure legal framework ensuring the freedom to provide securities clearing and settlement services throughout the EU on the basis of common requirements (thus achieving the mutual recognition of systems). Such a Directive should be neutral as to the models and structures adopted by the markets/national authorities to provide the intended services. Any non-mandatory standards by regulators/supervisors and central banks would have to comply with the general legal framework established by the Directive so as to form a coherent whole;
- (iii) to complement the market-led self regulatory processes with a more intrusive directive or regulation on the operation of markets in that sector, by proposing for instance a specific model or a precise market structure for the EU clearing and settlement industry. Again, any non-mandatory standards by regulators/supervisors and central banks would have to comply with the Directive so as to form a coherent whole;

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

All three policy options could potentially achieve the overarching objective set by the Commission. Their main impacts would be economic in the form of more integrated and liquid EU capital markets and of a reduced cost of capital for listed companies. Impact on overall employment and social inclusion is expected to be positive, while the environmental impact is negligible.

However, an important difference between the options is the certainty of achieving the objectives sought and the expected timeframe. As to the first option, a purely voluntary and uncoordinated action by market participants and Member States alone is difficult to achieve and will arguably require more time to be completed. As a result, the positive impacts of the action are less certain and will be diffused over a much longer period of time.

Both the second and third options seem to present a more balanced approach in this respect. They would allow the attainment of the overall objectives with a far greater degree of certainty and within a given timetable. However, the third option would require a far greater level of immediate structural changes which could be premature and overly costly, both in economic and political terms.

The Commission is currently conducting an assessment of the various options; a firm decision on whether to propose a

Directive and of what nature will only be taken after the results of the Impact assessment exercise are carefully considered.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

Several studies provide data as to the extra cost of cross-border clearing and settlement in the EU. The Commission services are currently conducting a survey and analysis of the studies available with the aim to assess the impact of these extra costs on the EU economy. Further information on the indirect cost of clearing and settlement, in the form of additional back-office requirements, would be welcome. More data is being gathered through the CESAME group (the Clearing and Settlement Advisory and Monitoring Expert group set up by the Commission) and other sources.

6. Which stakeholders & experts will be consulted, how and at what stage?

The Commission has set up an on-going consultation framework on this issue. In the beginning and as a result of the publication, in April 2004, of its Communication on Clearing and Settlement, the Commission received extensive comments by market participants, Member State authorities and central banks on both its overall objectives and its stated policy options. In order, among other considerations, to keep the momentum in the consultation process, the Commission set up the CESAME group, whose mandate provides that the group has to “informally assist the Commission through the provision, on request, of advice on specific technical issues”. The members of the group are representative of all stakeholders involved in the clearing and settlement business (e.g. infrastructures, banks, issuers, etc).

CESAME provides an informal but very effective framework for consultations while the group members ensure the wide dissemination of information to their respective constituencies. In addition, the proceedings, agendas and attendances of the group meetings are available to the interested public through the Commission web-site. Work of the CESAME group has started on July 16th 2004 and will carry over through 2006.

Further ad-hoc consultations with interested parties are also on-going, either at the Commission’s or at third parties’ initiative.

7. Will an inter-service steering group be set up for the IA?

It has already being set-up; its initial, partial and as yet incomplete findings have already being presented to CESAME group members for information and comments; they are also available on the CESAME website maintained by the Commission.

ROADMAP

Title of the proposal: Proposal for the **full accomplishment of the Internal Market for Postal Services**

Expected date of adoption of the proposal: Nov 2006

A. Initial impact assessment screening

1. What are the main problems identified?

Background

The Postal Directive (Dir 97/67/EC as amended by Dir 2002/39/EC) focuses in particular on the preservation of the Universal Service set alongside the gradual opening up of the postal market to competition. By the end of 2006, the Directive requires the Commission “to assess, for each member state, the impact of liberalisation on universal service of full market opening in 2009. Based on the study’s conclusions, the Commission shall submit by 31 December 2006 a report to the European Parliament and the Council accompanied by a proposal confirming, if appropriate, the date of 2009 for the full accomplishment of the postal internal market or determining any other step in the light of the study’s conclusions.”

Problems

The speed and progress of adaptation of postal operations and human resources to conditions of greater competition is uneven across Member States (MS). Since the Postal Directive was adopted, the speed of adaptation may have been significantly influenced by the level of competitive or regulatory pressure in MS. Because of this, there exists a risk that full market opening in 2009 may have different financial impacts across MS postal services, and hence the continued provision of the Universal Service.

Even where markets have been opened up already, the degree of competition remains limited.

The Postal Directive gives independent National Regulatory Authorities considerable discretion to determine and enforce the framework for postal services at MS level. Asymmetrical regulation may discourage competition, or result in new barriers to the achievement of the Internal Market and a ‘level playing field’.

Intra-Community quality has improved since the Postal Directive was adopted, but the highest levels of domestic quality of service envisaged in the Green Paper of 1992 are sustained only in a minority of MS.

Different interpretation of several postal terms in the Directive has led to market uncertainty, resulting sometimes in regulatory and legal burden through complaints and challenges. The current Postal Directive does not yet correspond to recent sector trends.

The policy objectives and problems associated with the postal sector are unlikely to be solved satisfactorily by the sole action of Member States and require a Community approach.

2. What are the main policy objectives?

The accomplishment of an internal market for postal services, and the provision of a Universal Postal Service that meets existing and future customer needs.

Related objectives include:

Choice - creating market conditions that provide business and individual consumers with choices in the types of postal services and service provider they can use.

Affordability – stimulating affordable postal services for both businesses and individuals.

Availability – while recognising changing trends in technology and uses of postal services, safeguarding regular supply with convenient access to postal services.

Service Standards – fostering reliable domestic and intra-Community postal services; to ensure integrity of mail services; to ensure efficient and high quality universal postal services.

Compatibility - ensuring that Community postal sector policy is compatible with other Community policies (e.g. competition, Services of General Interest) and wider international obligations (e.g. GATT/UPU).

Sustainable growth - creating a framework for the development of the postal sector which meets these objectives and, by doing so, fosters the communication and information business and flows, as well as new technology, and also contributes positively to the overall Community economic growth and competitiveness priorities.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

The main policy options differ substantively in respect of the speed of market opening, and the scope and effects of measures intended to ensure the continuation of a Universal Postal Service.

The main policy options for the 2006 Proposal are:

A proposal that the Commission does not put forward any new or amending legislation. Thus the current Directive would lapse at the end of 2008. In this instance, responsibility for universal service and consumer protection will revert to MS and EC Treaty rules apply. The Commission would have the competence, derived from the EC Treaty, to act to ensure full market opening in all MS. Any continued reservation would be justified by MS only by reference to EC Treaty competition rules (given the sector's status as a Service of General Economic Interest).

Confirm the date of 2009 for full accomplishment of the Internal Market for postal services and prolong the current Postal Directive but excluding the possibility of reserved areas.

Confirm the date of 2009 for full accomplishment of the internal market for postal services in the framework of a proposal for a new Postal Directive.

Confirm date of 2009 accompanied to the extent necessary by measures to ensure universal services.).

All these options could be combined with clarified provisions / definitions for existing and new postal developments such as Downstream Access, and the role and responsibilities of National Regulatory Authorities (NRAs).

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

Potential impacts in the postal sector may include: facilitated market entry /exit; greater choice for large mailers through increased competition; downward pricing pressure in competitive segments leading to reduced operating costs for enterprise (with upward price pressure in some non-competitive segments used by individuals /SMEs); employment – reductions in direct employment in some MS postal operators, that will be partly offset by new jobs created by market entrants, but potentially with different working conditions; potentially increased market concentration long term; speed and phasing of competitive entry and its effect on the financial viability of the current Universal Service Providers.

Public policy objectives strongly linked in some MS to the provision of the Universal Service, such as economic integration and social cohesion, and affordability for private consumers may be affected depending on the policy option proposed.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

Considerable data is already available through recently completed studies, and more will become available through future studies, and the collection of postal statistics via ESTAT. Published reports and studies include: NERA 'Economics of Postal Services' (2004), WIK-Consult 'Main Developments in the European Postal Sector' (2004), the Directive Application Report (2005), ECORYS - 'Development of competition in the European Postal sector' (2005) and WIK-Consult - 'The Evolution of the Regulatory Model for European Postal Services (2005). Up to date data will be obtained through the external study 'Main developments in the European postal sector 2004-2006' The scope and timing for the external Prospective Study in 2006 have been set to enable a strong linkage with the Impact Assessment. At present therefore further involvement of external contractors is not envisaged.

6. Which stakeholders & experts will be consulted, how and at what stage?

Stakeholders will be consulted on important market developments in 2005 and 2006 via market studies instigated by the Commission, and through a specific public on-line consultation exercise envisaged to take place Nov 2005-Jan 2006. The consultation will be open to MS, EU institutions including the European Parliament, as well as stakeholders such as NRAs, national postal operators, industry and consumer groups and private individuals.

7. Will an inter-service steering group be set up for the IA?

Yes

ROADMAP

Title of the proposal: **Revision of Article 16 of the Banking Directive**

Expected date of adoption of the proposal: mid 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

As it currently stands, Article 16 of the Banking Directive gives Member States' supervisors wide-ranging powers to block the acquisition of significant shareholdings by an acquiring institution (a bank, insurance company, investment firm or non-financial company). The current provisions have proven insufficient in several instances in the past to ensure that the rights and obligations of credit institutions and supervisory authorities are adequately applied in all EU Member States. In addition, due to restrictive confidentiality requirements (explained below), it has often been difficult for the Commission to address in a satisfactory manner unjustifiable restrictions or abuses of those rights.

Among the main problems that have been identified and are currently not addressed by Article 16 are the following:

- The absence of a clearly identified list of prudential criteria that define what the “suitability” of the acquirer needs to be in view of the need to ensure the “sound and prudent management” of the resulting credit institution;
- The absence of clear rules governing the process that supervisory authorities should follow when receiving an application for acquiring a significant shareholding, including transparency obligations and some form of independent review mechanism;
- The lack of rules and procedures guaranteeing equal treatment and opportunities in case of competing bids from different acquirers for the same target credit institution (e.g. both from within the country and other EU Member States);
- Rules and procedures to deal with acquisitions of shareholdings in banks by non-bank financial services entities (cross-sectoral aspects of mergers and acquisitions);
- The absence of clear rules and procedures in case of take-overs of EU banks by non-EU companies.

As has been shown in past cases – some of which have led to investigations by the national courts –, these and other problems cannot be solved satisfactorily by the sole action of Member States for the following reasons:

- (a) Since Article 16 insufficiently clarifies the prudential criteria and process by which significant shareholdings must be assessed by the competent supervisory authorities, the way in which this appraisal takes place potentially varies considerably from Member State to Member State, creating level-playing-field concerns;
- (b) Market participants are often unclear as to how competent authorities carry out their reviews, creating legal uncertainty. The latter raises costs for companies especially in case of a merger or acquisition on a cross-border basis, as confirmed in a broad survey on cross-border consolidation conducted by DG MARKT (see also item 5 below).
- (c) In addition, because of confidentiality restrictions and strict professional secrecy obligations applying to supervisors, the accuracy of the national supervisory review process (and potential extent of divergence between Member States) cannot be properly assessed by the Commission.

2. What are the main policy objectives?

The main policy objectives of the revision of Article 16 of the Banking Directive are three-fold:

- To safeguard the rights of banks to operate on a cross-border basis and to acquire shareholdings in other institutions within and across the EU;
- To ensure that the rights and obligations of credit institutions and supervisory authorities are correctly applied in all Member States; and
- To address unjustifiable restrictions or abuses of those rights.

Such disabling environment or outright restrictions as described under item 1 above prevent EU companies from reaching their maximum potential in order to compete internationally, and prevent consumers from reaping the benefits from enhanced innovation and competition on their home market. An efficient banking sector is an important precondition for improved economic performance within the EU in line with the Lisbon agenda.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

It is fully legitimate, and indeed necessary for banking supervisory authorities to concern themselves with the ongoing health and prudent management of a banking institution that will operate in their jurisdiction.

Removing the provisions from the Banking Directive is not an appropriate response. Therefore, the two main options are:

- (i) to do nothing; or
- (ii) to take the legal approach and amend the necessary parts of the Directive.

Option (i) would perpetuate the existing problems identified under item 1 above, leading to level-playing-field concerns across Member States. The only way to ensure transparent and consistent application by Member States of supervisory approval criteria and processes for the acquisition significant shareholdings is to introduce the necessary amendments in the existing Banking Directive.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

Removing Article 16 is deemed to have the following impact:

Removing the right of competent authorities to review significant shareholdings would negatively impact consumers and the economy because it could result in an unsuitable entity controlling an EU bank. The potential implications for overall financial stability are also far-reaching. Removing the review by supervisors is therefore considered an unacceptable option.

- Maintaining Article 16 as it currently stands is deemed to have the following impact:

Economic impact: the current uncertainty and lack of transparency characterising EU rules for supervisory approval processes for significant shareholdings create level-playing-field concerns and act as a barrier to cross-border consolidation in the EU as confirmed by a survey conducted by DG MARKT in 2005 (see item 5 below).

The extent to which Article 16 impedes cross-border mergers and acquisitions in the EU banking sector is difficult to assess accurately because of the current lack of access to documents by the Commission in relation to supervisory reviews conducted by Member States' competent authorities.

Impact on users and consumers: any barrier to consolidation in the EU, especially across borders is likely to be to the detriment of consumers. Protectionism hampers growth and penalizes consumers by higher banking charges.

- Streamlining and improving the effectiveness and transparency of the provisions of Article 16 is deemed have the following impact:

Economic impact: enhancing the transparency and consistency of Article 16 would provide market participants with greater legal certainty in relation to the supervisory approval process for significant shareholdings. Clear and transparent processes will ensure that consolidation in the banking sector is driven by the market and by opportunities for business to deliver real benefits to users and consumers. It will reduce the costs for business to engage in domestic and cross-border mergers and acquisitions. It will also prevent protectionist practices within Member States in relation to Article 16.

Impact on users and consumers: a well-functioning EU Internal Market and new foreign entrants to a market can increase competition and give consumers better choice.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

In September 2004, the Council of Economy and Finance Ministers, meeting informally in Scheveningen (NL) discussed data showing that cross-border consolidation in the banking sector was lagging behind. The discussion was based on a paper presented by the Dutch Presidency evidencing the abnormally low level of consolidation in the EU banking sector and on presentations by CEOs of leading European banks explaining what the main reasons were in their view. The abuse of supervisory powers to block cross-border M&A was identified by the Ministers of Finance as one important factor. Thus, as a follow-up to their discussion, Finance Ministers mandated the Commission to identify all obstacles to cross-border M&A in the financial sector and to review how the supervisory approval process needs to be improved (review of Article 16 of the Banking Directive).

The Commission has requested technical advice from the Committee of European Banking Supervisors (CEBS) on the review of Article 16 in January 2005. CEBS issued its advice on May 31st, 2005. In April 2005, the European Commission launched an online survey in relation to obstacles to cross-border mergers and acquisitions. The responses received showed that supervisory requirements, and in particular supervisory approval processes figure prominently among obstacles to cross-border consolidation identified by the larger financial institutions. Political interference in the approval process is mentioned as a barrier by 30% of the responding companies with previous experience in cross-border M&A (successful or not). This shows that this is indeed a real issue.

6. Which stakeholders & experts will be consulted, how and at what stage?

The competent authorities and industry have been consulted (see item 5 above). These are the primary stakeholders and it is intended to consult them on an ongoing basis.

7. Will an inter-service steering group be set up for the IA?
Yes.

ROADMAP

Title of the proposal: Fair compensation for **private copying: copyright levies reform**

Expected date of adoption of the proposal: Autumn 2006

A. Initial impact assessment screening

1. What are the main problems identified?

Copyright levies were first introduced for analogue equipment and media used to copy copyright works. However, copyright levies are now increasingly applied to digital equipment and media as a form of compensation for rightholders whose works are subject to private copying. The Commission is concerned that copyright levies are being applied to digital equipment and media without due account being given to the impact on new technologies and equipment especially the availability and use of so called “digital rights management” technologies which can provide alternative ways of compensating right-holders. Furthermore, there is a lack of transparency about the application, collection and distribution of the copyright levies to right-holders. Unless this problem is addressed, it will hamper the move to a knowledge based economy and the fulfilment of the Lisbon Agenda goals.

Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

Policy in relation to compensation for private copying is set by Directive 2001/29 on the harmonisation of copyright and related rights. Directive 2001/29 provides that Member States may choose whether to introduce an exception for private copying. Moreover, Directive 2001/29 gives Member States flexibility in determining the form of any system of fair compensation for right-holders. There is limited guidance on the scope of what constitutes “fair compensation” in a recital (Recital 35).

It was not possible to get greater agreement/harmonisation when the Directive was adopted in 2001. It was therefore decided in 2001 to leave it to the market to develop in line with the flexibility accorded to Member States and that in time digital rights management technologies would become more widely available and copyright levies would be phased out. However, the relevant provisions of Directive 2001/29 have been applied differently by Member States. There are divergent policies amongst Member States on what constitutes fair compensation. This was borne out by a consultation held by DG Markt in 2004 with Member States and all stakeholders. The aim of the Consultation was to assess the criteria used by MS in relation to copyright levies in the period since adoption of Directive 2001/29 i.e. 2001-2004. DG Markt concluded there is no common ground amongst Member States on the interpretation of the relevant provisions of Directive 2001/29 (Article 5(2)(b) and the extension to digital media and equipment. The Consultation also revealed that levies are unequally applied in terms of the equipment, media and the amounts across Member States and that there is a lack of transparency in relation to the collection, distribution. The availability and use of “digital rights management” technologies have not had an impact on Member States’ policy.

2. What are the main policy objectives?

The main policy objective is to ensure that the scope and level of systems for fair compensation established by Member States for acts of private copying takes account of the application of digital rights management technologies. To that extent, criteria should be established to assist Member States on what constitutes availability and use of digital rights management technologies. Moreover, there should also be criteria in place to ensure transparency in relation to the application, collection and distribution of copyright levies to right-holders.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

(a) Do nothing and let the market develop: Since the adoption of Directive 2001/29, in the period 2001-2005, the Commission advocated letting the market develop.

(b) Amend Directive 2001/29 and in particular the provisions dealing with fair compensation for private copying (Article 5(2) (b) by removing the flexibility accorded to Member States to determine the mode and level of fair compensation.

(c) Establish guidance or criteria, by way of a recommendation which would: (1) assist Member States in identifying the availability and use of digital rights management technologies; and also (2) provide for transparency in relation to the application, collection and distribution of copyright levies;

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

(a) Do nothing and let the market develop: Since the adoption of Directive 2001/29, in the period 2001-2005, the Commission advocated letting the market develop. In the light of the Consultation held by DG Markt in 2004, allowing the market to develop unassisted in that period, did not produce the required result which was that DRM technologies would become more widely used and factored into systems of fair compensation. Indeed, the opposite is true –copyright levies developed for the analogue environment are beginning to become entrenched in the digital environment.

(b) Amend Directive 2001/29 and in particular the provisions dealing with fair compensation for private copying (Article 5(2) (b) by removing the flexibility accorded to Member States to determine the mode and level of fair compensation. This is likely to produce a binding result but would be a lengthy legislative process.

(c) Establish guidance or criteria, by way of a recommendation which would: (1) assist Member States in identifying the availability and use of digital rights management technologies; and also (2) provide for transparency in relation to the application, collection and distribution of copyright levies. This likely to be very welcome by all stakeholders including Member States as it would provide much needed interpretative guidance on the relevant provisions of Directive 2001/29 including benchmarks on determining availability and use of DRM technologies.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

Dg Markt has considerable information and data at its disposal in relation to copyright levies which has been gathered since 2001. Above all, there are the results of the consultation held in October 2004 where a comprehensive questionnaire was sent to Member States and replies received from all of them. DG Markt has also tendered a study on the application of Directive 2001/29 for the purposes of producing an evaluation of that Directive and the results should be available in the course of 2006. There is also another study which has been tendered on the review of the copyright acquis which may also be relevant. Moreover, many stakeholders, especially the ICT industry that is principally affected by copyright levies have commissioned their own studies and have made these available to the Commission.

6. Which stakeholders & experts will be consulted, how and at what stage?

Since 2001, there has been continual consultation with stakeholders both the private sector and Member States including a formal consultation in October 2004. There is a contact committee established under Directive 2001/29 which meets every 6 months and is attended by Member States where there will be ongoing consultation. Prior to adoption, meetings of the committee are scheduled for October 14th 2005, March 2006 and October 2006.

7. Will an inter-service steering group be set up for the IA? Yes,

ROADMAP

Title of the proposal: Interpretative Communication on the application of article 296 EC to **defence procurement**

Expected date of adoption of the proposal: October 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

Defence markets are highly fragmented and governed by national rules. According to the opinion of a large number of stakeholders (see the consultation launched with the Green Paper of 2004), part of the problem is the misapplication of article 296, which allows MS to derogate from the application of Internal market rules and principles when this is justified in order to protect essential security interests. MS have the tendency to apply this provision almost automatically, whenever a contract is defence related. MS and stakeholders pleaded for more guidance on the interpretation of this derogation. It is up to the Commission to provide such guidance, by clarifying the criteria on the basis of which MS have to decide if the conditions for the application of such derogation are met, in light of the case law of the Court.

2. What are the main policy objectives?

The initiative on Defence procurement is part of a global initiative aiming at opening up defence markets, by introducing more transparency and competition on those markets. It is commonly recognised that the current market fragmentation of the European defence market has negative consequences not only on the efficiency of public spending but also and on Member States' military capabilities. It is also an obstacle to the growth and the competitiveness of the European Defence Industry.

– 3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

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– Policy options have been evaluated also on the basis of the public consultation which took place last year. Three main options have been identified:

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– 1) a fully fledged initiative, i.e. total reorganization of the procurement rules for the defence market, for example through a new directive (an impact assessment aimed at verifying the advantages of this option is about to be launched);

– 2) “Doing nothing”, explicitly rejected by the large majority of stakeholders, who urged the Commission to play its role in this area;

– 3) a more progressive, proactive, gradual approach, where the Commission prepares an interpretative communication to solve imminent problem, and at the same time launches a detailed IA to analyze the problem (the option which it has been decided to followed)

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

Possible impacts of an Interpretative Communication on defence procurement are:

- 1) increased competitiveness and growth of the European industry;
- 2) increased competition in the Internal Market;
- 3) increased efficiency of public spending.

As a result of the Interpretative Communication, it is expected that the application of the derogation will be limited in comparison with the current situation and that more contracts will be concluded according to the procedures set up by the public procurement directives. This could apparently bring additional costs and administrative burdens for public authorities (mainly Ministries of defence). However, the ultimate objective being to achieve best value for money, it is expected that also public buyers will in the end benefit from more competition. Long term advantages for the European Defence Industrial Base are also expected. By contrast, no major social and/or environmental impacts are expected (a detailed analysis of those impacts is ongoing).

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

Collecting data and information in this area is not always easy. Defence expenditure are not only very often policy driven, but also sometimes secret or confidential. A research in the TED database in order to establish the advertising rate has been carried out. A study on prices is going to be carried out by an external contractor. A research on national budgets is also ongoing. All data collected should allow in the end to elaborate a study which will assess the impact of the different scenarios according to:

- the nature of the actors (companies, contracting authorities)
- the nature of the products (sensitivity, warlike ...)
- the different sectors (aerospace, naval, ground, electronics ...)
- the size of companies (small and medium businesses, national companies, multi-national groups)
- the geographic origin (European, American, emerging countries)
- the production capacities (big producers, small and non producing countries)

The assessment will also examine the influence of other legal regulations such as offsets, transfers, or industrial return on the procurement decision.

The mechanisms of action of the various instruments will be described. When available, figures will be quoted to illustrate those mechanisms.

The interference of the would-be defence procurement policy on other community policies such as competition (mergers and state aids), research and enterprises & industry.

6. Which stakeholders & experts will be consulted, how and at what stage?

From January to April 2004, the Commission organised several workshops with government experts and industry representatives in order to collect technical information for the preparation of the Green Paper and to determine the expectations of the various parties concerned. On 23 September 2004, the Commission adopted the Green Paper and launched the public consultation, inviting all interested parties to comment on how to improve the EU defence procurement regulation. During the consultation period, a series of bilateral meetings, seminars and working groups were held which allowed the Commission to explain its initiative and to get a clearer idea of stakeholders' interests and concerns. At the end of the consultation, the Commission has received 34 contributions coming from Member States, European institutions and industry. Discussions with MS states are constantly ongoing, mainly through the European Defence Agency. Consultations of the Public Procurement Advisory Committee are also envisaged.

7. Will an inter-service steering group be set up for the IA?

All defence related issues are followed within the Commission by an inter-service group, which meets on a regular basis. All the Directorate Generals concerned with defence issues attend. This forum seems appropriate also to assist DG Internal Market in the elaboration of the Interpretative Communication.

ROADMAP

Title of the proposal: **European Transparency Initiative**

Expected date of adoption of the proposal: Initiative will contain several sub-items (still to be identified), to be adopted in the course of 2006.

A. Initial impact assessment screening

1. What are the main problems identified? Are they likely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test).

The very aim of the initiative is to carry out – in cooperation with the other European institutions and outside stakeholders – an assessment of possible shortcomings/problems in the policy areas concerned (see below, under n° 2).

2. What are the main policy objectives?

The objective is to increase transparency as regards the functioning of the European institutions (e.g. use of Community funds, lobbying, professional ethics of holders of public office)

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

To be identified in cooperation with stakeholders (see above)

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

To be decided when the Commission considers concrete actions (in the light of the outcome of the consultation process).

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)

. Not applicable

6. Which stakeholders & experts will be consulted, how and at what stage?

Open public consultation via the Internet (groups likely to have a particular interest in the matter: private sector and NGO lobby groups, public affair practitioners) + an inter-institutional debate, where applicable.

7. Will an inter-service steering group be set up for the IA?

No

ROADMAP

Title of the proposal:

Draft Decision of the Commission to the European Parliament, the Council and the Economic and Social Council on the renewal of an Action programme for Customs in the Community (Customs 2013)

Expected date of adoption of the proposal: First Quarter 2006

A. Initial impact assessment screening

1. What are the main problems identified?

There are increasing concerns that there might occur divergences in the Member States in the application of Customs legislation which could lead to serious distortions of trade and the internal market unless co-ordination and exchange of information is strengthened among Member States and between them and the Commission.

In particular, as identified in the impact assessment of the Communication on the Community Programmes Customs 2013 and Fiscalis 2013, problems identified for customs are :

Inefficiencies in the management of the external frontier⁶;

Need to maintain equivalent controls at different points of the external frontier

Limitations in the control of the international supply chain

Need for more adequate responses to future challenges in consolidating the Customs Union and the Internal Market

Need to improve cooperation between customs administrations

Need to combat the increase in illegitimate trade, fraud and counterfeiting

Need for a paperless electronic customs environment

Need to reduce the administrative burden for economic operators involved in international trade

2. What are the main policy objectives?

The Programme proposal is designed to offer a framework to support increased cooperation between the 25 Member States and between them and the Commission, notably by using, wherever possible, trans European IT networks.

The Customs 2013 programme will continue to iron out problems in the implementation of Community customs law to avoid distortions of the market. In terms of the globalisation of trade, customs activities must be consistent with the aim of facilitating trade and ensuring that the European Union remains competitive. Customs plays an increasing role in ensuring the smooth flow of trade whilst applying the necessary controls on the risks that external trade might present for security, health, safety and the economic interests of the Union. The Customs programme will continue to develop and modernise the trans-European computerised systems that underpin the implementation of customs policy.

The Customs 2013 programme will tackle a number of new challenges, such as securing the supply chain and support for the use of a common risk management system, while promoting the incorporation of risk management into all aspects of customs work. Continued effort still needs to be put into ensuring that controls are implemented with the same effectiveness at every point of the Community's customs territory. To these ends the programme will initiate operational actions specifically targeted at setting and monitoring control standards and ensuring that national customs administrations have adequate means to achieve these objectives. Customs 2013 will continue to support activities to protect traders from piracy and counterfeiting.

⁶ COM(2003) 452 – Paperless environment for Customs and Trade at the external frontier.

The Customs programme will also support the further development of initiatives to set up a paperless electronic customs environment while underpinning indispensable initiatives such as modernisation and simplification of the customs legislation.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

Since a Community with 25 Member States considerably increases the risk for distortions on trade and the smooth functioning of the internal market, it is essential to continue strengthening cooperation between the 25 members and between them and the Commission. Coordination of European legislation implementation should naturally be initiated at Community level.

See also paragraph 5 of the Impact Assessment accompanying the communication on the Community programmes Customs 2013 and Fiscalis 2013 (SEC(2005)423).

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

The programme proposals are expected to ensure :

- Better understanding of Community Law in the Member States
- A common implementation of EU legislation in the 25 Member States
- Improved cooperation between customs administrations of the 25 Member States,
- Improvement of administrative procedures to take account of the needs of the administrations and traders through the development and dissemination of good administrative practices.
- Interconnectivity of IT systems of the 25 Member States

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

Currently an interim evaluation of the Customs 2007 programme is ongoing and will assess the effectiveness and efficiency of the programme's activities.

6. Which stakeholders & experts will be consulted, how and at what stage?

Stakeholders and experts are consulted in the course of the drafting of the proposal during meetings.

7. Will an inter-service steering group be set up for the IA?

No inter-service steering group will be created. However, the DGs that were consulted on the Communication for the above proposal will be invited for a meeting, scheduled at the end of September 2005.

ROADMAP

Title of the proposal:

Draft Decision of the Commission to the European Parliament, the Council and the Economic and Social Council on the renewal of a Community **programme to improve the operation of the taxation systems in the internal market (Fiscalis 2013)**

Expected date of adoption of the proposal: First Quarter 2006

A. Initial impact assessment screening

1. What are the main problems identified?

There are increasing concerns that there might occur divergences in the Member States in the application of Tax legislation which could lead to serious distortions of trade and the internal market unless co-ordination and exchange of information is strengthened among Member States and between them and the Commission.

In particular, as identified in the impact assessment of the Communication on the Community Programmes Fiscalis 2013 and Customs 2013, problems identified for taxation are :

- Need for more efficient cooperation between tax administrations at national and regional level
- Need to increase adequate and timely exchange of information between tax administrations
- Need to monitor the movement of excise products between Member States
- Need to reduce and prevent serious tax fraud and stamp out illegitimate trade
- Need to avoid inefficient and inconsistent implementation of Community tax legislation
- Need to avoid inappropriate accounting of VAT and direct taxes for taxable persons
- Need to reduce the administrative burden on tax payers

2. What are the main policy objectives?

The Programme proposal is designed to offer a framework to support increased cooperation between the 25 Member States and between them and the Commission, notably by using, wherever possible, trans European IT networks. The Fiscalis 2013 programme will continue to support initiatives that focus on improving the proper functioning of taxation systems in the internal market by increasing cooperation between participating countries, their administrations and officials. It will raise awareness of relevant Community law and encourage Member States to share experience of implementing Directives.

The programme will also encompass tools to help combat harmful tax competition and tax fraud, both within the EU and in relation to third countries.

To support administrative cooperation and mutual assistance between tax administrations, the programme will develop and modernise the trans-European computerised networks required for the exchange of information for control purposes, such as the VAT Information Exchange System (VIES) and the Excise Movement Control System (EMCS).

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

Since a Community with 25 Member States considerably increases the risk for distortions on trade and the smooth functioning of the internal market, it is essential to continue strengthening cooperation between the 25 members and between them and the Commission. Coordination of European legislation implementation should naturally be initiated at Community level.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

The programme proposals are expected to ensure :

- Better understanding of Community Law in the Member States
- A common implementation of EU legislation in the 25 Member States
- Improved cooperation between tax administrations of the 25 Member States,
- Improvement of administrative procedures to take account of the needs of the administrations and taxpayers through the development and dissemination of good administrative practices.
- Interconnectivity of IT systems of the 25 Member States

See also paragraph 5 of the Impact Assessment accompanying the communication on the Community programmes Customs 2013 and Fiscalis 2013 (SEC(2005)423).

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

An interim evaluation of the Fiscalis 2007 programme has been finalised and assessed the effectiveness and efficiency of the programme's activities.

6. Which stakeholders & experts will be consulted, how and at what stage?

Stakeholders and experts are consulted in the course of the drafting of the proposal during meetings.

7. Will an inter-service steering group be set up for the IA?

No inter-service steering group will be created. However, the DGs that were consulted on the Communication for the above proposal will be invited for a meeting, scheduled at the end of September 2005.

ROADMAP

Title of the proposal: Communication to the Council and the European Parliament on a **strategy to improve the fight against tax fraud**

Expected date of adoption of the proposal: Q2 2006

A. Initial impact assessment screening

1. What are the main problems identified?

The proliferation of tax fraud is an issue which is raising great concerns, firstly for Member States as it affects their revenues through which governments finance their policies and secondly for businesses. Indeed, fiscal fraud creates distortion of the functioning of the internal market since it damages legitimate trade and, as a consequence, undermines the confidence in the Community's taxation systems.

2. What are the main policy objectives?

The overall objective is to achieve a more coherent anti-fraud policy in the field of taxation. The main policy objectives for such an anti-fraud policy are:

- To protect the tax revenue of the Member States, as well as that of the Community
- To guarantee fair play conditions in the internal market in the interest of legitimate traders to the benefit of the smooth functioning of the internal market
- To avoid that the malfunctioning of the overall tax enforcement, due to fragmented approach (national) where each tax jurisdiction is focussing on tax fraud within its own jurisdiction, creates an impediment for the competitiveness of EU's economy
- To avoid erosion of compliance by legitimate taxpayers resulting from the ineffectiveness of anti-fraud measure
- To develop an overall strategy at international level taking into account of the international dimension of trade and fraud mechanisms (external dimension)

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

3.1 Option 1: A do nothing option, leaving the current situation unchanged.

3.2 Option 2: To present a communication with a view of launching a debate on an overall anti-fraud strategy at EU level. The objective of the anti-fraud strategy is to provide the best possible tools for prevention of fraud and – where it happens – its quick detection through the use of appropriate control tools.

The responsibility for control and anti-fraud work is clearly a matter for the Member States. The role of the Commission is to provide an appropriate legislative framework at Community level and to facilitate co-operation and exchange of best practices between Member States

A communication is therefore the appropriate tool to launch the debate. However, achieving the objective of the anti-fraud strategy will probably require both legal and non-legal activities at a later stage.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

4.1 Option 1: Under this option, Member States will continue to tackle tax fraud on a national basis.

However, an important part of tax fraud, notably VAT carousel fraud, involves intra-Community transactions whereby fraudsters exploit the benefits of the free circulation of goods and services within the internal market. It is impossible to tackle this type of fraud on a pure national basis. There is therefore a need for a coordinated approach on EU level to make the fight against tax fraud more efficient.

Doing nothing means that:

- Public authorities would continue to loose important tax receipts;

- In some economic sectors, fraud becomes so important that honest traders cannot compete on fair basis. Goods which have been used in a VAT carousel fraud can finally be sold at a price well below the normal sales prices.
- 4.2 Option 2: The final objective of the anti-fraud strategy which will be launched by this communication is to reduce tax fraud. It will therefore have an economic impact, and in particular on:
- public authorities, since it should have a positive budgetary impact;
 - competition in the internal market, since honest traders should less suffer from the unfair advantages that fraudsters have on the economic market;
 - International competitiveness, trade and investment flows, since the anti-fraud strategy should also tackle the international dimension of fraud, by developing tools for detecting and combating fraud committed by non EU residents.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

Even if there is no complete compilation of data, information can be obtained from different sources. For instance the following documents contain important information:

- Commission reports under Article 14 (of Council Regulation 218/1992), latest COM/2004/260
- Commission report under Article 12 (of Council Regulation 1553/1989), latest COM/2004/855 and Annex, SEC 1721/2004.
- Commission Communication on preventing and combating corporate and financial malpractice, COM/2004/611
- Council Ad Hoc Working Party on Tax Fraud, FISC 67, CRIMORG 83/ 2000
- High Level Working Party on excise fraud, SN 3597/98
- Court of Auditors Special Report No 6/98 and 9/98
- Committee documents from the Standing Committee on Administrative Cooperation (Article 44 of Council Regulation 1798/2003)
- Seminars and Project groups under the Fiscalis Programme 2003-2007 (Council Decision No 2235/2002/EC)
- Seminars will be organised with Member States in order to collect more information

Additional information on recent fraud developments will be gathered from the Member States in the second half of 2005 and 1st quarter of 2006.

6. Which stakeholders & experts will be consulted, how and at what stage?

An initial consultation has taken place with the Member states in the 15th meeting of the Tax Policy Group on 3 March 2005 in order to confirm the priority to give to this strategy.

Experts in anti-fraud policy from the national administrations will be consulted. A seminar on recent fraud developments is planned for the second half of 2005. Moreover, bilateral meetings between experts from Member States and the Commission will take place in the second half of 2005/beginning of 2006.

Business organisations will also be consulted during the preparation of this communication since the Communication will present for debate some solutions which would require a legal initiative with impact on businesses. The compliance costs for businesses of these solutions will be examined at the time of developing these solutions. Indeed, this communication on tax fraud needs to be placed in the wider context of the Lisbon strategy. Reducing administrative burdens on businesses by simplifying tax obligations should contribute to the achievement of the Lisbon objective. It is clear that any measure suggested to tackle tax fraud cannot contain disproportionate obligations for taxpayers.

7. Will an inter-service steering group be set up for the IA?

Yes.

ROADMAP

Title of the proposal: Communication de la Commission sur le **développement d'un réseau dédié au transport de fret ferroviaire**

Expected date of adoption of the proposal: November 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

Alors que le transport de marchandises croît continuellement et malgré les problèmes de congestion sur la route, le transport ferroviaire de marchandises perd des parts de marché par rapport à la route.

Le transport de fret ferroviaire souffre trop souvent d'une approche trop nationale : le trafic international souffre de retards importants, d'une interopérabilité technique et administrative insuffisante, d'un partage de l'infrastructure avec le trafic voyageurs, de l'absence d'un suivi européen des wagons. La performance du transport de fret ferroviaire doit être améliorée.

Pour ce faire, il est nécessaire d'apporter des solutions au niveau européen pour favoriser le développement d'un réseau ferroviaire dédié au transport de fret réduisant les retards générés par la mixité des trafics, concentrant les investissements sur les goulets d'étranglement, facilitant l'émergence d'une offre de sillons internationaux attractifs, garantissant l'interopérabilité technique et administrative et la mise en œuvre de technologies de communication innovantes.

2. What are the main policy objectives?

Revitaliser le rail est un des objectifs politiques majeur du Livre Blanc sur la politique européenne à l'horizon 2010. Cette revitalisation passe notamment par l'enrayement du déclin du transport ferroviaire de fret. Or, c'est sur les grandes distances que le marché ferroviaire a le potentiel de croissance le plus prometteur. La réussite de tels services passe alors par une optimisation de l'utilisation des capacités existantes. Le redressement du transport européen de marchandises suppose le fait de dédier des sillons internationaux performants au transport de fret, soit par infrastructures (les corridors fret) soit par période de la journée.

Le trafic ferroviaire en Europe est mixte avec en général une priorité donnée aux voyageurs, ce qui se traduit par un intérêt moindre pour le fret aussi bien de la part des pouvoirs publics que des entreprises ferroviaires. L'exploitation de lignes fret est aussi moins exigeante que celle de lignes voyageurs, en termes de sophistication des équipements et de maintenance. Le fret donc utilise des lignes qu'on peut dire trop luxueuses sur le plan technique ce qui le rend plus cher et moins compétitif vis-à-vis de la route.

Le réseau européen compte près de 260000 km de lignes, ce qui est sans doute trop et coûte trop cher. Ce qui signifie aussi qu'il est possible de définir un réseau de 20000 km qui pourrait être dédié principalement au fret et faire l'objet d'une organisation adaptée aux exigences du fret. L'organisation de navettes de fret entre des hubs doit être l'objectif afin de mécaniser autant que possible les relations, sans oublier cependant le trafic de wagons isolés qui représente encore 50%.

La création d'un tel réseau permettrait aussi de simplifier l'allocation des sillons internationaux, la coordination des gestionnaires d'infrastructure, l'harmonisation technique et en fin de compte permettrait une réduction des coûts importante et une ponctualité quasi assurée, rendant le fret ferroviaire vraiment compétitif.

Il appartient maintenant à la Commission d'avancer clairement et de façon crédible sur la constitution d'un tel réseau.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

La Communication présentera les principaux éléments d'un plan d'actions mêlant principalement des actions de sensibilisation et de suivi et des actions de soutien financiers (TENs) pour des projets coordonnés entre gestionnaires d'infrastructures ou entre entreprises ferroviaires pour le démarrage de nouveaux services innovants sur un ensemble de corridors pouvant constituer à terme un réseau intégré. Il convient d'amener progressivement les Etats membres et tous les acteurs à partager l'objectif et à agir ensemble pour le réaliser grâce à des mesures coordonnées.

Le statu quo n'est plus une alternative raisonnable : il est désormais urgent d'agir en faveur de la réalisation progressive d'un espace ferroviaire intégré et performant en agissant en faveur de la réalisation progressive d'un réseau dédié au fret ferroviaire. Cet objectif est inscrit dans la décision 1692/96/CE relative au développement d'un réseau transeuropéen de transport : il convient désormais d'objectiver la réalisation d'une telle orientation.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

Les résultats attendus d'un tel plan d'action sont bien évidemment la réalisation progressive d'un réseau dédié au transport ferroviaire de fret. Celui-ci devrait permettre d'avancer sur des problèmes concrets de rapprochement des schémas de tarification de l'infrastructure, de coopération des gestionnaires d'infrastructures, de reconnaissance réciproque en matière d'homologation du matériel roulant et de normes de sécurité. L'approche corridors permet d'adopter des mesures générales impactant sur les conditions économiques et sociales du transport ferroviaire dans son ensemble.

Par ailleurs le fait d'encourager la constitution progressive d'un réseau dédié fret aurait un impact sur les mesures en faveur de la protection de l'environnement. En rendant le transport ferroviaire plus attractif, un report modal pourrait avoir lieu favorisant un mode moins dégradant pour l'environnement. En concentrant le transport de fret sur un réseau clairement identifié, il permettrait en outre de prendre des mesures concrètes pour réduire les émissions sonores des wagons de fret à la source ou à l'émission ainsi que des mesures favorisant la réduction des émissions gazeuses des locomotives diesel.

Ainsi, le plan d'action envisagé aurait des impacts environnementaux, sociaux et économiques à la fois pour les entreprises ferroviaires et les gestionnaires d'infrastructure mais aussi plus généralement pour la collectivité elle-même.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

La réalisation progressive d'un réseau ferroviaire à grande vitesse et de grande qualité pour des services voyageurs peut permettre à terme de libérer de la capacité sur le réseau existant. Dans la nouvelle proposition de règlement (COM(2004)475) modifiant le règlement 2236/95, à l'article 5 relatif à la sélection des projets figure explicitement la demande suivante : " toute demande de financement de ligne ferroviaire à grande vitesse devra être accompagnée d'une analyse détaillée des capacités libérées sur le réseau conventionnel en faveur du fret du fait du transfert de trafic sur la ligne voyageurs à grande vitesse". Grâce à cette disposition, la Commission disposera progressivement de données précises lui permettant d'identifier un réseau d'infrastructure dédié ou à priorité fret.

En plus de cette source d'information à venir, la Commission peut compter sur les premiers résultats de recherche du projet New Opera dont l'objectif est de fournir les informations nécessaires à la faisabilité d'un tel réseau dédié fret, sur les études déjà menées par l'UIC (EURAILINFRA) identifiant les goulets d'étranglement d'un certain nombre de corridors fret, ainsi que sur les travaux et l'expérience de RailNetEurope (organisation commune des gestionnaires d'infrastructure européens).

En outre, en vertu des dispositions légales de la Directive 2001/14/CE, les gestionnaires d'infrastructure doivent publier régulièrement un document permettant d'identifier les zones congestionnées de leurs réseaux et produire un plan d'amélioration du réseau. Ces documents devraient également aider à la constitution progressive d'un réseau dédié fret.

En conclusion, plusieurs sources d'information ou outils vont permettre de disposer de données fiables pour permettre de travailler sérieusement à l'élaboration progressive (mais non décrétée) d'un réseau dédié ou à priorité fret.

Afin de synthétiser toutes ces informations, le contrat cadre de la DG TREN pourrait être utilisé ponctuellement, en tant que support aux travaux effectués par les services.

6. Which stakeholders & experts will be consulted, how and at what stage?

Un document de consultation pourrait être élaboré début 2006, puis une audition au printemps 2006, en présence des associations représentatives du secteur ferroviaire (CER, UIC, EIM, ERFA, UITP, ...).

7. Will an inter-service steering group be set up for the IA?

La DG REGIO, la DG ENTR, la DG ENV, la DG COMP et la BEI, seront associées dans le cadre d'une task-force ad-hoc.

ROADMAP

Title of the proposal: Communication on **transport logistics solutions for promoting intermodality in Europe**

Expected date of adoption of the proposal: June 2006

A. Initial impact assessment screening

1. What are the main problems identified?

Fast growth of heavy road transport, congestion, road accidents and pollution caused by heavy road transport are amongst the economic, social and environmental problems that need to be tackled by increasing the share of intermodal transport operations. Furthermore, effective planning, management and control of intermodal transport chains through logistics solutions are key elements for intermodality to become a reality.

European competitiveness needs to be maintained and transport is an essential part of this process. Advanced logistics solutions would allow freight transport operations to be carried out optimally in all circumstances thereby giving Europe a competitive edge.

National solutions might not always produce interoperable solutions that are needed for Europe to work together on optimising transport solutions in an area without borders. Substantial results can only be achieved by the European Commission working together with the Member States and industries towards a coherent framework covering the whole of Europe.

2. What are the main policy objectives?

Logistics is the process of planning, implementing and controlling the movement of raw-materials, half-finished products and finished goods. These should arrive in time at the right destination and retain the right quantities and quality, while respecting the level of service selected for the process. The process should minimise the burden on the environment and optimise the long-term economic performance of the undertaking.

The overall policy objective in terms of expected results is modal shift from only road to intermodal solutions that are optimal through logistics planning in order to diminish the unsustainable trends indicated above as well as maintaining and increasing the competitiveness of Europe. It shall also include solutions that may diminish the number of tonkms transported by only road transport

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

The basic approaches to reaching the above objectives are to fine-tune and promote intermodality through complete logistics solutions, including the organisation of transport and interfaces between modes. This can be done through soft measures and legislative measures. At this point in time, it is essential to build a European strategy for transport logistics that would allow combining different existing and forthcoming measures towards a coherent way forward.

This strategy should be presented in a non-legislative Communication that might, in the future, lead to legislative action.

Other options are :

To do nothing would result in stagnation and continuous fast growth of road transport. This would put European competitiveness at risk because of the limited infrastructure resources available.

Specific Legislative action would be premature, because first a strategy is needed to approach the complexities of transport logistics and to use it towards increased intermodality. Legislative action needs to be fine-tuned and targeted to specific needs in logistics that only a coherent approach could encompass. The strategy would create a horizontal policy bringing together different actions taken so far, such as Marco Polo, intermodal loading units, Motorways of the Sea and research. It would also take lessons from successful Short Sea Shipping which requires a high level of logistics planning

to be able to compete with unimodal road. Inland waterways, other multimodal solutions and freight integration would also need to be encompassed. Legal actions that have a direct bearing on intermodality and logistics have been recently taken in a number of associated policies. The impact of these actions will have to be evaluated before further legal action could be considered purely for logistics.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

The chosen policy option would result in improved co-operation between the Member States, industries and the Commission. It would target actions more closely to solving specific problems and help avoid unnecessary duplication while fostering replication, synergy and sharing of know-how. This policy option would create an indispensable instrument to enhancing the co-operation between all the parties for future steps and actions.

It is important to keep transport logistics constantly on the political agenda for the mode to fulfil its role in reaching the goals of the White Paper on European Transport Policy for 2010 and for creating a centre of excellence in Europe. The option to do nothing would give less visibility to logistics, eliminate synergies and slow down its progress thus negatively affecting all the parties.

Legislative action would not constitute an optimal solution at this point in time because the coherence of the overall strategy first needs to be evaluated. Therefore, the impact of new legal action, until this can be closely defined and targeted, would not have the desired impact. To find the right balance between legislative action and soft measures is one of the aspects in the planned Communication.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

Information will be gathered by the responsible Commission service in co-operation with the Member States, industry, Promotion Centres for different modes, etc.

Two studies are under way by the Maritime Transport Co-ordination Platform (MTCP) that could have an impact:

- Comparative benchmarking of performance for freight transport across modes from the perspective of transport users: Short Sea Shipping vis-à-vis rail, road and inland waterways ;
- Inventory of communication systems for administrative data in ports, between ports and between ports and port users in the EU and their compatibility with each other.

These studies are planned to be finalised by the end of 2005.

Research and Development work is going on on a number of aspects of logistics (e.g. BestLog, BESTUFS, POLLOCO). The available information would be used in preparing the Communication.

External aid under MTCP (Maritime Co-ordination Platform) could also be used in preparing the impact assessment. Research has been carried under the 4th and 5th RTD FP on creation an open freight telematics system architecture, whose results shall be now incorporated in an appropriate policy framework

6. Which stakeholders & experts will be consulted, how and at what stage?

The Commission intends to consult, as needed, the Member States and logistics and intermodal industry. A Consultation is foreseen on the first draft of Communication in the beginning of 2006.

7. Will an inter-service steering group be set up for the IA?

No

ROADMAP

Title of the proposal: EC Communication on “Galileo future applications”

Expected date of adoption of the proposal: October 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

The European satellite navigation infrastructure will provide initial positioning services as from 2008. The use of this technology in all sectors of modern economies will generate by 2020 a global market of some 300 billion euros, with 3 billion receivers in use in a wide range of electronic devices. Some 150.000 highly qualified jobs will be created, contributing to the Lisbon objectives.

Applications spanning the whole EU territories can easily be implemented in view of the exploitation phase. Coordinated actions and standards have to be developed in order to take the full benefits of this pan-European positioning and timing technology. Public administrations can make use of the positioning service through a set of regulated applications. An assessment of the feasibility of several regulatory measures and their impact is necessary.

2. What are the main policy objectives?

In parallel to the setting up of the European GNSS infrastructure, it is necessary to identify the various transport and non transport sectors that can use satellite navigation services. It is also key to prepare not only the necessary technological tools, but also to establish the legal frame in which positioning and timing services are provided. Several applications can be usefully regulated by adequate legislative frames (e.g. electronic tolling, fisheries surveillance, transport of dangerous goods, implementation of single sky, rail management systems, emergency calls, etc.). Identifying such applications and assessing their impact is the object of this Communication from the Commission.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

Many applications are already being implemented on a purely commercial basis, contributing to the improvement of the technology and to the market development.

In several policy areas, positioning and timing instruments can contribute to a more efficient and secure environment. In the Transport and Energy domains, regulated use of this technology can definitely improve monitoring and surveillance capabilities of public administrations (transport of dangerous goods, electronic fee collection, tracking and tracing of freight and containers, etc.). Furthermore, the use of satellite navigation may increase efficiency of transport modes and improve safety and security. An analysis of the regulatory and non-regulatory instruments is the object of this initiative: proposals of new measures will be made, including an assessment of their economical, social and environmental impact.

4. What are the impacts likely to result from each policy option and who is affected?

Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)? The Communication from the Commission will make a set of proposals for new regulatory measures based on the use of satellite navigation technologies. An assessment of the feasibility and of the impacts will be included. It is expected that competitiveness of European industry will benefit from the proposed measures. The measures will also contribute to job creation and, through a more efficient use of resources, to an improved protection of the environment. Eventually, the elaboration of the workprogramme 2007 will make use of these recommendations.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

Several research projects from the 6th framework research programme already address the applications of satellite navigation in the aviation, road, maritime, rail and telecommunication sectors. The result of these studies will be used to draw conclusions on which potential legislative proposals can be made in the transport and energy sector. The European Commission will prepare the list of proposed regulatory measures and the assessment of their impact on the basis of the outcome of FP studies and on the information provided in June 2006 by the European GNSS Supervisory Authority which is in charge of certification and standardisation of satellite navigation services.

6. Which stakeholders & experts will be consulted, how and at what stage?

Consultations with European public administrations are already taking place (“regulated application seminar” in September 2005 organised jointly with the UK Presidency).

A consultation with commercial and private actors will be organised in Spring 2006.

As the European GNSS Supervisory Authority statutes foresee the setting up of a scientific and technical committee, it will be consulted and provide its technical expertise on the feasibility of the proposed regulated applications.

7. Will an inter-service steering group be set up for the IA?

As the applications span a large range of sectors, an interservice group will be set up which will monitor the progress and provide comments on the results. It is underlined that bilateral consultations by DG TREN with other DGs (INFSO, ENTR, TAXUD, ENV, AGRI, JLS, etc.) have already taken place in 2004 and 2005.

ROADMAP

Title of the proposal: Communication on **Clean Coal Technologies**

Expected date of adoption of the proposal: end June 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

Coal is an important fuel for the production of electricity in Europe (30% of the electricity production in EUR 25 is based on coal) and for the energy consumption in the world. Worldwide, it has a wider reserve basis than oil and natural gas.

The development of Clean Coal Technologies is a necessary condition, in the context of the Sustainable Development and Climate Change policies, to maintain coal as an important fuel in the energy balance of the EU and of the rest of the world.

Some Member States (in particular Germany and the United Kingdom) have initiated a national programme for supporting the technological development in clean coal technologies and in capture and storage of CO₂. Given the long lead times and the high costs involved, the efforts of the Member States need to be strengthened, coordinated and further stimulated now by the EU if a new generation of cleaner and more energy efficient coal power plants is to be ready for commercial use in the period 2015-2020.

Indeed, there will be a need to scale up the size of the applications of clean coal technologies through the construction and test operation of large pilot plants (30-50 MW of capacity, costing around € 50 mio each) and subsequently of commercial size demonstration plants (200-300 MW of capacity, costing around € 300 mio each)

EU financial support for the technological development and demonstration of the clean coal technologies is anticipated from the FP7 (the 7th framework programme for research, technological development and demonstration 2006-2013).

The benefits from making available cleaner and higher efficiency coal technologies are both for the EU (contribution to the security of energy supply, reduction of the environmental impacts, strengthening of the technology basis of the power plant equipment manufacturing industry operating in the EU) and for fighting the global warming (limitation of the CO₂ emissions, in particular in countries like China, India and other major coal users, if such technologies are exported and implemented there).

2. What are the main policy objectives?

Stimulate and accelerate the development on the clean coal technologies, for allowing for a cleaner and more efficient use of coal.

Secure our energy supply, through the continued use of coal in the primary energy mix of the EU, in cleaner and environmentally compatible way, opening the way to the implementation of the capture and storage of CO₂.

Because of his wider reserve basis, coal is expected to be used in larger quantities in the world, in particular in countries such as China and India. Clean coal technologies will be needed also there, to limit the environmental consequences of coal use.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

Three policy options could be considered, considering the level of involvement of the EU:

- i) Leaving the industry to act alone, with limited support from the national programmes available in some Member States.
- ii) The EU supports financially and coordinates the initiatives of the industry, through the usual co-financing mechanism of RTD project.
- iii) The EU takes the lead and creates a joint undertaking, defining the kind(s) of projects the joint undertaking will promote, announcing the financial support it is ready to give to this joint undertaking, and inviting companies to join and

bring in their contribution.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

Option i) Leaving the industry to act alone will result in a very slow technological progress, with a high risk of not making available in time the clean coal technologies we will need in the future. This option is therefore not acceptable.

Option ii) EU support through the usual RTD mechanism will result in a quick technological progress, only if substantial commitments are decided soon by the industry, with a view to launching quickly the construction of, first pilot and later demonstration, projects.

Option iii) The creation of a joint undertaking will result in quicker implementation of project(s) where the industry is not ready to invest alone. The joint undertaking will facilitate the optimal use of financial resources and know-how, in order to achieve effective development of European Clean Coal Technologies.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

A strategic research agenda and a deployment plan will be proposed by the Clean Coal Technology Platform towards the end of 2005.

Early 2006, the Commission services will gather information on the plans of the industry (mainly power plant equipment suppliers companies and power plant operators) regarding the construction of pilot and demo projects.

After the final adoption of FP7, the Commission will be able to launch the related calls of proposals (probably in the second half of 2006) and get the first firm commitments from the industry. However, this is expected to happen after the adoption of the communication.

The impact analysis will be performed internally, in the first months of 2006, on the basis of the data supplied by the Technology Platform and by the industry.

6. Which stakeholders & experts will be consulted, how and at what stage?

Energy production companies, power plant equipment suppliers companies and power plant operators: the consultation will be carried through the Technology Platform.

European associations of energy companies: The consultation will be done on an adhoc basis, before finalising the communication.

7. Will an inter-service steering group be set up for the IA? .Yes

ROADMAP

Title of the proposal: Proposition de décision du Conseil sur la création d'un **index sur les ressortissants de pays tiers ayant fait l'objet d'une condamnation** dans un Etat membre de L'Union européenne.

Expected date of adoption of the proposal: deuxième semestre 2006.

A. Initial impact assessment screening

1. What are the main problems identified?

La mise en place d'un espace de liberté, de sécurité et de justice suppose la circulation, entre les autorités habilitées des Etats membres, des informations relatives aux condamnations dont ont été l'objet les personnes, ressortissantes communautaires ou non, qui séjournent sur le territoire des Etats membres et la possibilité de leur prise en compte pour prévenir de nouvelles infractions et au moment de prononcer d'éventuelles nouvelles condamnations. Il ressort des informations recueillies par la Commission que la circulation des informations se fait mal. Des mécanismes existent pour faire circuler les informations mais sont insuffisants surtout à l'égard des Etats tiers. Il en résulte que les juridictions nationales prononcent fréquemment des peines contre des non ressortissants à la seule vue du relevé des condamnations produit par leur registre national, et en totale méconnaissance des condamnations éventuellement prononcées dans d'autres Etats membres, en particulier dans l'Etat membre de résidence.

Suite aux conclusions du Conseil du 14 avril dernier, la Commission prépare une proposition de décision-cadre visant à rendre plus efficaces les échanges d'informations sur les condamnations prononcées à l'encontre des ressortissants des Etats membres. Cette proposition, qui sera adoptée en 2005, n'améliorera cependant pas la situation actuelle en ce qui concerne les ressortissants des Etats tiers et les personnes dont la nationalité est inconnue, pour lesquels l'identification rapide des Etats membres dans lesquels ils ont déjà fait l'objet de condamnations reste un problème majeur.

2. What are the main policy objectives?

L'objectif est d'améliorer la circulation des informations sur les condamnations pénales dont ont fait l'objet les ressortissants d'Etats tiers sur le territoire de l'Union européenne préalable indispensable à leur prise en compte en dehors de l'Etat membre de condamnation, pour prévenir de nouvelles infractions et dans le cadre de nouvelles procédures pénales pour des faits différents.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

Le programme de reconnaissance mutuelle⁷ envisageait trois options susceptibles d'améliorer la circulation des informations relatives aux condamnations entre les Etats membres: (i) la facilitation des échanges bilatéraux, (ii) la mise en réseau des fichiers nationaux et (iii) la constitution d'un véritable fichier européen.

La Commission a présenté de premières propositions dans le livre blanc relatif à l'échange d'informations sur les condamnations pénales et à l'effet de celles-ci dans l'Union européenne qu'elle a adopté le 25 janvier 2005 (COM (2005) 10). Le livre blanc a ouvert le débat sur la mise en place d'un système informatisé d'échange d'informations sur les condamnations pénales. Il a conclu que la méthode la plus facile, la plus efficace et la plus sûre d'identifier toutes les condamnations dont une personne a fait l'objet sur le territoire de l'Union européenne était la création d'un index centralisé des personnes condamnées, qui se limiterait aux éléments permettant d'identifier cette personne, à l'exclusion de toute information sur le contenu et la forme de la condamnation. Un tel index permettrait à chaque Etat membre d'identifier tous les autres Etats membres dans lesquels une personne a été condamnée. L'Etat membre requérant pourrait ensuite facilement s'adresser aux Etats membres ainsi identifiés afin d'obtenir les informations nécessaires relatives au contenu du casier judiciaire de la personne.

Lors du Conseil de 14 avril 2005, il a été conclu qu'un tel index serait nécessaire uniquement pour les ressortissants des Etats tiers et lorsque la nationalité d'une personne ne pouvait pas être établie. La Commission adoptera avant la fin 2005, une communication relative à la faisabilité d'un tel index. Les discussions qui s'en suivront permettront de déterminer le contenu de l'instrument législatif que la Commission pourrait proposer courant 2006.

⁷ JO C 12 du 15.01.01, p.10.

Cet instrument, qui servira de base juridique à la mise en place du futur système informatisé d'échange, n'opèrera pas de rapprochement des législations nationales et devra être contraignant. Il ne peut dès lors s'agir que d'une décision.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

Les deux premières options évoquées dans la question précédente présentent l'avantage de maintenir les informations au niveau national et d'éviter leur duplication. L'accès à ces données reste également géré au niveau national, mais la consultation directe des informations contenues dans les autres casiers dans le cadre de la deuxième option nécessiterait la mise en place de garanties relatives à l'accès. Par contre, ces deux options supposent respectivement l'organisation de 25x24=600 possibilités d'échanges ou l'aménagement de 25x24 capacités d'accès à partir d'architectures différentes. En outre, la nécessité de rendre compréhensible et utilisable l'information en provenance d'un autre Etat membre reste entière. La troisième option permet de remédier à cette difficulté, puisque sa mise en place suppose qu'un format européen standard d'échanges, accepté par tous les Etats membres, ait préalablement été défini. Elle semble cependant disproportionnée par rapport aux objectifs poursuivis. Elle impliquerait en effet que l'information contenue dans les fichiers nationaux soit dupliquée au niveau européen. Elle supposerait également la création d'un système ad hoc de maintenance, d'accès, ainsi que la définition d'un régime juridique pour ces informations.

Afin de parvenir dans des délais raisonnables à la mise en place d'un mécanisme efficace d'échanges sur les condamnations pénales, une solution « mixte », entre la constitution d'un fichier européen et la mise en réseau des fichiers nationaux est envisagée. C'est cette solution qui a été présentée dans le Livre blanc. Suite aux conclusions du Conseil du 14 avril 2005, elle devrait cependant couvrir uniquement les ressortissants des Etats tiers, la question de ressortissants de Etats Membres étant résolue par voie d'une décision cadre correspondant à la solution I (Voir Question 3).

Quant à l'impact économique de ce projet, une étude de faisabilité a été lancée à la fin de l'année dernière. Elle a identifié les coûts associés à la mise en place d'un index pour toutes les personnes condamnées dans l'UE.. Cette étude permettra de préparer les différents documents financiers qui accompagneront la future proposition de décision, même si cette dernière aura un champ d'application plus limité que ce qui avait été envisagé à l'origine par la Commission.

Quant à l'impact social de ce projet, il existe un risque que les ressortissants des Etats tiers se sentent stigmatisés par la création d'un tel index. Il s'agit néanmoins du seul moyen raisonnable permettant d'identifier les condamnations dont ils ont fait l'objet sur le territoire de l'Union européenne.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

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- Deux études financées par la Commission ont été réalisées sur le casier judiciaire en 2001 et 2002.⁸
- Des questionnaires détaillés ont été envoyés aux Etats membres sur le fonctionnement de leurs casiers judiciaires nationaux en avril 2004
-
- Un livre blanc a été présenté en janvier 2005 permettant à la Commission d'exposer ses projets et de lancer le débat.
- Une étude de faisabilité permettant d'avoir une vision complète des coûts et des enjeux techniques de la solution « mixte » évoquée ci-dessus (question 4) a commencé en 2004 et sera finalisée en mai 2005.
- Cette étude pourra être prolongée pour examiner plus en détail la question d'un index limité aux ressortissants des Etats tiers.

⁸ See l'étude de 2000 - Institute of Advanced Legal Studies (ISLA) - Falcone Programme (2000/FAL/168) et l'étude de 2001 - Institute for International Research on Criminal Policy (IRCP) - Grotius Programme (2001/GRP/024).

6. Which stakeholders & experts will be consulted, how and at what stage?

Les experts des Etats membres responsables des casiers judiciaires nationaux et les ministères responsables ont été consultés. Ils ont répondu aux questionnaires détaillés qui leur ont été envoyés en avril 2004 et ont participé aux réunions d'experts des 27 et 28 septembre 2004 et des 14 et 15 mars 2005. Le Conseil a examiné les options proposées par la Commission le 14 avril 2005.

7. Will an inter-service steering group be set up for the IA?

Les services associés seront consultés informellement sur l'analyse d'impact avant le lancement de la CIS. Les modalités de cette consultation restent à définir (une réunion pourrait éventuellement être organisée au début de l'année 2006). Les services associés sont au courant des projets en cours relatifs au casier judiciaire. Ils ont notamment été consultés dans le cadre de la préparation d'une première initiative législative en la matière, adoptée par la Commission le 13 octobre 2004⁹.

⁹ Proposition de décision du Conseil relative à l'échange d'informations extraites du casier judiciaire, COM(2004)664

ROADMAP

Title of the proposal: Proposal for a Council decision creating a **European Law Enforcement Network** in the fight against terrorism (LEN)

Expected date of adoption of the proposal: 2006

A. Initial impact assessment screening

1. What are the main problems identified?

Terrorist attack responses require that the protection of public health and safety must also include traditional law enforcement besides the present civil protection systems. Law enforcement authorities in Member States should therefore have access to alerts produced by the different European alert systems managed by the Commission and should also be able to input relevant information thereto.

2. What are the main policy objectives?

Improving police cooperation in the fight against terrorism by establishment of a secure network to exchange alerts and sensitive data in the fight against terrorism between the law enforcement community and COM rapid alert systems

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

Council has noted the proposal by the Commission with respect to the establishment of a law enforcement alert mechanism (LEN) and invited the COM to come forward with further analysis by the Commission on the need for such a Law Enforcement Network (LEN). The analysis will equally consider the option of taking no action. If taking action is considered appropriate, a Framework Decision would be necessary in order to regulate law enforcement issues related to the third pillar. Non-regulatory instruments are not appropriate, as instruments in this field must be compulsory on a uniform implementation basis among the MS. Further analysis would at a later stage allow for the distinction of different options possible within the Framework Decision.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

Member States' law enforcement authorities, Europol and where relevant, authorities involved with intelligence gathering will benefit. Authorities dealing with consequence management and emergency systems as well as persons and enterprises involved with critical infrastructure protection will in-directly benefit as well. To save the lives and property of people at risk in the EU from terrorism, natural disasters and accidents Member States law enforcement authorities should have access to timely and accurate alert and warning information. Not having access to such information may ultimately jeopardize lives and property in the EU.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

Further analysis involving Member States' law enforcement authorities, Europol and where relevant, authorities involved with intelligence gathering is envisaged including alerts and risk assessments as well as existing IT infrastructure. IT solutions will be provided by an external contractor.

6. Which stakeholders & experts will be consulted, how and at what stage?

Experts from MS, Europol, Eurojust will be consulted. European and national supervisory bodies shall also be consulted but not the public per se.

7. Will an inter-service steering group be set up for the IA?

The inter-service Task Force to be set-up with relevant DGs for the establishment of ARGUS (overall Commission rapid alert system) should, where relevant also cover LEN activities.

ROADMAP

Title of the proposal: Communication on **Organ Donation and transplantation**

Expected date of adoption of the proposal: December 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

Organ transplantation is the therapeutic use of human organs that involves the substitution of a non-functional organ for another one coming from a donor. The use of Human organs for transplantation has steadily increased during the past decades. The use of organs in therapy poses a risk of transmission of diseases to the recipient. Infectious or cancer diseases could be transmitted. Transmission of HIV, Hepatitis B and C, bacteria, fungi and parasites through transplantation have been described in the scientific literature, as well as new emergent diseases.

From 1999 onwards, Article 152 of the Treaty has enabled the European Parliament and Council to adopt health measures setting high standards of quality and safety of substances of human origin. The Community has already adopted Directives of the Parliament and the Council on Blood, and on Tissues and Cells.

However, it was already recognized during the discussions of the Tissues and cells Directive that Organs needs a different approach. In this particular area the main priority is to reduce the organ shortage.

An Organ Transplant is lifesaving and in most cases the only available treatment. In terms of quality and safety the benefit and risk ratio is a fundamental approach for organ transplantation. Due to the organ shortage and the life threatening indications of organ transplants, the benefit of an organ transplantation is high and more risks can be accepted than with blood or most tissues and cells treatments. In this context the clinical doctor has an important role in the decision on the acceptance of organs for transplantation.

In 2003, the Commission carried out a survey on legal requirements related to organ transplantation in the EU. The survey showed discrepancies within Member States. Results could be found

at:http://europa.eu.int/comm/health/ph_threats/human_substance/documents/organ_survey.pdf

Every year, a number of organs are exchanged between European Member States. To give an example, the offers received from other countries to Italy in 2004 were 219, resulting in 35 organs transplanted. Cross border exchanges implies that the transplantation process is executed by hospitals or professionals falling under different jurisdictions. However the number of organs interchanged between Member states constitutes a low percentage, one of the reasons could be the lack of a unified European framework ensuring high standards of quality and safety.

One of the potential consequences of the scarcity of organs is the trafficking with human organs carried out by organised criminal groups, tracking down and removing organs in countries of Central Europe or the Third World and handing them on to recipients within the European Union.

Finally, there are many complex and sensitive ethical issues in this area: consent, brain death diagnosis, the non-profit and non-trading character of these activities, the need to ensure transparency, equity and accessibility. Violations of ethical principles may affect the availability of organs, their quality and the effectiveness of transplant services, and public health as a whole.

The Causes (of lack of organs for transplantation):

The majority (more than 90%) of the organ donors are patients who died in hospitals after an irreversible cessation of all brain functions known as brain death. These patients are in Intensive Care Units where their cardio-respiratory functions are artificially preserved. Less than 3% of the deaths in hospitals are brain deaths, and therefore the number of potential organ donors is low.

In addition organ transplants are subject to time pressure. The process from the procurement to the transplantation should be done in a few hours (in order to preserve the organ viability). There are no intermediate steps like in the case of blood or tissues and cells which can be processed, preserved and stored for long time before their use.

The Organisational structure is key in the organ donation/transplantation systems. It has an important role in the quality and safety of organs and also in the availability of organs. The Donation / Transplantation process is a complex one involving different steps and more than 100 professionals and requiring more than 20 hours of continuous work for each transplant.

The new Member States face greater health problems than the rest of the Union but have less economic means to address them. Their health systems are therefore under particular pressure. The complex process leads to enormous differences within new Member States in terms of accessibility to transplants and length of waiting list. Moreover, in those countries where the accessibility to transplantation is limited due to economic or technical reasons there is also a disinterest for establishing donation systems.

On the other hand, organ donation and transplantation are the only therapeutic activities that require the participation of society for their full development. There are many complex and sensitive ethical issues in this area: consent, brain death

diagnosis, the non profit and non trading character of these activities, the need to ensure transparency, equity and accessibility. These ethical principles have an influence on the availability of organs. Hence, violations of these ethical principles may affect public health and the effectiveness of transplant services.

2. What are the main policy objectives?

The main objective is to ensure high standards of quality and safety for human organs used in therapy at Community level as reflected in Article 152 of the Treaty.

This overall objective should be linked to specific objectives related to the main problem identified by the experts in this area, the shortage of organ donors. It will be equally important to analyse actions at EU level to increase the availability of organs use in therapy, in order to achieve two objectives: To increase the donation rate in all Member States by 2012, and; to promote the accessibility to these therapies in the Community.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

There are three possible policy options.

Option 1: "No intervention" would mean continuing the current level of activity.

Option 2: would consist of implementing an active system of coordination between Member States and stake holders in order to achieve common objectives.

Option 3: would imply building on the previous one that would add European legal instruments.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

Option 1: Use of existing programmes only

Obligations under Article 152 not fully met. Not complete profit from the Community added value in addressing the main problems, e.g. organ shortage (see detailed impacts in Option 3).

Option 2: Coordination between Member States on organ quality, safety and availability.

This option will address the other main problem identified by the experts: the organ shortage (see detailed impacts in Option 3).

However national legislations differ between Member States and this approach would not solve the quality and safety problems as there are a number of European factors that have to be taken into account, such as organ interchange within the community. Coordination between MS has often proved to be ineffective. Thus, this option would most likely not lead to that the objectives under Article 152 are not fully met.

Option 3: Legislation on quality and safety and coordination of availability of organs + an initiative on organ trafficking

An appropriate and flexible European legal framework is a better response to the requirements under Article 152 of the Treaty.

While respecting the clinical role of the doctor in the decision on the acceptance of organs for transplantation, community binding legislation would have an added value in terms of ensuring the basic quality Establishing a regulatory Committee under a Community Directive will facilitate the coordination activities within Member States.

The initiatives under Article 152 should be complemented with initiatives under Articles 29, 31(e), and 34(2)(b) of the EU Treaty (JLS), oriented to combat Organ trafficking in order that the EU could be seen to be acting proactively rather than reactively.

Social/Health impacts

1) Quality and safety requirements will have an impact on risk reduction and consequently in reduction of co-mortality and co-morbidity. On the other hand a very stringent set of binding safety and quality criteria could have as a consequence a reduction in the actual number of donors.

2) Organ availability will have an impact on the increase of organ transplants and thus increase healthy life years. For given some figures average prevalence rate of end stage renal failure in Europe is around 1,000 patients per million population (pmp). Among those between 20 and 30% are waiting for a kidney. Annual incidence is around 140-150 new patients pmp.

3) Both quality/safety and availability will have an impact on the improvement of quality of life and reduced suffering for many patients and their families.

4) The proposal will have a complex number of ethical aspects of organ donation and transplantation that are dealt with differently in Member States. It will be difficult to isolate this principles form the legal basis on quality and safety.

Environmental impacts

No environmental impacts are foreseen.

Economic aspects

1) Treatment Costs: Organ transplantation provides the possibility of saving lives and also has the best cost / benefit ratio in terms of economic gains as well as quality of life. It has been calculated that each 10,000 renal patients living with a functioning kidney graft saves over 200 million € annually.

2) Productivity: The most important benefit for the grafted patients is measured in terms of survival and improvement of perceived quality of life, and consequently integration to the working and family life and productivity. Quality analysis and cost / benefit studies programmed for large samples and in different countries will definitely establish the need for a minimal investment in the organ donor promotion activities

3) Upgrading of organisational structures: This proposal will have an impact on the activities carried out within the Organ transplantation process. The establishments directly concerned by the provisions of this proposal vary from hospitals or health centres where procurement is carried out, to third parties which can be responsible for some step of the process. The need for standards of quality and safety could increase the cost of the process. On the other hand they may help to reduce costs associated with adverse events and effects related to transplantation and facilitate the exchange of organs across the borders.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

Safety and quality data: A review of the scientific data on the potential risks of transplantation is available, as well as scientific standards on safety and quality and guides from international organizations such the Council of Europe and scientific associations. Reporting of cases of transmission of diseases is available in the literature; however no register on adverse events or reactions is available.

Organ trafficking data: Europol will issue a report on Organ trafficking in the EU during 2005.

Activity data: There are data available on the number of transplants carried out during the last years from the Council of Europe. The Commission has access to information on number of donors, donations, and waiting lists in Member States in order to estimate the patients in need.

Health Impact data: There are data available showing the impacts in terms of survival and improvement of quality of life of these therapies in comparison with other treatments. There are also studies estimating the prevalence of diseases that could be subject to transplants. Further information will be needed on the incidence of the related diseases, the associated co-morbidity, the age of onset, and their associated disability weights. Calculation of the investment needed will also be needed.

Existing legislation: The Survey that the Commission carried out in 2003 on national legislation enables the comparison of the different national legislation and the identification of the gaps. Legislation in third countries (USA, Australia, Canada) is available.

6. Which stakeholders & experts will be consulted, how and at what stage?

Professional associations, Donors associations, patients associations, National and European agencies of transplantation, Council of Europe.

7. Will an inter-service steering group be set up for the IA?

Yes DG INFSO, JLS, RTD, DEV, ENTR, SG (BEPA) have expressed interest in participate

ROADMAP

Title of the proposal: Community **Food Safety Training** strategy (White Paper)

Expected date of adoption of the white paper: 1 semester 2006

A. Initial impact assessment screening

1. What are the main problems identified?

Recent food safety emergencies have highlighted deficiencies in national control systems. At the heart of the problem is a lack of a harmonised approach to the design and developments of national control systems. The White Paper on Food Safety placed particular emphasis on this problem and clearly indicated the need to address the issues with appropriate actions in order to achieve a high standard of consumer protection across the EU.

The European Parliament and the Council, on 29 April 2004, adopted Regulation (EC) No. 882/2004 on official controls performed to ensure the verification of compliance with feed and food law, animal health and animal welfare rules. The Regulation identifies training as a key issue to ensure a more harmonised approach in building and developing Community and national control systems. Article 51 of the Regulation empowers the Commission to develop training programmes for staff of competent authorities of the Member States. These programmes are open to participants of third countries, in particular developing countries, with a view to boosting international cooperation and dialogue with EU trade partners

2. What are the main policy objectives?

The main objective is the organisation and development of a Community training strategy for safer food, following adoption of a White Paper the first semester 2006. This action is fundamental with a view to promoting a harmonised approach to the operation of Community and national control systems, ensuring that official controls are implemented correctly and in a uniform way across the EU, creating an equal level playing field for all food/feed businesses, promoting a European food safety standards at international level and ensuring that official controls are efficient, objective and adequate.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

Option A: do nothing.

Option B: organisation and development of a Community training strategy for safer food in a two stages:

Stage 1: Short term programme, aimed at pursuing a concrete Community training strategy, starts in 2005 with a screening of the training activities implemented by Member States. In the second half of 2005 a pilot phase will be launched with the publication of calls for tender and award of contracts and the concrete start of training activities during 2006

At this stage the adoption of a White paper on EU food safety training strategy is expected (first semester 2006).

Stage 2: Medium-long term aimed at establishing a Community network connecting a Commission-provided and managed coordinating body (Unit) and a network of national training centres having high level experience and reputation in training activities in the sectors of food and feed safety, plant health, animal health and welfare. As an additional possibility, the creation of a Community Training Centre with a permanent location and structures, managed by the Commission services (a Directorate similar to FVO) or by an external Agency (similar to EFSA) could be considered.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

i) Do nothing at EU level may be a wrong answer to the problems highlighted above. It is clear that the lack of a harmonised approach may have a negative impact on the internal market, on business and consumer food safety. The quality and consistency of import control procedures have also an impact on trade with third countries. These issues could be better tackled by the development of specific training programmes at EU level complementary to the action developed

by Member States at national level.

ii) The need for action is also relevant for a better understanding of EU standards and imports procedures that will promote international trade in safe food and lower the hurdle for third countries, in particular developing countries, to place their products on the EU market.

To cope with these needs a training strategy based on a staged approach (short and medium-long term) will be implemented with the following expected impact.

- Economic

Impact on competitiveness, markets, trade and investments flows:

Training plays an important role in spreading knowledge and awareness of Community legislation and in promoting harmonisation and uniformity of control activities and procedures across EU. All food businesses should benefit from this harmonisation which contributes to creating an equal level playing field, developing fair trade and boosting competitiveness.

Impact on third countries and international relations:

Training is important to promote uniform procedures for the control of animals, food and feed imported from third countries. This is essential factor to guarantee that imports respect Community law and that EU businesses are in an equal competitive position in comparison with their non-EU rivals.

Participation of staff from third countries in Community training programmes will play an important role in promoting Community standards at international level, thus enhancing international trade of safe food, and providing EU businesses with easier access to world markets;

Training is a powerful instrument to assist developing countries, in particular ACP countries, to meet Community requirements and thus gain access for their products to the EU market. Apart from the positive economic effect on trade, this action would also have a political feed-back, both in its support of the commitments taken by EU at international level (e.g. under the WTO SPS Agreement in terms of technical assistance) and in enhancing the EU's relationship with supplying countries.

Impact on public authorities

Although much of the responsibility for information and training of staff performing official controls rests with the national competent authorities (Article 6 of Regulation 882/2004), the development of a Community training strategy is envisaged (Article 51 of Regulation 882/2004), in particular to pursue the efforts towards a better harmonisation of national control systems and to address specific issues of common interest.

The implementation of a Community training strategy should constitute a good instrument to optimise resources and determine scale economies to the advantage of both Community and national public authorities.

- Environmental

There would not be direct environmental impacts, as the action aims to improve the way in which existing authorities work to enforce existing and future food safety legislative provisions.

- Social

There would not be direct social impacts, as the action aims to improve the way in which existing authorities work to enforce existing and future food safety legislative provisions.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

There is a lack of data and experience in this sector at DG SANCO level. Some information and data might exist in other General Directorates (RTD, DEV, EAC AIDCO, ELARG), in specialized Community Agencies (CEDEFOP, ETF) or in Member States. An adequate consultation will be carried out in due time involving all relevant sources, recurring, where necessary, to external consulting.

A complete and accurate impact assessment will need further analysis, possibly carried out by professional external contractors.

6. Which stakeholders & experts will be consulted, how and at what stage?

The list of stakeholders involved in this action include: Member States, EFSA, Veterinary Unions and Associations, Food

Inspector Associations, Representatives of Universities and National Training centres.

Consultation of stakeholders already started 2nd quarter 2005

7. Will an inter-service steering group be set up for the IA?

An inter-service steering group has been set up for technical aspects related with this action, including discussing IA aspects. The Steering Group includes representatives from DG AGRI, TRADE, RELEX, AIDCO, DEV, SG, BUDGET and ELARG.

ROADMAP

Title of the proposal: Communication on **Alcohol Policy**

Expected date of adoption of the proposal: 1st quarter 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

The alcohol-attributable diseases burden in EU is unacceptably high (between 8 – 12 %) leading to a growing cost to society (health and welfare sector, and criminal justice sector). Harmful and high alcohol consumption also lowers productivity at workplaces. A study in UK in 2004 estimated a 27 percentage drop in productivity for each hangover day.

It is related to more than 60 acute and chronic disorders and the burden of alcohol is likely to be more significant in EU 25 as consumption per drinker is about 20 percent higher in EU 10 than the EU15. Alcohol related harm is one factor behind the difference in male life expectancy between EU 10 and EU 15.

Alcohol is responsible for 12 % of male and 2% of female premature death and disability after accounting for health benefits in EU 25. During last years there has been a new increasing trend of deaths from chronic liver cirrhoses and unintentional injuries among young men in some MS as harmful drinking patterns are on the rise among young people. One out of four fatalities on EU roads is caused by drink-driving. Approximately 100 million Europeans binge-drink at least once a month. Alcohol is therefore a key public health and social concern across the Community.

Individual MS ability to frame effective alcohol policy is limited. There are both community and transnational aspects related to alcohol. EU policies have a profound influence on alcohol production, marketing, trade, consumption and harm reduction. For example, tax harmonisation, cross border TV and marketing, harmonisation of labelling, cross-border trade – all have an impact on MS ability to frame effective health policy and there seems to be need to moving the focus from alcohol policy as mainly a national responsibility to an area for more cooperation, information and exchange of best practise.

For the moment, there is no existing comprehensive alcohol policy document in the EU. The previous EU wide actions on alcohol are based on two Council initiatives adopted in June 2001. The Council Recommendation on the drinking of alcohol by young people, in particular children and adolescents and the Council Conclusions on a Community strategy to reduce alcohol-related harm. The request for a comprehensive alcohol strategy was repeated by the Council in June 2004.

2. What are the main policy objectives?

Given the wide scope and complexity of the issue, there is a need for the EU initiative that will present a whole range of coordinated actions and suggestions with the intention to achieve a coherent alcohol policy on the Community level.

The main policy objective is to reduce the health and social harm due to alcohol consumption and contribute to higher productivity and a sustainable economic development in EU in line with the objectives set out in the Lisbon Strategy

The specific objectives are;

- As regards drink-driving; achieve substantial reduction in alcohol-related road fatalities and injuries
- As regards under-age drinking; reduce under-age drinking, postpone the age at which young people start to drink and reduce hazardous and harmful drinking among young people.
- As regards hazardous and harmful drinking, reduce alcohol-related acute and chronic disorders.
- As regards families and children, encourage and support MS efforts to reduce alcohol-related violence and harm in families.
- As regards violence; encourage and support MS efforts to create a safer drinking environment, especially in city centres, pubs and bars.
- As regards economic development; support MS efforts to improve workers' health, safety and to better protection of young people at work.

The operational objectives are:

- As regards commercial communication; reduce exposure of young people in commercial communication, and ensure that such communication does not target young people or encourages excessive or harmful use of alcohol.
- As regards consumer information; improve awareness and information of risks connected to the consumption of alcoholic beverages, especially during pregnancy, while driving and at workplaces and improve information on added ingredients and the caloric value of alcoholic beverages.
- As regards cross border trade/taxation; facilitate the functioning of the internal market by increasing the minimum rates of excise duties in line with inflation, and contribute to a closer approximation of the rates of excise duty on alcoholic beverages in the Community in order to reduce smuggling and fraud related to cross border alcohol trade and transport.
- As regard treatment; promote the widespread implementation of brief (a limited number of consultations with a doctor about alcohol habits) advice programmes throughout the health care sector and particularly in primary health care as well as in accident and emergency departments.

As regards collection of information: deliver comparable data on alcohol consumption and the effects of alcohol and of alcohol policy measures.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

There are four levels of possible intervention.

- Option A: Do nothing/no change on EU level leaving policy decisions to MS and most initiatives to stakeholders. No coordination of activities in different policy areas at EU level.
 - continue to finance projects and networks as a part of the public health programme
 - continue to support research
 - continue to facilitate exchange of best practice
 - continue to collect and disseminate information on alcohol consumption and harm
- Option B: Co-ordination of activities at EU level:
 - Stakeholders – in the form of i.e. self-regulation, common codes of conduct on commercial communication, exchange of best practice on interventions e.g. on workplaces and under-age drinking.
 - Member States – based on legal obligations under Article 152. One example could be action on Random breath testing.
- Option C: A comprehensive strategy to tackle alcohol related harm on Community level making supported by regulatory instruments. Strategy to involve policy – mix both as for tools used (legislation, self-regulation, information and education campaigns, exchange of best practise and stakeholders' involvement) and various policy areas affected (internal market, taxation, transport, education, research and consumer policy);
 - Drink-driving; possible directive on BAC limit for young and novice drivers, random breath testing, and coordinated campaigns
 - Protection of third parties; codes on server training, exchange of best practise on interventions on workplaces, on alcohol and pregnancy and alcohol and violence.
 - Commercial communication; co-regulation on codes of conduct and revision of TVWF directive,
 - Consumer information; labelling on added ingredients, calories and negative health claims,
 - Availability and prices; self-regulation and a proposal on increased minimum excise duties,

Option D: Purely regulatory – i.e. BAC limit for young and novice drivers. To invigorate the process, it appears reasonable to commence with a Communication. Depending on the outcome of the Communication, and the subsequent discussion in particular in the Council and the European Parliament, the Commission will decide on further actions. These might be recommendations or even directives.

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4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

Option A: Do nothing/no change

- Obligations under the Treaty will not be fully met.
- Most probably the current negative trends will continue, for example the number of drunk-drivers killed (or

killing others) on EU roads will be unchanged, young people's binge-drinking would increase in some MS, all resulting in growing cost to society and lower productivity.

- Many member states will introduce further policies at national level and some of these are likely to impact on EU internal market and other policies which will lead to distortions of the internal market and, eventually to renewed pressure to act at EU level.
- The number of court cases on alcohol will most probably increase as several MS have taken actions to limit marketing and decrease under-age drinking (France on bi-national advertising, Germany on Alco pops excise duties)
- There would likely be a number of negative reactions from the EP and the Council and some of the MS.

Option B: Co-ordination of activities at EU level

+ The most likely positive impacts of this option would be:

- A higher degree of stakeholders involvement in self-regulation leading to better enforcement of current codes of conduct
- A contribution to higher awareness of alcohol as a key health determinant
- A contribution to exchange of best practise
- Some impacts on public health, however, only if effective measures/tools were to be implemented in MS.
- A contribution to comparative and comprehensive information and monitoring system on alcohol consumption and harm.
- A higher degree of implementation of effective measures at MS level.
- Better to address the situation in the new MS (highest alcohol-related burden is found in some of the new MS) and reduce health differentials between MS.

- The most likely negative impacts of this option would be:

- Limited impact on alcohol-related harm and cost to society.
- The present distortion of competition and the negative impacts on the economic development in EU will remain (MS differences in excise duties, marketing rules and unchanged loss of productivity due to high alcohol consumption)

Option C: A comprehensive strategy.

+ The most likely positive impacts of this option would be:

- Impact on morbidity and mortality, fewer deaths on EU roads, reduction in the numbers of people consuming unsafe levels of alcohol
- It would most probably lead to some increase in economic growth due to a reduction in the negative effects of alcohol on the economy.
- It would lower alcohol-related cost to society.

- The most likely negative impacts of this option would be:

- It will impact on alcohol industry product development of products targeting young people.
- A decreased sale could have some economic impact.

Option D: Purely regulatory option

+ The most likely positive impacts of this option would be:

- Forced compliance
- Easier ways to transform provisions into national legislations

- The most likely negative impacts of this option would be:

- No coherent EU-wide alcohol policy
- No active involvement of stakeholders
- Focus on limited numbers of alcohol-related harm

The Communication on a comprehensive alcohol strategy would, depending on the grade of implementation of the different options, require coordination of the Commission's work related to alcohol issues in all relevant policy areas. It would have an impact on the ongoing work on health indicators and require assessment/monitoring of the implementation in 25 EU, and, financing is needed to set up a system for epidemiological surveillance, to develop information campaigns and to finance research and exchange of best practice.

If new legal provisions are to be implemented (on drink-driving, marketing/advertising or labelling) there could also be compliance cost in the Commissions follow up of the Communication.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

There are several national data on alcohol consumption, harms and policies available. There are also a significant number of scientific studies/reports and systematic reviews of the use of alcohol in Europe. There are also health impact data available showing the impacts in terms of mortality and morbidity of different policy options.

However, there are two areas that need to be further developed in 25 EU. Comparable data on the link between alcohol consumption and harm and data on harmful alcohol consumptions impact on productivity and economic development. Data on alcohol production, sales, marketing and alcohol economy (employment, companies and revenues) is also needed on EU level. Additional to national data, comparable data is needed for all 25 MS. A system for the epidemiological surveillance of alcohol consumption and related social, economic and health indicators must be developed inside the Commission (in cooperation with WHO).

Data gaps could be filled in by comprehensive research done by external contractors within the scope of Framework Contract, as well as exchange of information within the DG.

The objectives of the strategy will be monitored by a set of core indicators. The intention is to collect MS data in 2006, mostly using existing indicators in the "European Community Health Indicators (ECHI) short list and other relevant EU databases like CARE. Additional studies will be launched to collect information on the impact of alcohol-related harm on productivity, violence and impact on others than the drinker. The implementation of the strategy will be followed up in 2009 and the result of the assessment will be used as basis for further actions on EU level.

6. Which stakeholders & experts will be consulted, how and at what stage?

All stakeholders are currently involved in a consultation process.
25 MS experts, The Amsterdam Group, The Brewers of Europe, Commite des Enterprises de Vins (CEEV), European Spirits Organisation (CEPS), Selected alcohol producers like Heineken International, Pernod Ricard, NGO's like Eurocare, European Public Health Alliance, European Youth Forum, Conferderation of Family Organisations in the EU.
The timetable for the stakeholders consultation for 2005 is the following
COM working group with MS experts (meeting March and November 2005),
Stakeholders meetings (January, August and November 2005)
Four European Policy Centre (EPC) Round tables with a selected number of stakeholders, the last on 23 November 2005.

7. Will an inter-service steering group be set up for the IA?

Yes, the existing sub-group under the Inter Service Group on Health on Alcohol strategy, left open to all interested parties.

ROADMAP

Title of the proposal: Draft Regulation of the EP and of the Council amending the **animal by-product Regulation (EC) No 1774/2002**

Expected date of adoption of the proposal: End December 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

The aim of Regulation (EC) No 1774/2002, which applied on 1 May 2003, is to ensure that animal by-products (ABPs) are handled, processed, used and disposed of in a way that avoids risk to animal and public health. It simplified and replaced 19 Community acts by a single legal framework covering trade, placing on market and export, and this – tightened controls, brought some new ABPs within its scope. Although made specifically for animal and public health reasons, the Regulation fits within the broader policies of the Commission, particularly those that seek to protect the environment.

The Regulation is wide-ranging and impacts on a large range of operators as well as some small-scale hobby and craft operations. It has been challenging for all Member States and economic operators to ensure compliance. Although good progress has been made and the majority of operators are now complying, there have been difficulties in certain areas where experience has suggested that changes are needed. The main issues have arisen in relation to:

(a) Areas where the requirements of the Regulation are disproportionate, in particular as regards very low risk products, which should be excluded from the scope; and

(b) Areas where there is uncertainty about the scope or requirements of the Regulation or possible duplication with other legislation, where clarification is needed.

Modifying the body of the legal text is the only way of solving the issues, leaving certain areas to Member States to apply the principle of subsidiarity where the low risk involved does not justify measures at Community level.

2. What are the main policy objectives?

The key objective is to review the health rules on ABPs taking into account the experience gained in applying the Regulation since 1 May 2003.

Removing disproportionate provisions and clarifying the scope of the Regulation would lead to a clear text, making the measures more effective and efficient. The review will reduce unnecessary burden and negative impacts, increasing benefits by simplifying and avoiding duplication of administrative procedures for national authorities and operators.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

(a) Do-nothing despite experience showing that a review is necessary in order to remove disproportionate provisions.

(b) Legislation (draft Regulation) reviewing the health rules, taking into account experience gained in applying the Regulation since 1 May 2003.

(c) Self-regulation, guidance, co-regulation would not work as long as excessive provisions have not been removed from the legally binding text.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

Option (a) is likely to lead to trade disruption and severe negative socio-economic costs on operators. Maintaining disproportionate provisions would be faced with mounting criticisms, and possible non-compliance leading to serious direct or indirect risk to animal and public health.

Option (b) will provide more legal certainty, allowing long term planning, and enhancing the competitiveness of the industry. This will reduce unnecessary burden for Member States administrative systems and economic operators, limiting the scope of the Regulation to areas where there is risk.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

All 25 Member States have already supplied data on the measures taken to ensure compliance with the Regulation. In so doing each has indicated the areas where changes are needed, reflecting the concerns raised by economic operators.

Also the Commission's Food and Veterinary Office has carried out facts finding inspections in Member States in 2004 - 2005 to ascertain compliance. The FVO data are also available.

On the basis of Member States and FVO data, the Commission has prepared a Report to be submitted to the European Parliament and the Council in the 4th quarter of 2005 describing *inter alia* areas of the Regulation where changes are needed (see paragraph 1 above). An internal IA is needed in early 2006 to assess the proportionally of the proposed changes and likely impact on operators.

Overall, Member States and operators welcome the review. This is viewed as a further step towards simplifying and reducing the burden on national and operators' administrative systems, beneficial to intra-Community trade as well as import from third countries.

6. Which stakeholders & experts will be consulted, how and at what stage?

It is intended to hold 2-3 discussions with Member States in the framework of expert working groups of SCoFCAH, 1 seminar/workshop with the Advisory Group on the Food Chain and Animal and Plant Health, and 1 targeted seminar/workshop with third countries major trading partners in the 2nd half of 2006. An SPS notification is also foreseen before the Commission adopts the draft proposal.

7. Will an inter-service steering group be set up for the IA?

Yes

ROADMAP

Title of the proposal: Communication on a strategy for a **Secure Information Society**

Expected date of adoption of the proposal: 1st quarter 2006

A. Initial impact assessment screening

1. What are the main problems? Are they likely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

Reportedly, in 2004 about 45% of EU households had their own Internet connections. More than 81% of the EU population is using a mobile phone and more than 90% of companies operating in the European Union have an Internet connection and the majority of them run a web site. As so much depends on networks and information systems, their secure functioning has become a key concern. Security has become an essential feature of many businesses, in particular on-line businesses.

Due to the dynamic nature, challenges for the security of networks and information systems exist and new dangers seem to appear every day, in spite of the efforts already made. These include spam, spyware and other forms of malware, illegal content, and on-line fraud, including phishing and identity theft. Threats, both real and perceived, undermine consumers' confidence in Information Society and hamper its recognised potential for flourishing. The reliability of underlying communications networks, including the Internet, needs to be ensured in terms of connectivity, availability of root servers and the Domain Name Systems, and IP-enabled application security.

The scope of modern electronic communications networks goes far beyond geographical boundaries. The Internet has a cross-border, global dimension, and so do the threats related to the use of ICT. Consequently, Internet, network and information security-related issues can only be successfully addressed at a multi-national, e.g. EU level. In addition, an orchestrated EU-approach is necessary to avoid creating barriers to the internal market through deployment of non-harmonised security solutions.

At the same time, as highlighted in the Commission's proposal for the creation of the European Network and Information Security Agency (ENISA), Europe lacks a mechanism to ensure effective responses to security threats; the implementation of the legal framework varies from one Member State to another; product certification remains national whilst key standards are developed by the global industry, and operators and vendors are faced with different attitudes from governments. All this leads to a lack of interoperability that impedes a proper use of the security products and services.

2. What are the main policy objectives?

The proposed Communication should in the first place provide a high-level, coherent framework within which further initiatives in the field of Internet, network and information security should take place. It should reinforce the importance of security and reliability as crucial constitutive elements of the Information Society and key enablers to develop new systems, applications, business models and services within the context of the Lisbon agenda objectives. This aspect should be emphasized in order to rectify the widely spread perception according to which security initiatives should be driven mainly by the fear of terrorism. It should also set out general policy principles and identify areas where an action at EU level could provide particularly high added value, while fully respecting the principle of subsidiarity and activities already undertaken by Member States.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

There are four policy options to consider ab initio when writing the Communication.

a) Do nothing: Stop the on-going initiatives on information and network security and leave the work up to the Member States; politically and ethically unrealistic option given the social and economic issues at stake, as well as the associated risks of market fragmentation at EU level and putting at risk the potential benefits from the information society.

b) Legislate: It can only be undertaken when sufficient evidence of failure of other less interventionist options is gathered. It is also against the preferred legislative approach agreed by the Council at the Laeken Summit in December 2001.

c) Business as usual: Continue with the on-going initiatives, including ENISA, accepting the current situation as a status quo and the risks outlined in the previous section.

d) Coordinate actions (a compromise): The preferred option for the proposed Communication, pointing a strategic way forward, while simultaneously committing to collecting information to build evidence and leaving the door open to more drastic remedial actions (in the form of legislation at European level), should the “soft” approach be seen in the medium-term as insufficient.

The final identification of options and in particular the analysis of their impacts will be a key component of the IA and will involve the use of empirical evidence and rigorous analysis.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

The main impact sought is enhancing security of networks and information systems in the long run, thus improving the reliability of ICT that are so critical to the quality of life and economic wellbeing of modern societies.

If successful, i.e. adopted by the Member States and followed up by a set of coherent policy actions in specific areas (such as spam prevention, information infrastructure resilience, business continuity etc.), the preferred option (the strategy) is likely to have significant positive economic impact, in particular in terms of increased competitiveness and productivity, as well as research and innovation. In addition, a positive societal impact is expected, as citizens’ confidence in the use of ICT in general grows and the benefits offered by these technologies are finally fully exploited.

The “do nothing” option, to the contrary, would likely result in a decrease in innovation and competitiveness, as many business and research initiatives would simply be given up due to concerns about the existing and emerging threats related to the use of electronic communications networks, in particular the Internet. Moreover, the public could easily enter a “panic mode” as a result of increasingly numerous alarming media reports linking the Internet with crime, and in particular with terrorism, and stop or limit their use of new technologies. This of course would be detrimental from both economic and social point of view.

As for the “legislate” option, there seems to be insufficient evidence that a legislative initiative at EU level is required at this stage. In particular, there are concerns that premature or hasty regulatory intervention could stifle innovation on dynamically growing ICT markets. It cannot, however, be excluded that such initiative could prove necessary in the future.

Given the subject matter of the proposal, there are no likely environmental impacts to consider.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

Regarding external stakeholders, preliminary discussions have already been held or will be entered into with:

- experts from the Member States (two workshops held on an invitation from the High Level Group on Internet Governance); and
- representatives from industry and academia.

As the communication will not include any legislative proposal and is likely to be a policy document of high level of generality, the impact assessment process will be adjusted accordingly. The scope of stakeholders consultation will be limited and the analysis will be based mainly on information and materials already gathered by the Commission services. Assessment of impacts will generally be preliminary and will not provide detailed quantitative data.

6. Which stakeholders & experts will be consulted, how and at what stage?

Building upon the Commission commitment for transparency and evidence-based policy making, long before the formal Communication draft proposal is presented, a wide stakeholder consultation process on its contents has already started.

Informal consultations, particularly with ENISA, as well as other DG INFSO units (in particular dealing with regulatory framework, spam, and research), as well as other services (including DG ENTR, DG MARKT, DG JLS) will be held. Some contacts have been ongoing in the context of other specific activities of the Commission that are (at least partly) relevant to the proposed Communication (e.g. within the Inter-Service Sub-Group on Critical Infrastructure Protection).

In view of the tight schedule foreseen for the drafting and IA process, no public consultation is foreseen.

7. Will an inter-service steering group be set up for the IA?

Given the importance of the subject matter and its cross-cutting nature, it is planned to set up an Inter-service Steering Group for the IA.

ROADMAP

Title of the proposal:

Proposal for a Regulation of the European Parliament and of the Council establishing a **Community Code on short stay visas**

Expected date of adoption of the proposal: [March 2006]

A. Initial impact assessment screening

1. What are the main problems identified?

The provisions on issuance of short-stay visas is currently governed by the Schengen Convention (in particular articles 9-18), which lays down common and uniform principles in that field, and by the Common Consular Instructions (CCI) which set out the detailed rules for implementing these principles and brings together nearly all provisions related to the issuance of short stay visas. The CCI is divided into two main parts:

- a first part on the “conditions governing the issue of uniform visas, valid for the territory of all Contracting Parties”, divided into eight chapters;

- a second part consisting of eighteen annexes containing various information: lists (of third country nationals subject to visa requirements, exemptions for holders of certain types of travel documents, table of representation, handling fees, documents entitling the holder to entry without a visa), technical specifications (specimen of visa stickers, harmonised forms providing proof of invitation etc.,), practical, operational information (guidelines for filling in the visa sticker), information on individual “practices” (reference amounts, information to be entered into the “comments” section). Certain specific aspects which are not covered by the CCI or at least not in detail) are regulated by Decisions of the Schengen Executive Committee. When the Schengen acquis was integrated into the European Union Framework, these provisions acquired a new legal base in Title IV of the Treaty establishing the European community (the EC Treaty).

This mixture of Community law creating rights and obligations and practical, albeit vital, guidelines for consular staff leads to confusion and makes the document difficult to read.

The provisions can be divided into three types:

- i) “regulatory” provisions setting out or restating basic principles for issuing visas/assessing visa applications
- ii) “implementing” provisions in the form of instructions to national officials
- iii) lists or compilations of [authorities][documents] or [national rules], e.g. Annex 4:lists of documents entitling holders to entry without a visa

The distinction between the various provisions was acknowledged in Council Regulation (EC) No 789/2001¹⁰ which reserved for the Council implementing powers with regard to certain detailed provisions and practical procedures for examining visa applications.

The main consequence of this distinction is that, at present, three different types of procedure apply for amending the different categories of provisions mentioned above:

ad i): the “legislative/regulatory” provisions must be amended by the procedure laid down in Title IV, and in particular Article 67 of TEC

ad ii): the “implementing” provisions must be amended by the procedure laid down in Article 1 of 789/2001

ad iii): the other provisions may be amended by individual Member States by notification to the Council SG (Article 2 of 789/2001). Amendments made by this procedure take effect from the date on which the Council SG communicates them to the members of the Council and to the Commission.

Contrary to what was the case with the Common Manual (in relation to 790/2001), all “legislative parts” (I-VIII, with the

¹⁰ OJ L 116, 26.4.2001, p. 3, as amended by 2004/927/EC

exception of IV which is a reproduction of certain articles from the CSA), are subject to the same amendment procedure. But the unsystematic distinction between rules and procedures means that parts of the same annex are subject to different procedures, i.e. Annex 2 and Annex 3.

As for the amendments made by simple notification to the Council SG, some must be assessed by all Member States before they can enter into force. It should be noted that lately, Member States seem to ignore Article 2 (2) which restricts Article 2(1), and just announce amendments to the Council SG.

The fragmentation of the CCI into different types of provisions and procedures is likely to create a certain ambiguity and uncertainty as regards the legal status of its provisions. This might also be reason why a number of Member States draw up parallel national consular instructions.

As for the notification of amendments to the various annexes of the CCI, these are not done systematically by MS and consolidated versions of the annexes are only made once/twice a year. This means that it is very difficult at operational level to keep track of the latest state of affairs as regards for instance “representation” (Annex 18) – “exemption from visa requirements for holders of diplomatic and service passports” (Annex 2) – “list of documents entitling the holder to entry without a visa” (Annex 4).

Furthermore the various “Schengen evaluations”, although they concern individual Member States’ application of the Schengen acquis, have been a valuable source of information for the Commission to gain information of the practical application of the provisions. Lately the “Targeted Missions on Local Consular Cooperation” have served as a genuine laboratory for the Commission to acknowledge the cases of incorrect application of the current rules which are among other things due to outdated and incomplete existing rules which are often drafted too vaguely. These give too much room for Member States to interpret rules in their own manner which is detrimental to the harmonised application of the rules and thus of the treatment of visa applicants.

2. What are the main policy objectives?

The overall objective is an effectively integrated visa policy. In this regard, the establishment of a “common corpus” of legislation, particularly via consolidation and development of the acquis (the relevant provisions of the Convention implementing the Schengen Agreement of 14 June 1985¹¹ and the Common Consular Instructions (CCI)), is one of the fundamental components of “further development of the common visa policy as part of a multi-layer system aimed at facilitating legitimate travel and tackling illegal immigration through further harmonisation of national legislation and handling practices at local consular missions.”, as defined in the Hague Programme.

Since the CCI also serves as a “handbook” for consular staff, it includes practical and operational information: “guidelines on how to fill in the visa sticker” (annex 13), “list of documents entitling the holder to entry without a visa”, “information to be entered, if necessary, into the “comments” section” (annex 9) – “instructions on inserting information in the optical reading areas” (annex 10). While the existence of such practical information is perfectly warranted in a handbook aimed at consular staff, which must contain all information pertinent for the issuance of visas, it is less justified in an instrument designed solely to establish the Community legislative framework – including implementing provisions – related to the conditions governing the issue of uniform visas.

Therefore a clear distinction has to be drawn between, on the one hand, the binding regulatory instrument and, on the other hand, a handbook that contains all the information that is relevant for consular staff to be able to carry out their daily work in an effective and harmonised manner.

However, it is recalled that it has time and again been established that practices differ between consular sections in the same location and that the provisions of the CCI are interpreted in “national consular instructions” which in extreme cases are contrary to the contents of the common rules.

Finally it is emphasised that currently 15 – and relatively shortly 27 States – are expected to apply a common visa policy to issue the same types of visas for the same area. Applicants should therefore, for the sake of equal treatment and in order to avoid visa shopping, be subject to exactly the same procedures in all “Schengen consulates”. It is therefore important that as many rules as possible are contained in a legally binding and clearly drafted instrument and that as little as possible is left to individual interpretation or diverging practical application.

¹¹ OJ L 230, 22.09.2000, p. 19.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

The no-policy scenario would lead to the maintenance of the current situation as described above. This opacity and confusion in the rules to be applied is detrimental to all involved, at European and national level. It is therefore a situation that cannot be sustained.

It is thus necessary to draw up one single "Visa Code" of the current provisions having the same legal basis. Moreover, it is necessary to update the current rules which were drawn up 10 years ago in an intergovernmental framework. This has been recognised by the Council, as stated in the overall report on targeted missions 2004, approved by Scifa in January 2005:

"In its capacity as guardian of the Treaty with regard to visa provisions, the Commission should immediately examine the follow-up to be given to practices contrary to the provisions of the CCI. The Commission should now begin the discussions on recasting the CCI. In accordance with the Hague programme, the Commission should submit a proposal to that effect by the beginning of 2006 at the latest. In the course of this exercise, the Commission should in particular take account of the cases of difficulties, differing application or ambiguities pointed out by the targeted missions."

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

The recast of the Common Consular Instructions and the integration of all legislative instruments into one "Code on Visas" will render its application easier for Member State's consular staff, and thus decrease the burden on national administrations. The application of the CCI will be truly harmonised and visa applicants will be assured an equal treatment at all "Schengen Consulates", as rules will be more transparent.

B. Planning of further impact assessment work

5. What information and data is already available?

All necessary information is available: the current CCI, the various Schengen evaluation reports on individual Member States' application of the current acquis as well as targeted missions' reports on local consular cooperation, pinpointing a number of loopholes and inconsistencies in the current legislation.

6. Which stakeholders & experts will be consulted, how and at what stage?

Member States' experts are likely to be consulted on specific matters

7. Will an inter-service steering group be set up for the IA?

No

ROADMAP

Title of the proposal: Proposal for an EP and Council regulation in view of setting out the powers and financing of teams of national experts of Member States to provide technical and operational assistance to Member States in the activities dealing with the **Control and Surveillance of the External Borders** in the framework of the European Agency for the Management of Operational Cooperation at the External Borders of the Member States of the European Union.

Expected date of adoption of the proposal: 2nd half of 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

The free movement of persons within the Schengen Area requires a secure environment. Therefore access to that Area should be permitted under the conditions of no risks and prevention of any outside threat. In this respect, the security of the external borders must be adequately ensured via a uniform high level of quality of the control and surveillance tasks at the external borders of the Member States of the European Union. These tasks fall within national responsibilities, but they are also executed on behalf of the other Member States, which share a common interest in the efficient handling of border tasks in order to attain the highest level of protection over every stretch of the external borders. Indeed, the intensity of both the migratory pressure and the illegal immigration threat varies all along the EU external borders. This is because some MS' external borders are more at risk than others and suffer a more intense threat and frequent emergencies put the capacity of stopping illegal entries at risk.

Therefore, the Hague Programme, among other measures, called for the setting up of teams of national experts who are ready to be seconded to provide rapid technical and operational assistance to host MS border guards who are under pressure. It is, therefore, necessary to confer the indispensable powers to those national border guards or MS experts, who are ready to assist their colleagues in another MS, whenever the need occurs and the host MS so requires. The guest border guards, when seconded to the host MS, need to qualify to execute the tasks and missions just as the host MS colleagues, otherwise the quality and effectiveness of their actions during the operational cooperation would be less effective.

2. What are the main policy objectives?

The strategic objectives of an efficient handling of the EU borders and ensuring the highest level of security at the external borders are partially fulfilled through the objectives of this legal instrument. The operational powers, which should be conferred to the seconded national experts/border guards, are minimum requirement in view of providing effective assistance to the requiring, host MS. With these powers the guest border guards contribute to reduce the risks and prevent the threats at those stretches of the EU external borders, which are under more intense threat.

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3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

Alternatives: 1) bilateral agreements between MS could be envisaged, but too many agreements risk the lack of uniformity in applying the common European Schengen provisions along the various stretches of the EU external borders; 2) informal exchanges of national experts between the services of the MS: but such a solution would not provide the essential legal framework to confer appropriate powers to the guest border guards. Indeed, such exchanges do already happen and the people concerned have raised the issue of the lack of power and the unimportant tasks which are usually assigned to the guest border guards, who are party to these exchanges.

The EU legal instrument solution appears the most likely act to reach the targeted objectives in order to confer a complete, substantial and effective legal status to those border guards, who should complement, not replace the national border guards. The final report of the study, mentioned hereunder in point 5, will contribute to identifying the appropriate nature and substance of the proposed legal instrument.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

The impact resulting from the preferred policy option is double: legal and financial. Some MS might be obliged to revise their legislation in order to let the guest border guards assume and execute some of the normal tasks of the national border guards. The financial burden for implementing these teams and their secondment in the host MS would be partly put on the EU budget and the remainder met by the MS. Obviously, once adopted such an instrument should be applied in all the MS.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

Currently, a study by an external contractor is assessing the legal issues raised by our project. The final report will be available at the end of 2005 and thereafter we would be able to plan further assessment and start the analysis of the financial implications.

6. Which stakeholders & experts will be consulted, how and at what stage?

Meetings with national MS experts might be called, if necessary, for commenting on a non paper on the project and to discuss formally the main parts of the future draft. These meetings would be held before sending the draft proposal to the EP and the Council.

7. Will an inter-service steering group be set up for the IA?

It is possible that, in due course, a group could be set up with DG BUDG, LS and SG.

ROADMAP

Title of the proposal:

Proposal for a Framework Decision on Conflicts of Jurisdiction and the Principle of **ne bis in idem in criminal proceedings**

Expected date of adoption of the proposal: fourth quarter of 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

(i) The preparation of such a proposal would be a response to the problems which result from conflicts of jurisdiction in the context of criminal proceedings within the Union. The term “Conflicts of jurisdiction” refers to constellations where two or more Member States have initiated or are likely to initiate their own parallel prosecution for the same case.

Multiple prosecutions can affect the efficiency and duration of the respective proceedings. Moreover, multiple prosecutions can impose considerable additional burdens on the individuals involved. As a consequence, the concerned individuals can be subjected to disproportionate restrictions as parallel (and often repeated) national prosecutions can limit their freedom of movement and impair their rights and interests. Currently, there are no binding rules at EU level which adequately deal with conflicts of jurisdiction in criminal matters while proceedings are ongoing. The current EU provisions neither require Member States to take concrete steps to avoid/solve conflicts of jurisdiction cases nor do they provide for a procedure/mechanism which would assist them in dealing with such questions. As a result, two or more prosecuting authorities from different Member States are free to institute their own parallel prosecutions on the same cases. The only legal barrier is the principle of *ne bis in idem*, laid down in Articles 54-58 of the Convention Implementing the Schengen Agreement (CISA). However, this principle can only come into play, by preventing a second prosecution on the same case, if a decision which bars a further prosecution (*res judicata*) has terminated the proceedings in a Member State. Without a system for allocating cases to an appropriate jurisdiction while proceedings are ongoing, *ne bis in idem* can lead to accidental or even arbitrary results: by giving preference to whichever jurisdiction can first take a final decision, its effects amount to a “first come first served” principle. The choice of jurisdiction is currently left to chance, and this seems to be the reason why the principle of *ne bis in idem* is still subject to several exceptions.

(ii) This proposal would also be a response to the uncertainties concerning the scope, the applicability and the interpretation of the *ne bis in idem* principle which is contained in Articles 54-58 of the Convention Implementing the Schengen Agreement (CISA). *Ne bis in idem* is a fundamental legal principle which is enshrined in most legal systems, according to which a person cannot be prosecuted more than once for the same act (or facts). The CISA provides for a *ne bis in idem* principle between EU Member States on a trans-national level. In other words, the CISA incorporates to the national legal order of the Member States a *ne bis in idem* principle which can result from convictions and acquittals, (or for other “final decisions” in general) which have been handed down in other EU Member States.

Due to the fact that situations involving both jurisdiction conflicts and the applicability of the *ne bis in idem* principle can affect two or more Member States (even in situations where only one Member State has brought a prosecution), it is not possible to effectively solve them by the sole action of the Member States. The procedural laws of the Member States would have to be aligned so that common rules are adopted as to how they should react when faced with jurisdiction conflicts. Such common procedural rules which would, *inter alia*, ensure that Member States contact each other promptly when faced with such questions of conflicts of jurisdiction can only be put in place by legislative action at Union level.

2. What are the main policy objectives?

The main policy objective is the creation of a mechanism which would facilitate the choice of the most appropriate jurisdiction (for cases which could be prosecuted by two or more Member States) before a final decision has been delivered in a Member State.

The proposal would also aim to clarify the scope, applicability and the interpretation of certain elements / definitions of the EU wide *ne bis in idem* principle which is contained in Articles 54-58 of the Convention Implementing the Schengen Agreement (CISA) so that to bring it in line with the realities and the developments in the European area of freedom, security and justice.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

There are three main policy options for dealing with the matter of Conflicts of Jurisdiction in the Union;

(a) Doing nothing- leaving the status quo. Currently, there are no binding rules at EU level which adequately deal with conflicts of jurisdiction in criminal matters while proceedings are ongoing. The current EU provisions neither require Member States to take concrete steps to avoid/solve conflicts of jurisdiction nor do they provide for a binding procedure/mechanism which would assist them in dealing with such questions.

(b) Adopting a flexible approach which would create a mechanism to deal with jurisdiction conflicts on a case by case basis. This mechanism would be based on information and consultation between the concerned Member States in cases where two or more Member States could be interested to bring a prosecution. Within this option, other policy choices will need to be considered. For example, whether there should be binding or non-binding allocation (general) criteria to be followed during the consultations, whether and to what extent there should be a compulsory judicial remedy for interested individuals (and how wide should it be) and whether there should be a requirement that difficult jurisdiction conflicts should be submitted to mediation/dispute resolution after a period of time elapses.

(c) Through the adoption of strict jurisdiction rules which would determine in advance which Member State would be responsible for particular type of cases. Option (c) was brought up in the Commission Communication on Mutual Recognition of Final Decisions of 26.7.2000,¹² Following dissemination of a discussion paper and reactions from competent practitioners, experts and Eurojust, the Commission held an experts meeting on 3 December 2001 to examine the feasibility of the approach suggested in the Commission's Communication of 26.7.2000. A large majority of the experts and practitioners were sceptical of such a system and underlined the need for ensuring flexibility in order to be able to take into account all the circumstances and particularities of an individual case. Following these developments, as a preliminary conclusion, it can be argued that it hardly seems feasible to set up a strict hierarchy of criteria for jurisdiction which would "automatically" lead to one Member State being identified as the best place to prosecute a case. On the contrary, it was concluded that a case-by-case approach is needed.

As regards the principle clarification/revision of ne bis in idem there are two policy options;

(a) Retaining the status quo- Many issues as regards the application, scope and interpretation of the principle are not fully clarified. These issues could be left to be determined by the European Court of Justice in preliminary rulings when such questions arise before the national courts.

(b) Clarifying the scope, applicability and interpretation of the principle in a future instrument. Possibly, this option could lead to the abolition of certain of the exceptions on the applicability of the principle.

The various elements of the proposed action could come into force through the adoption of a Council Framework Decision.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

National prosecuting and /or law enforcement authorities and the concerned individuals would be very much affected by a proposed legislative action on ne bis in idem and conflicts of jurisdiction. Any proposed rules will have an impact on the Member States' freedom to act when faced with cases which can lead to parallel prosecutions by another Member State(s). Action on these matters would also affect important interests of the Member States in their fight against crime. A new framework on the choice of forum for the trial and a possible revision of the rules on ne bis in idem would clearly impact on fundamental rights of individuals.

(i) Jurisdiction conflicts Policy Options; Taking no action as regards jurisdiction conflicts within the Union, would allow the continuation of the existing framework where choice of criminal jurisdiction is left to chance, problems regarding efficiency and individual rights which result from multiple prosecutions would not be remedied, the right of Member States to have a say in all prosecutions which concern their interests would not be maintained and generally legal certainty would continue to be endangered.

On the other hand, if a proposal adopts a flexible approach as regards resolution of jurisdiction conflicts (option b) the

¹² COM(2000)495 final.

Member States interests in prosecuting cases which affect them, would better be safeguarded as they would have the ability to put forward their views before important jurisdiction choices are made. This would also lead to a transparent choice of jurisdiction and would minimise the effects of multiple prosecutions on concerned individuals. Such a system would have to ensure that red tape is kept to the minimum possible level so that prosecution/law enforcement authorities are able to perform effectively their day-to-day responsibilities and tasks, especially as regards those prosecutions which only affect their own legal order. (And which are clearly the most cases within their workload) From a purely procedural view, alternatively, the adoption of strict jurisdiction rules, without a case by case consultation mechanism, (option c) could be considered more efficient, but important interests of Member States and/or individuals could in this way be easily jeopardised. It also needs to be noted, that the interests of suspects-defendants and victims shall also be affected by reason of choices (b) or (c), therefore the policy choices that would be made concerning the remedies that would be available to them and the content of any criteria would have to be considered carefully from their perspective as well.

(ii) Ne bis in idem Policy Options; As regards the ne bis in idem policy options, if it is chosen to keep the status quo (option a), the uncertainty regarding the applicability and interpretation of the principle within the Union would continue to be in place. In contrast, legislative action in that respect (option b) could bring more legal certainty to national authorities' powers to prosecute cross-border cases which have been dealt with by other States (either partly or fully). It would also strengthen the legal certainty as regards the rights of suspects and defendants in such cases. Moreover, keeping the status quo on ne bis in idem, which contains wide exceptions to the principle, could also amount to the retaining of a fundamental right standard which is not entirely up to the standard foreseen in the Charter of Fundamental Rights. On the other hand, if certain of the exceptions to the applicability of the principle are taken away there can be an effect on the freedom of the Member States to prosecute cases which affect their national interests.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

As a result of the abovementioned expert meeting which was held in December 2001 a lot of useful information as regards the general positions of the various stakeholders on the matter has become available. Furthermore, an EU Grotius programme which was completed in 2001 and a seminar which was organised by Eurojust in November 2003 which also dealt with the matter of jurisdiction conflicts have also contributed in this respect.

However, more specific information and data would have to be gathered directly from national prosecution/law enforcement authorities so that to assess the impact on their everyday activities and their views as regards the necessity and their preferences on the courses of action which could be included in the Proposal. As regards the revision/ clarification of the existing rules on ne bis in idem more information would have to be gathered from national authorities so that to identify their opinion on the existing rules.

The opinions of Defence lawyers, national/international bar associations and Human Rights associations would also need to be made available before a final proposal decision is made. Furthermore, information as to the scale of the problem would also be very important.

Most of this information gathering could be done internally through the consideration of the reactions to the Green Paper (the Green Paper will be published by the end of 2005) and as result of the experts meeting and /or public hearing which is foreseen for the beginning of 2006. However, it is not excluded that some information would have to be obtained through the assistance of external contractors.

6. Which stakeholders & experts will be consulted, how and at what stage?

In general, those consulted could include, in particular, those which play a role and /or are concerned with the conduct of criminal proceedings in the Member States criminal justice systems. For example, prosecutors, defence lawyers and defence /civil rights / victims groups, national judicial authorities, police and other law enforcement authorities. The most wide public consultation would be through the publication of the Green Paper, by the end of 2005, to which everybody would be able to react. As a result of the reactions to the Green Paper it would be possible to assess what further

consultation would be necessary from that stage onwards. It is foreseen that further information would be gathered through an experts meeting and /or public hearing which could be in the course of 2006.

7. Will an inter-service steering group be set up for the IA?

Yes

ROADMAP

Title of the proposal: EU Action Plan on **Public Private Partnership for combating crime and terrorism**

Expected date of adoption of the proposal: Summer 2006

A. Initial impact assessment screening

1. What are the main problems identified?

Governments can not combat the growing problems of organised crime and terrorism by themselves – they need to be supported by actions from the general public, and the private sector in particular. The main problem identified is that at the current time there is no policy framework in place to provide a European approach to supporting the efforts of government and private industry to increase the effectiveness of combating these phenomena together.

2. What are the main policy objectives?

The main policy objective is to provide for a common framework and understanding at the European level of how governments and private sector organisations can best work together to increase the effectiveness of their joint efforts to combat crime and terrorism. The action plan will also provide for an appropriately structures dialogue on these issues.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

The Hague Programme, as recently adopted by the European Council, has invited the Commission to present its proposals on this issue during 2006. In terms of policy options, this implies that the choices are limited to the way these proposals will be presented, not so much to the policy initiative as such. At the current time no regulatory instruments are considered, but this may change, dependant on the outcome of the consultation process foreseen to take place during 2005 and 2006. Consideration could be given to using regulatory instruments in order to create the appropriate structures at EU level for the public private dialogue to take place, as well as on the national level should this be indicated, again dependant on the outcome of the consultation process.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

At the current stage of planning, no major economic, social or environmental direct impact is expected. However, the enhanced dialogue between governments and industry to increase the effectiveness of combating crime and terrorism is expected to contribute to further economic growth, given a reduced vulnerability to crime for the private sector. No further analysis of the impact is foreseen at this stage.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

There have been a number of initiatives in this area in the recent past, but there is no centralised overview of existing practice at this point. During 2005, a study is foreseen to provide a compendium of existing research in the area of PPP to combat crime, which will assist in identifying best practice. The results of this study, to be performed by an external contractor, are planned to be available towards the beginning of 2006.

6. Which stakeholders & experts will be consulted, how and at what stage?

At the end of 2005, a major European wide conference will be organised around the theme of public-private partnership for Justice, Freedom and Security. To assist in the preparation of this conference, as well as to support policy development, a Steering Group will be set up consisting of representatives of general business organisations such as UNICE, the ICC, the EFMA and others, as well as representatives of the Member States, their law enforcement organisations, and Europol. This Steering Committee will meet regularly during 2005 and over 2006 as required. Also, separate workshops and meetings will take place, one of which will be organised by the Commission under the Forum for the Prevention of Organised Crime.

7. Will an inter-service steering group be set up for the IA?

An interservice group for the impact assessment is not foreseen at the moment. However, the plans in this area have been, and will continue to be discussed under a subgroup of the interservice group on the fight against crime.

ROADMAP

Title of the proposal: Proposal for a modification of the Council Framework Decision on **Combating Terrorism**, in particular to make the transmission of expertise in explosives/bomb-making for terrorist purposes a crime

Expected date of adoption of the proposal: 2006

A. Initial impact assessment screening

1. What are the main problems identified?

The use of explosives and bombs has been the most deadly method used by terrorists to strike at innocent civilians causing the death or maiming of hundreds of them. Notwithstanding all the measures being taken, including policy initiatives of the Commission, to reduce to the largest extent possible the misuse of explosives, terrorists can still find a way of getting hold of them and use them to perpetrate attacks. To support all the measures for enhancing the security of explosives, the Framework Decision needs to be amended in order to allow law enforcement authorities to treat the mere transmission of expertise with a terrorist intent on how to make bombs or explosives a criminal act under the Framework Decision. This is currently not covered by most Member State laws nor under the Framework Decision.

2. What are the main policy objectives?

Making the intentional transmission of expertise in the making of bombs and explosives for terrorist purposes a crime under the Framework Decision. On Combating Terrorism.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

Introducing the transmission of such expertise as a crime under the Framework Decision for achieving an EU wide preventive law enforcement instrument would be one option. The transmission of such expertise is in many cases accompanied by incitement to commit attacks (already covered by the FD) or a general incitement to hatred that are already provided for under EU legislation. An amendment of the FD would therefore be needed for cases, in which expertise is transmitted beyond these contexts.

Non-regulatory instruments or non-action could also be considered.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

Member States, since a successful modification of the Framework Decision would imply that MS would have to take account of the amendment and transpose it into their national laws. This in turn would imply police forces of the member states would have to apply the new provision. An amended Framework Decision could have an impact on the transmission of expertise in legitimate circumstances like for military or industrial purposes and would have to provide for exceptions for these cases. Such groups might be indirectly affected by the new provision and need to amend some of their current practices.

Non-action is an option if the legal soundness of such a proposal proves to be not that of the required standard or impossible to implement. If the EU does not react it could be criticised for not doing enough in the fight against terrorism and of allowing terrorists to operate within a cosy environment. The EU must try and create the most hostile environment possible within which terrorists operate and plugging the gap of transmission of such expertise is one of them. Furthermore, the Member States might take the initiative themselves to make this proposal which would put the Commission in a rather negative light? The potential negative impact of non-action compared to legal measure are a lesser degree of security for EU citizens and would allow terrorists to circumvent existing laws by transmitting explosives-making expertise without being subject criminal penalties. There is already considerable public knowledge on the subject, and the more time passes the more extensive it will get, at which point legislating could become a fruitless exercise. ?

Non-regulatory instruments like more intensive monitoring of internet sites transmitting such expertise could be an option. Apart from the intensive resources in identifying such practices on the internet or other media, and the impact this would have on trespassing on the right to freedom of expression, there would be a further hurdle of trying to block access to certain websites or prohibit transmission in some way, which is a considerably difficult task. It is therefore highly

impractical.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

Further analysis is needed to examine the extent of the scope that such a proposal would cover. Detailed analysis of Member States laws would also be required to see what expertise might be gained and transposed at a European level in the development of this Proposal.

6. Which stakeholders & experts will be consulted, how and at what stage?

Experts from MS, Europol, Eurojust will be consulted. European and national industry bodies in the field of explosives manufacturing shall also be consulted but not the public per se.

7. Will an inter-service steering group be set up for the IA?

No

ROADMAP

Title of the proposal: **First implementation of the Hague Action Plan – Scoreboard Plus**

Expected date of adoption of the proposal: June 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

The European Council of Tampere on 15-16 October 1999 invited the Commission to prepare a Scoreboard to keep under constant review progress made towards implementing the necessary measures and meeting deadlines set by the Amsterdam Treaty, the Vienna Action Plan and the Tampere conclusions for the creation of an area of freedom, security and justice. The Commission produced its first scoreboard in March 2000, which has been followed by regular biannual updates taking into account objectives set by the European Councils of Laeken (2001), Seville (2002) and Thessaloniki (June 2003).

In June 2005, the Council adopted a joint Commission/Council Action Plan implementing the Hague Programme. The Hague Programme follows up the Tampere agenda and sets the priorities for the development of the area of freedom, security and justice for the next five years (2005-2009). In that connection, the European Council has invited the Commission to provide it with an annual report on the implementation of the Action Plan.

Until now, the scoreboards have evaluated the adoption of measures by the Commission. They examined the main progress made in implementing the conclusions of the Tampere European Council as well as delays in the legislative process and what remained to be achieved. While this was an important and necessary exercise, little attention was paid to the next stage in the process, the implementation of adopted legislation by the Member States. There is no mechanism in place for monitoring and reporting on the implementation measures and legislation adopted in this area, with the exception of Commission's reports on individual measures. Although it is important to evaluate the rate of adoption of measures by the Commission, it is equally important to evaluate how well these measures are being put into place by Member States and to make sure that they are being implemented in full. Member States are often very slow to transpose or implement adopted measures in this area. A recent important example is the European Arrest Warrant Framework Decision.

As requested by the European Council, a yearly report should be developed to focus on the correct and timely transposition of legislative acts adopted and on the effective implementation of measures agreed.

2. What are the main policy objectives?

The main objective is to help ensure that measures outlined in the Hague Programme Action Plan are adopted on time and that once adopted, they are fully implemented by Member States.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

1) Option 1 would be to continue using the Scoreboard system, which has been in place since the adoption of the Tampere Conclusions. It would have the same structure as the system developed for assessing the implementation of the Tampere Conclusions and would focus on the inter-institutional process of the Commission's measures set out in the Hague Programme.

2) Option 2 would be to provide a report that focuses solely on the implementation of EC/ EU legislation at national level. The different stages of the inter-institutional process for Commission's measures would not be reported on.

3) Option 3 would be to develop the "Scoreboard plus", which would go further than either of the options outlined above. It would consist of two parts: an inter-institutional report, recording the main progress of JLS dossiers; and a second part concerning implementation of EC/EU legislation at national level. Statistics on implementation would be provided.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

The impacts of option 1 would remain similar to the impacts resulting from the current Scoreboard system. The state of play of all initiatives would be recorded and published. Delays in the legislative process would be highlighted and addressed at an early stage.

Option 2 would impact on the Member States as their implementation progress would be closely monitored and reported on. It would provide a clear incentive to Member States to implement adopted measures quickly and in full. However, without an inter-institutional report on JLS dossiers, delays to dossiers would not be highlighted and addressed.

Option 3 would provide a balanced report on the implementation of the Hague Programme throughout the process. Measures would be monitored throughout their development phase as well as after adoption. Delays in the legislative process would be highlighted and therefore properly addressed and it would impact on the Member States as their implementation progress would be closely monitored and reported on.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)? N/A

6. Which stakeholders & experts will be consulted, how and at what stage? N/A

7. Will an inter-service steering group be set up for the IA? N/A

ROADMAP

Title of the proposal: **Communication on evaluation**

Expected date of adoption of the proposal: February 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test).

For the moment, there is relatively little experience of evaluating legislation and policies. Most evaluation in the Commission relates to programmes and projects. In June 2005, the Council adopted a joint Commission/ Council Action Plan implementing the Hague Programme. The Hague Programme follows up the Tampere agenda and sets the priorities for the development of the area of freedom, security and justice for the next five years. The Action Plan foresees a Communication on and a proposal for the creation of an evaluation mechanism, as envisaged by Article III-260 of the Constitutional Treaty (2006). It also refers to a Communication on the systematic, objective and impartial evaluation of the implementation of the EU policies in the field of justice with a view to reinforcing mutual trust while fully respecting the independence of the judiciary.

2. What are the main policy objectives?

The main objective is to improve policies in the area of freedom security and justice through the establishment of a mechanism, which provides for effective evaluation of the implementation and results of policies in this area.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

a) Option 1: to draft a Communication developing an analytical and methodological framework to develop the evaluation of policies in the area of justice, freedom and security.

b) Option 2: to draft a Communication focussing on the implementation and transposition of measures in the field of freedom, justice and security.

c) Option 3: to draft a Communication that builds on current monitoring experience to develop policy evaluation. It would propose the setting-up of a mechanism to monitor implementation of JLS policies and conclude that policy evaluation could be further developed on this basis.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

The main impacts would be to fulfil the main objectives of effective evaluation, eg contribute to the design of interventions, including providing input for setting political priorities; to assist in an efficient allocation of resources; to improve the quality of the intervention and to report on the achievements of the intervention.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

A preparatory study of policies and legislation – development of an analytical framework was produced by the European Policy Evaluation Consortium in July 2003. The analytical framework was tested in two policy areas in 2004 (asylum and immigration and judicial co operation in criminal matters). This would be particularly useful if Option 1 were to be developed. In addition, the Commission will adopt a Communication on evaluation soon which will set the general framework.

6. Which stakeholders & experts will be consulted, how and at what stage?

Expert work has already taken place (see above). National authorities and other will be consulted as appropriate.

7. Will an inter-service steering group be set up for the IA? No

ROADMAP

Title of the proposal: Towards a European integrated approach on **Cybercrime**

Expected date of adoption of the proposal: 3rd quarter of 2006

A. Initial impact assessment screening

1. What are the main problems identified?

Since the last Commission communications on cyber security and cyber crime of 2001 the use of the Internet has exploded. Not only does it create increased possibilities for businesses and citizens in their daily lives; it is also increasingly a target or a means to conduct criminal activities using this relatively new medium. New phenomena like 'phishing', spam and ID-theft are causing lots of insecurity. Even when criminal behaviour is discovered it remains very difficult to prosecute the perpetrators of these electronic offences, also because of the lack of recognition on the provision of electronic evidence.

2. What are the main policy objectives?

The Communication will consist of a comprehensive review and update of the Commission's cyber security and cyber crime policy, including issues related to protection of the critical information infrastructure, criminal use of the internet, identity theft, pan-European admissibility of electronic evidence, combating on-line child pornography, illegal and harmful content, electronic tracing of financial transactions, etc.

This will enable the Commission to identify the priorities for the actions to be conducted at EU-level in this area..

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

The initiative will pave the way for a possible series of legislative initiatives in the area of the recognition of electronic evidence, the protection of the Information Infrastructure and the creation of a network of Cyber Intelligence Units at EU level. Non-legislative instruments like the elaboration of an action plan on a harmonised approach on the reporting of criminal behaviour on the Internet, including the traceability of electronic transactions related to organised crime will be considered as well.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

At the current stage of planning, no major economic, social or environmental direct impact is expected. However, the renewed focus on cyber crime matters which aims to increase the effectiveness of combating crime and terrorism is expected to contribute to further economic growth, given a reduced vulnerability to crime for businesses, governments and citizens. No further analysis of the impact is foreseen at this stage.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

There have been a number of initiatives in this area in the past, but there is no centralised overview of existing practice at this point. A continued coordinated approach with DG INFSO will contribute to identify further impact assessment needs.

6. Which stakeholders & experts will be consulted, how and at what stage?

During 2005 and 2006 several workshops will be organised on the various topics under the umbrella of the Forum on the prevention of organised crime. Stakeholders from industry, ENISA and law enforcement authorities will be invited.

7. Will an inter-service steering group be set up for the IA?

An interservice group for the impact assessment is not foreseen at the moment. No specific group is needed as the relevant issues will be discussed at the Forum on the prevention of organised crime where other involved DGS such as DG INFSO, MARKT are invited.

ROADMAP

Title of the proposal: Green Paper on the **Review of the consumer protection regulatory framework** (acquis)

Expected date of adoption of the proposal: First half 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

Main problems: Regulatory fragmentation, consumer protection lacunae, different levels of consumer protection . The Commission is still in the diagnostic phase which involves an analysis of the transposition and application of the consumer directives by the Member States and a comparative law analysis of the national laws. This is essential to identify regulatory problems and internal market barriers.

2. What are the main policy objectives?

Rationalisation and simplification of the acquis in order to get rid of possible inconsistencies, overlaps, internal market barriers and distortions of competition, and achieve better consumer protection.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

There are 5 options:

- a) Status quo;
- b) a vertical approach consisting of the individual revision of existing directives (e.g. revision of the Timeshare Directive) or the regulation of specific sectors (e.g. a directive on tourism, including provisions of the Package Travel and Timeshare Directives);
- c) a more horizontal approach, adopting one or more framework instruments to regulate common features of the acquis. This framework instrument(s) would provide common definitions and regulate the main consumer contractual rights and remedies;
- d) promotion of non-regulatory measures (e.g. self-regulation);
- e) a combination of options.

The horizontal approach would not exclude vertical solutions if need be. Whatever approach is chosen the synergies between the acquis review and the ECL initiative will be exploited.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

The Green Paper will be a key analytical step in identifying possible options and likely impacts. Any subsequent decision to revise the consumer acquis will be subject to an impact assessment. In accordance with the Inter-Institutional Agreement on Better Law Making, its results will be made available to the EP, the Council and the public.

B. Planning of further impact assessment work

Given the nature of the initiative, the Green Paper forms the first part of the impact assessment process. It will enable the Commission to consult stakeholders on possible policy options, and identifying the corresponding likely impacts.

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

Existing data:

1. Two surveys on business and consumer attitudes to consumer protection and cross-border shopping – 2002.
2. Consumer protection Eurobarometer – 2003.
3. Two further Eurobarometer surveys are to be held in 2005 (most probably to be conducted with the November 2005 Eurobarometer wave). One is designed to survey consumer attitudes, the other business attitudes, both as follow-ups to

the 2002 and 2003 surveys.

4. The European Consumer Center Network (ECC-Net) has in the past provided valuable information by conducting cross-border comparisons on issues such as prices, legislation and number and reasons for complaints. The could prove to be a useful source of data and evidence.

The diagnostic phase involves three steps:

1) an analysis of the transposition and application of the consumer directive by the Member States (internally, results by spring 2006)

2) a comparative law analysis to examine the application of the directives in the Member States, including leading national case law and administrative decisions (externally, by a network of academics and legal practitioners, results by autumn 2006)

3) wide consultation of stakeholders (during 2006), standing working group of Member States' experts (kick off meeting in autumn 2005)

6. Which stakeholders & experts will be consulted, how and at what stage?

Regular consultations with stakeholders will formally start with the publication of the Green Paper (consumer associations and main business associations). A standing working group of Member States' experts will be set up in autumn 2005.

7. Will an inter-service steering group be set up for the IA?

No Impact Assessment is needed at this stage given the nature of the document: Green Paper. However, a SANCO Scoping Paper (a single document succinctly providing all the necessary information and analysis to discuss, launch and develop all stages of the initiative) will be prepared, in close consultation with the regular members of inter service consumer consultative group.

ROADMAP

Title of the proposal: Communication sur l'extension des compétences **de l'agence ferroviaire européenne**, notamment en vue d'accélérer les processus de certification des équipements ferroviaires, accompagnée d'une proposition de modification du règlement sur l'Agence, de refonte des directives interopérabilité (96/48, 2001/16, 2004/50) et de modification de la directive 2004/49 sur la sécurité ferroviaire.

Expected date of adoption of the proposal: Quatrième trimestre

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

Les procédures nationales d'homologation des locomotives sont considérées, à l'heure actuelle, comme une des barrières plus importantes pour la création de nouvelles entreprises ferroviaires dans le domaine du fret, ainsi qu'un frein majeur à l'interopérabilité du système ferroviaire européen. Ces procédures nationales conduisent à des délais et des coûts inacceptables pour ces entreprises ; elles empêchent le bon développement de ce marché et, ce faisant, elles rendent difficile le rééquilibrage des modes de transport préconisé par le Livre Blanc sur la politique commune des transports. Comme aucun Etat membre ne peut décider, seul, que l'autorisation de mise en service qu'il délivre aura une validité sur le territoire d'autres Etats membres, une initiative communautaire est nécessaire.

2. What are the main policy objectives?

Créer un véritable marché intérieur de matériel roulant ferroviaire – Développer le marché du fret ferroviaire – Rééquilibrer les modes de transport

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

Etendre les compétences de l'Agence ferroviaire européenne afin qu'elle puisse délivrer des autorisations de mise en service couvrant les réseaux de plusieurs Etats membres. Cette extension implique la modification du règlement 881/04 sur l'Agence ferroviaire européenne, ainsi que des directives interopérabilité (96/48, 2001/16, 2004/50) et sécurité (2004/49). La refonte des directives interopérabilité en une seule directive est nécessaire dans le cadre de la simplification de l'acquis communautaire.

Comme autres alternatives, on peut évaluer l'obligation de reconnaissance mutuelle des autorisations délivrées par les autorités de sécurité nationales et/ou l'extension des compétences des organismes notifiés dans le cadre des directives interopérabilité.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

Les avantages immédiats seraient d'ordre économique. La mise en place d'une procédure unique d'homologation des locomotives réduirait les coûts de production et de mise en service. Indirectement, elle conduirait à une standardisation accrue du matériel et donc à une réduction des coûts d'exploitation et de maintenance. A plus long terme, des avantages de nature sociale et environnementale sont attendus grâce à la revitalisation des chemins de fer et au rééquilibrage des modes de transport : moins de congestion, plus de sécurité, moins d'impact sur l'environnement.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

Un groupe de travail a été mis en place dans le cadre de la directive 2004/49 sur la sécurité ferroviaire et traite actuellement de cette question, de sorte que beaucoup d'information sur le plan technique sera disponible pour la fin de l'année 2005. Il restera à développer une proposition et en analyser l'impact, ce qui peut être fait durant le premier semestre 2006, probablement par des experts externes à l'aide du contrat-cadre.

6. Which stakeholders & experts will be consulted, how and at what stage?

Un document de consultation pourrait être élaboré début 2006, puis une audition vers le mois d'avril 2006, en présence des associations représentatives du secteur ferroviaire (CER, UIC, EIM, ERFA, UITP, ...)

7. Will an inter-service steering group be set up for the IA?

La DG ENTR, avec laquelle nous travaillons en étroite collaboration pour l'interopérabilité du système ferroviaire (directives 96/48/CE et 2001/16/CE) sera certainement impliquée.

ROADMAP

Title of the proposal: Proposal for a directive of the European Parliament and of the Council establishing **Minimum Maritime Labour Standards**

Expected date of adoption of the proposal: last quarter 2006

A. Initial impact assessment screening**1. What are the main problems identified?**

(a) The main cause of maritime accidents lays in the human element. After establishing regulations governing technical and operational aspects of ships, the Community acquis has to be complemented by a set of rules related to working and living conditions on board.

b) As things stand and apart from working time, there are no common minimum rules relating to maritime labour worldwide and at Community level either and no established competence of port state control authorities on social standards. The positive benefits of establishing legislation to set labour standards and stringent means of control on their implementation is to set a level playing field by eliminating risks inherent in the substandard fleets of some countries and unfair competition entailed by ships whose crews are under qualified and underpaid. Furthermore, this measure contributes to the community social policy through the protection of seafarer's labour rights.

(c) In the absence of common international rules, the maritime industry has to face severe competition and even "social dumping" penalising operators offering decent working conditions to seafarers. The strict implementation of the maritime safety legislation, including social standards, by Member States is crucial in order to avoid maritime accidents and establish a worldwide fair level of competition among the industry, regardless of the flags flied by ships entering into European ports, especially for European operators vis à vis operators from third countries.

(d) Without common standards, the ports state control authorities do not have the competence and the legitimacy to check all the working and living conditions on board. The new instrument integrating the ILO consolidated Convention on Maritime Labour Standards will extend the competences of port state control authorities of Member States to labour standards which will give the Member States the legal basis to enforce these standards on ships visiting their ports.

2. What are the main policy objectives?

Considering the primordial importance of the human element, the establishment of common international maritime labour standards and their implementation at community level will increase safety on board contributing to pollution prevention. It is essential that the technical requirements regarding ship's structure and maintenance are not the only criteria to be met by ships calling at European ports but also social standards, in particular the ILO's standards for seafarers.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

- One possible option is the integration of all or parts of the ILO consolidated Convention into EC law through a directive on the model of the directive n°1999/63 on working time which takes up the ILO Convention 180. This option leads to lay down minimum common labour standards at European level. (possibly through an agreement between social partners) in accordance with the principle of subsidiarity. The advantage of this option is to get more homogeneity in the rules applicable.
- An other option is to extend mechanisms of control on ships exerted by Port state authorities and other competent authorities to working and living conditions on board with reference to ILO consolidated Convention on Maritime Labour Standards. This option may not necessarily entail the introduction of all the ILO standards of the consolidated Convention in community law.
- If there is no Community intervention, there will be many uncertainties on the implementation of the ILO Convention by Member States and therefore increased disparities might occur between national practices which would weaken the objective of level playing field fostered by the Convention.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

Under the first and second options leading to community actions, there will be no impact for the Community budget. No extra structures have to be created in Member States since the provisions of the Convention will be enforced by existing bodies and administrations. However, for national administrations of port states, there will be an increase of tasks in any case, due to the entry into force of the Convention even without new community legislation.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

An impact study should be launched in the framework of an external contract in order to evaluate the various policy options and the most appropriate delivery mechanisms to attain the objective of ensuring a level playing field and decent working and living conditions. The study will have to draw a comparison of the options with a presentation of weigh-up of positive and negative impacts as well as the respective added value.

This study should be launched in October/ November 2005.

The options will have to take into account the context of shortage of seafarers and the deterioration of the image of the maritime profession, the global nature of shipping and the importance of competition between maritime countries which exerts pressure on EU shipping industry.

The study will have to deliver some indicators like the possible rate increase of detention of ships, the qualified staff available for labour inspection in port states, the effects on employment of EU and non EU seafarers, mechanisms of reflagging/outflagging in EU.

6. Which stakeholders & experts will be consulted, how and at what stage?

Member States, Social Partners and Industry stakeholders. Consultation to take place (possibly in two phases), particularly following the completion of the feasibility and impact study.

7. Will an inter-service steering group be set up for the IA?

yes

ROADMAP

Title of the proposal: Extension of the tasks of the **European Aviation Safety Agency (EASA)** to the domains of Air Traffic Management (ATM), Air Navigation Services (ANS) and airports.

Expected date of adoption of the proposal: 4th quarter 2006

A. Initial impact assessment screening

1a. What are the main problems identified?

In Europe aviation safety dramatically improved from the early 1970's (i.e. about 200 victims per million flights) to around 1995 (i.e. down to about 10 victims/million flights). Since then, despite significant technological improvements, the mentioned sad rate remained almost constant. To further reduce the rate, it is therefore necessary to act not only on technology, but also on other aspects of the "safety chain". In particular the following main problems should be addressed:

- Non uniform application of ICAO Standards within Member States (differences can be notified);
- Non uniform application of ICAO recommendations (non mandatory) across Member States;
- Non uniform and non synchronized transposition of rules/requirements adopted by European intergovernmental aviation safety entities (e.g. EUROCONTROL);
- Need to ever increase safety levels in the face of continuing air traffic growth foreseen for the next decades (i.e. about +3% per annum);
- Need for a "total system approach" encompassing the airborne, ground and, where applicable, the space segments, as well as people and organisations and their respective organisational interfaces;
- Fragmentation of aviation safety and interoperability rulemaking at European level (EUROCONTROL, Group of Aerodrome Safety Regulators – GASR, etc...).

1b. Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test):

The sole action by Member States will not suffice because it will not:

- guaranty an uniform approach when going beyond the traditional ICAO approach of only prescribing the technologies to be implemented;
- provide a common "level playing field" for the commercial actors emerging at European level (e.g. continental providers of communication or aeronautical information services; training providers; commercialised airport operators, etc...);
- avoid duplication of rulemaking activities at National level;
- optimise the use of the scarce professional resources available for safety regulation.

2. What are the main policy objectives?

- A high and uniform level of aviation safety across the continent;
- Cost-effective and efficient distribution of regulatory tasks among the Commission, EASA and National Aviation (or Supervisory) Authorities;
- Provide a "level playing field" for commercial operators;
- Contribute to minimise the environmental impact of aviation.

3a. What are the policy options?

- A) "do nothing" (i.e. do not change the situation expected after the first extension of EASA functions: EASA responsible for airworthiness, flight crew licensing and air operations; National Authorities responsible for ANS, including pan-European providers, and airports);
- B) Extend EASA competencies in rulemaking, certification and standardisation inspections to the domains of ATM, ANS and airports;
- C) Extend the EUROCONTROL mandates to airport safety regulation and give EUROCONTROL tasks in the field of certification and standardisation inspections;
- D) Establish a totally new European Agency to support the Commission for the safety regulation of ATM, ANS and airports;
- E) Confer to the "extended" EASA also the responsibility for carrying out specific ATM operational functions

(e.g. Air Traffic Flow Management).

3b. What regulatory or non-regulatory instruments could be considered?

Implementation of either option B, D or E will necessarily require Community regulatory tools.

4a. What are the impacts likely to result from each policy option and who is affected?

All aviation stakeholders are affected, from National Aviation (or Supervisory) Authorities to service providers and airport operators.

The main likely advantages/drawbacks for the various options are:

- For option A) continuation of the problems in 1 above;
- For option B) a more coherent safety regulation framework covering the “total aviation system”, within which, proportionally simplified rules and procedures will be included for entities operating simpler systems, while regulatory tasks will be distributed between EASA and the National Authorities;
- For option C) need to amend the EUROCONTROL revised Convention and blurring the separation between safety regulation and service provision;
- For option D) additional costs and residual need for organisational interface with EASA;
- For option E) need to load EASA with totally new tasks and hundreds of professionals, while blurring the separation between service provision and safety regulation.

In summary, option A) will not contribute to further improve aviation safety. Only option E) might create a significant social impact, on the contrary minimised through the other options. Option C) would be the most time consuming for the legal procedures. The cost of option B) will be almost 30% less than option D). Avoiding duplication of rulemaking activities at National/Community level, will contribute to reduce the global cost for the citizens. Since EASA is already responsible for the environmental impact of aircraft, it will be easy for the Agency to extend consideration of environmental aspects linked to the other aviation domains concerned. Finally a consistent set of common rules and procedures, will contribute to a “level playing field” for the internal market.

4b. Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

Refinement of the cost data, whose order of magnitude is already contained in the preliminary Impact Assessment.

B. Planning of further impact assessment work

5a. What information and data is already available?

A draft Communication covering the extension of the EASA functions until 2010, is in the process of adoption by the Commission. A preliminary impact analysis for the extension of EASA competencies to ATM, ANS and airports, carried out by an external consultant, which has involved more than 50 key stakeholders, was concluded in September 2005.

5b. What further information needs to be gathered?

Refine the preliminary impact assessment, in particular with respect to cost figures.

5c. How will this be done (e.g. internally or by an external contractor) and by when?

Internally, by the Commission Services, during the second quarter 2006, having received the opinion of the EASA on the said extension.

5.d What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

In formulating its opinion, EASA will consult all European stakeholders, via their web site, and according to their approved procedures.

6. Which stakeholders & experts will be consulted, how and at what stage?

All National Aviation Authorities of the EU Member States have been consulted during the preliminary impact assessment in 2005. In addition also the Authorities of some relevant external States (e.g. Norway, Switzerland and the FAA of the USA) have been consulted. Simultaneously all other segments of the civil aviation stakeholders have been consulted during the same study: aircraft manufacturers, associations of airspace users, European entities involved in aviation safety rulemaking, aviation labour associations, airports and their association, ANSPs and their association, providers of communication or of other unbundled Air Navigation Services.

All stakeholders will be consulted again in 2006, through the procedures to develop the EASA's opinion on the matter.

7. Will an inter-service steering group be set up for the IA?

Yes: for the final impact assessment.

ROADMAP

Title of the proposal: Communication on the **protection of critical transport and energy infrastructure**

Expected date of adoption of the proposal: December 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

The EU's economy and the quality of life of its citizens rely upon its energy and transport infrastructure. The loss or damage of particular parts of the infrastructure would have a negative impact on this, both through direct effects, such as the fact that a certain pipeline, bridge or tunnel could not be operated, or the indirect effects, such as the radiological cloud that would result from an attack on a nuclear power station.

As the transport and energy networks are increasingly transboundary and take place in the context of the single market, a low level of protection in one Member State has the potential to increase significantly the vulnerability of the networks in other Member States. These vulnerabilities can be exploited by terrorists and criminals. There is therefore a shared competence for the Commission and Member States to take appropriate measures to reduce the likelihood of loss or damage to such infrastructure; although the risk that they occur can never be completely eliminated.

Following the approach likely to be proposed in the forthcoming European Programme on Critical Infrastructure Protection, and building on COM (2004) 702 – Critical Infrastructure Protection in the fight against terrorism – European Critical Infrastructure needs to be identified and protected on a sector-by-sector basis: transport and energy are two of the most important sectors in this respect.

2. What are the main policy objectives?

To reduce the likelihood of European critical transport and energy infrastructure being lost or damaged by identifying it ensuring its adequate protection.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

In addition to suggesting potential criteria for identifying European critical transport and energy infrastructure, the Communication will launch a debate on the most appropriate policy options, these are likely to include:

1. Doing nothing – This will mean that for the same or similar pieces of European critical energy and transport infrastructure the levels of protection will be different in different Member States. An attack or event taking place in one Member State will be likely to have more severe consequences for other Member States than if the attack or event occurred in another.
2. Non-legislative solutions – This will mean that through initiatives, possibly led by the Commission, standardisation bodies or industry sectoral associations, owners and operators of European Critical Infrastructure will be encouraged, but not obliged, to achieve certain levels of protection.
3. Community legislation setting aspirational targets but leaving Member States the flexibility to implement them how they want.
4. Community legislation setting common minimum protection standards – This would mean that all Member States potentially affected by the loss or damage of a piece of European critical infrastructure could be certain that certain minimum levels of protection would be applied. The alternative to having these criteria at EU level is having them at national or regional level. This will lead to different criteria which would mean that all infrastructure with the potential to have similar effects if it was lost or damaged would be unlikely to be identified. This would be unfair on those Member States who are potentially affected by the consequence of other countries' non-identification, namely that the necessary protection is not undertaken.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

The different policy options will have varying impacts. In the economic sphere this will include on competition in the

internal market, the operating costs and conduct of business, administrative costs on business and relations with third countries (e.g. neighbouring countries). In the social sphere they will include impacts on public health and safety, crime, terrorism and security. In the environmental sphere impacts on the likelihood or scale of environmental risks and on the environmental consequences of firms' activities. In general terms it is likely that legislative options will result in the highest administrative burden and investment costs and non-legislative options will have the highest potential costs if a European critical infrastructure is lost or damaged.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

Studies by external contractors have been launched which will suggest, in particular, criteria that could be used; this information will begin to be available from April 2006. In addition, ongoing contacts with Member States will ensure the Communication can benefit from their experiences.

6. Which stakeholders & experts will be consulted, how and at what stage?

Informal contacts with Member States have already been made at the two CIP seminars organised by DG JLS in June and September 2005 and during which there were workshops on energy and on transport.

It is planned to continue consultations starting with an open meeting for Member States and relevant stakeholders in early 2006 focusing on energy and transport issues. Following this the Commission's services intend to organise ad-hoc meetings with experts on specific themes within the fields of transport and energy, for example covering electricity and gas, or land transport issues. These are then likely to report back to a second open meeting for Member States and relevant stakeholders in mid-2006.

The Commission's services will continue to discuss the relevant issues bilaterally with different stakeholders (for example, industry representatives from the different sectors concerned – e.g. electricity, gas, rail and road). This will include the recently established Energy Security Platform and the aviation and maritime security committees. The Commission's services would be ready to open a dialogue with other stakeholder groups that consider themselves potentially concerned by this communication and would encourage them to make contact with them.

The DG TREN website will be kept regularly updated with information on the development of the policy, including relevant meetings, thereby enabling stakeholders to keep abreast of developments and provide their input when appropriate.

7. Will an inter-service steering group be set up for the IA?

At this stage – there is no need to set up a separate group, but DG TREN will use the ISG on Critical Infrastructure Protection to ensure coordination with the aims of EPCIP and other similar sectoral exercises to identify critical infrastructure.

ROADMAP

Title of the proposal: Directive on the authorization of **Plant protection products**

Expected date of adoption of the proposal: 2nd quarter 2006

A. Initial impact assessment screening

1. What are the main problems identified?

- Mutual recognition does not function well and national authorisations of products leads to duplication of work in the Member States and to differences in the availability of plant protection products in the different Member States; the proposal would set up a more harmonised approach.
- Sharing of data developed by the companies to support safety of pesticides needs to be further clarified to achieve a balance between research based and generic companies.
- There is a lot of political interest because of consumer, operator and environmental protection. Criteria for acceptance of pesticides and the principle of comparative assessment will be considered.
- More than half of all existing active substances were withdrawn from the market in 2003. There is a strong possibility that in addition niche substances will also disappear in the years thereafter unless special provisions are made to keep this market attractive to industry.

2. What are the main policy objectives?

- To increase protection of health and the environment
- To simplify rules on data protection
- To further harmonize authorisation of plant protection products

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

- 1st option: No action would mean that rules on data protection would remain very controversial and difficult to apply and that authorisations would continue to remain at MS level with imperfect application of mutual recognition.
- 2nd option: A regulatory option to provide for zonal evaluation and authorisation and to intend to make legislation on data sharing less controversial
- Non-regulatory option would not be appropriate because the existing provisions have to be modified.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

Economic impacts: the option of no action would have a negative impact on competitiveness, markets, trade and investment flows due to the removal of authorisations for a lot of generic products and on the workload for Member States in granting authorisations. On the contrary, the 2nd option would influence positively competitiveness because it improves efficiency regarding authorisations. It will be ensured that it has no negative impact on innovation by still granting data protection whilst at the same times not removing all generic products from the market.

Environmental impacts: the environmental effects of pesticide use will be addressed in this initiative and in the separate, but parallel, initiative on sustainable use of pesticides.

Social impacts: the regulatory option would have a positive impact on public health and the environment as the criteria for acceptance of substances would be clarified and provisions on comparative assessment are foreseen.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

IA work has been carried out internally. In order to gather additional data and to refine this IA, an external contractor has been selected.

6. Which stakeholders & experts will be consulted, how and at what stage?

Stakeholders have already been consulted in 2002, 2004 and 2005. A final consultation on the impact assessment will be carried out in December 2005 or January 2006.

7. Will an inter-service steering group be set up for the IA?

There has been already an informal inter-service consultation. Moreover the main associated Directorate General (DG Environment) is closely associated with the work on this initiative, which is related to the DG Environment initiative on sustainable use of pesticides which will address the environmental impacts of pesticide use. The IA will be refined by external means. An inter-service steering group will be set up to give input to this work.

ROADMAP

Title of the proposal: Thematic Strategy on **Pesticides**

Expected date of adoption of the proposal 2nd quarter of 2006

A. Initial impact assessment screening

1. What are the main problems identified?
Pesticides can affect human health and the environment, as they are often hazardous substances, which are deliberately released into the environment. This can lead to contamination of water (in particular groundwater), soil, food and air. In addition humans can be exposed during application of pesticides as operators and as bystanders. The contamination of the environment and food with residues of pesticides and their metabolites is of growing concern and needs to be reduced.
2. What are the main policy objectives?
The overall objective is to reduce the impact of pesticides on the environment and human health, to achieve a more sustainable use of pesticides while introducing a significant overall reduction in risks balanced with a use of pesticides consistent with the necessary crop protection.
3. What are the policy options? What regulatory or non-regulatory instruments could be considered?
The thematic strategy is called for in the 6 th Environment Action Programme. It will complement the existing legal framework, in particular Directive 91/414/EEC and the Directives on residues in food, which target the beginning and the end of the life-cycle of pesticides, by focusing on the use phase. The thematic strategy will follow a holistic approach and would encompass a wide range of instruments – legally binding, voluntary, economic incentives. All alternatives will be considered and have been mentioned in the Commission Communication ‘Towards a Thematic Strategy on the Sustainable Use of Pesticides’ (COM (202) 349 final), which launched a broad public consultation.
4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?
The impact assessment will present for each envisaged measure the short-term economic, social and environmental (including health) impacts. According to first indications from a study carried out in 2004, revenue losses encountered by farmers (due to the new obligations on training and check of sprayers) could be compensated by savings on quantities used and therefore lower input costs. On the other hand, reducing risks linked to the use of pesticides will benefit the farmers in the long run, first for their own health protection and secondly as it will contribute to preserving their resource base through sustainable use of production resources such as soil and water. Several measures such as set aside, record keeping etc. will entail additional costs for the farmer that could also be supported by agri-environmental schemes under the CAP as they foresee compensation payments for environmental services in the framework of the Rural Development plans. Consumers might be faced with higher costs for food (due to traceability requirements), but on the other hand will benefit from less polluted food (less residues), which will reduce negative health impacts. Consumers can also benefit from lower costs for clean water, as polluted water resources currently necessitate treatment before the water is fit for consumption. The pesticides industry might have to face reduced sales, mostly because losses or inefficient use practices will be reduced. Substitution principle inserted in the revised Directive 91/414/EEC will have an influence on the consumption of those active substances that are considered particularly hazardous. On the other hand, research and development of new and less hazardous substances should benefit, which will be to the advantage of innovative companies. Higher prices for such new active substances might set off negative impacts from reduced overall sales volumes. There will also be clear benefits for the environment with reduced pollution of the various environmental compartments and increased biodiversity.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?
The exact magnitude of the above mentioned effects will have to be examined further before presenting the report on the impact assessment. However, a lot of information has already been gathered during 2004 through an extensive study that the Commission will build upon.
6. Which stakeholders & experts will be consulted, how and at what stage?

A broad public consultation has been launched by the Communication 'Towards a Thematic Strategy on the Sustainable Use of Pesticides' (COM (202) 349 final) via Internet and at a stakeholder conference organised on 4.11.2002. More than 190 participants from all stakeholder groups were present. Furthermore, the above mentioned study has taken into account through a survey, data provided by Member States and other stakeholders.

7. Will an inter-service steering group be set up for the IA?

Yes, an Inter-Services group (ISG) has been set up since July 2003 to accompany all the steps of this external study supporting the impact assessment and will continue to examine the proposal prepared by DG ENV. 5 meetings of the ISG have been organised till September 2004.

ROADMAP

Title of the proposal: Council Regulation amending Regulation N° 404/93 on the **Common market organisation of banana sector**.

Expected date of adoption of the proposal: 2nd quarter 2006

A. Initial impact assessment screening

1. What are the main problems identified?

The EU banana regime needs to balance a wide range of interests. Change of the import regime has already been agreed in 2001 when the EU decided that no later than 1 January 2006, a "tariff-only" system should replace the current quota arrangements (Regulation (EC) N° 216/2001 and Memoranda of Understanding with the United States and Ecuador of April 2001). The level of the tariff applicable as of 1 January 2006 will be fixed by the Council before the end of 2005, following the negotiations engaged under Article XXVIII of the GATT and the following WTO arbitration.

Simultaneously, an in-depth evaluation of the implementation of the common market organisation (CMO) as of 1993 is being finalised and will be made public after the conclusion of the WTO arbitration. The CMO will be reviewed based on the findings of the evaluation, in particular as concerns the aid scheme to the EU banana producers, taking account of the new import system in place as of 2006. The main criticism expressed by some (non-producer) Member States concern the need for a strengthened budgetary discipline of the support scheme to EU producers, while the producer countries stress the need for a reinforced support of the producing areas, given their remoteness and insularity, and in view of the change in the import arrangements as of 2006.

2. What are the main policy objectives?

The proposal will build on the body of objectives currently in force for the CMO. It should lead to an improved harmonization between the different goals set up in 1993, as put forward by the Court of Auditor's Special Report of 2002, and in particular:

- maintain an acceptable balance at the level of marketing of the three sources of supply of the Community market (EU production, ACP and dollar banana imports);
- improve the efficiency of EU production providing an adequate income to producers and enhancing the market chain;
- provide fair prices to EU consumers;
- support the sustainable development of the producing areas and promote environmentally-friendly methods of cultivation and processing.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

Different options will be developed following the findings of the evaluation. The policy options will mainly concern the support scheme to the EU banana producers and will take account of:

- the general approach adopted in 2003 for the CAP reform;
- the structural, social and economic situation of the producing areas, which are mainly located in outermost regions;
- the international commitments of the EU;
- The Memorandum signed by four (out of five) producing Member States in September 2004.

The options could possibly result in a proposal to amend Council Regulation (EEC) N° 404/93.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

A "mosaic" of different and sometimes opposite interests are affected by the banana CMO.

The whole economy of many producing regions, at EU, ACP and Latin-American level, is highly dependent on the banana production. This implies a wide range of economical, environmental and social impacts. Producers' survival is at stake in the most vulnerable producing regions.

On the other hand, bananas account for one of the most consumed fruits in the EU and the EU consumers have the right to

buy high quality bananas at reasonable price.

Furthermore, significant economic interests at European and world level are affected due to the complex logistics linked to transport and marketing.

The result sought for the review of the CMO should be the absence of impact on the different interested parties, compared to the current balance. A more detailed range of impacts will be defined on the basis of the evaluation report within the debate on possible review of the support arrangements in favour of the EU producers.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

- Special Report of the Court of Auditors No 7/2002
- Commission Report to the EP and the Council on the CMO in the banana sector COM(2005) 50 of 17 February 2005
- Award of the WTO arbitrators of 1 August 2005
- Possible 2nd arbitration expected by mid-October
- Evaluation report on the CMO in the banana sector (to be published in October 2005)

6. Which stakeholders & experts will be consulted, how and at what stage?

A large and open debate based on the findings of the evaluation will be launched in the last quarter of 2005, after the conclusion of the WTO arbitration procedure. This debate should involve all the institutional, economic and social partners affected by the CMO. The Special group of the banana professionals might also be convened.

7. Will an inter-service steering group be set up for the IA?

Yes.

ROADMAP

Title: Communication on **Biodiversity**

Expected adoption date : 2nd qtr 06

A. Initial impact assessment screening

1. What are the main problems identified? Are they likely to be solved satisfactorily by the sole action of Member States (principle of subsidiarity – necessity test)?

European and global biodiversity is subjected to increasing human pressures, including those from agriculture, fisheries, transport and energy, extractive industries, urban expansion, pollution, and the EU's trade 'footprint' in other parts of the world. Despite numerous global and EU policy responses aimed at the conservation and sustainable use of biodiversity, many components of biodiversity, both terrestrial and aquatic, continue to decline at unprecedented and indeed accelerating rates. This implies a loss of critical ecosystem services – indeed, the 2005 Millennium Ecosystem Assessment reports that some two thirds of the world's ecosystem services are in decline. These include *production* services (such as fuel, fibre, water, medicines), *regulatory* services (such as climate regulation, flood regulation, water quality regulation), *supporting* services (such as soil fertility, nutrient cycling, pollination) and *cultural* services (such as aesthetic, educational, recreation and psychological benefits). This loss threatens to undermine the achievement of EU and global goals relating to economic growth, security, health and quality of life. The loss of biodiversity has been identified (along with climate change and water supply) in numerous authoritative global reports as one of the three top environmental problems facing mankind.

While much of the burden for effective implementation of biodiversity-related measures lies at Member State, regional and local levels of government, the problems identified cannot be solved satisfactorily by the sole action of Member States. The conservation and sustainable use of biodiversity is an issue which requires also actions at Community level – such as the establishment of Natura 2000, the EU's protected areas network, and community-level actions to integrate biodiversity into a wide range of sectoral and horizontal policies.

EU biodiversity policy is laid down in the EC Biodiversity Strategy [ECBS] (1998) as elaborated by the four Biodiversity Action Plans [BAPs] (2001) for the Conservation of Natural Resources, for Agriculture, for Fisheries, and for Economic and Development Cooperation. Actions for sectors without specific action plans (eg. transport, energy, regional development) and for certain horizontal areas (eg. research, education and awareness) are outlined in the Strategy itself. The ECBS is a comprehensive and widely endorsed response to the requirements of the Convention on Biological Diversity [CBD], to which the EC is a party.

Subsequent to the adoption of the ECBS and BAPs, EU Heads of State and Government made the commitment at the Gothenburg Spring Council (2001) 'to halt the decline of biodiversity by 2010, as specified in the Sixth Environmental Action Programme'. Further, and in acknowledgment of the degraded state of biodiversity, the EU Sustainable Development Strategy also calls for the longer-term restoration of habitats and natural systems. The 6EAP calls for implementation of the ECBS and BAPs and highlights specific actions as priorities. However, the ECBS and BAPs are not specifically 2010-responsive, having been formulated prior to the Gothenburg and WSSD (World Summit on Sustainable Development) commitments. In 2002, world leaders made a commitment to 'significantly reduce the current rate of loss of [global] biodiversity by 2010.' Again, the ECBS and BAPs are not specifically responsive to this global 2010 commitment.

The European Council has repeatedly called for accelerated action in order to achieve the 2010 commitments. If the EU is to achieve the 2010 commitment within the EU, and best contribute to achievement of the global 2010 commitment, there is an urgent need to focus limited resources on a clear set of priorities agreed by key stakeholders (EC, MS, civil society).

The EC Biodiversity Strategy contains a requirement to report on progress to Council and Parliament every three years. This should comprise an assessment of implementation, effectiveness and appropriateness of the EC Biodiversity Strategy and Action Plans (an 'audit'). A process to carry out this audit with the engagement of a broad range of stakeholders was established in mid-2003. The resulting audit papers indicate some successes but also some significant failures. A conference under the Irish Presidency in Malahide in May 2004 considered these papers, and agreed on the 'Message from Malahide' which comprises broad stakeholder consensus on priority objectives, and attaches to each of these detailed targets to be achieved by 2010 or *ad interim*. A Presidency Report to the ENV Council of 28 June 2004 resulted in Council Conclusions on halting the loss of biodiversity by 2010. These conclusions take note of the Message from

Malahide and call on the Commission to report to Council and Parliament early in 2005 taking account of the review process and in particular of the Message from Malahide

2. What are the main policy objectives?

The overall policy objective is to halt biodiversity loss in Europe by 2010 and to ensure an optimal EU contribution towards significantly reducing the rate of biodiversity loss globally by 2010. Beyond the 2010 commitments, the EU is committed to the longer-term restoration of habitats and natural systems.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

There are broadly three policy options. The first would be a full revision of the biodiversity strategy. This is not supported by stakeholders, given that the ECBS is widely regarded as an appropriate and comprehensive response to the CBD and is considered to remain broadly valid. The second is to update the action plans, most of the actions of which are now out of date. This option is not much favoured because the plans cover a very wide range of actions and convey little sense of priority. The third option is to prepare a Road Map to 2010 and beyond, which would operate within the broad remit of the ECBS, but take a more prioritised and output-oriented approach than the BAPs. This is the option which is regarded as most responsive to the 2010 commitment, to Council calls for accelerated action, and to the Message from Malahide. It also capitalises more effectively on the momentum provided by the high-level political commitments made at Gothenburg and the WSSD.

The Commission therefore intends to submit a Communication on Halting the Decline of Biodiversity by 2010 and beyond, which identifies key pressure and drivers of biodiversity loss, and identifies key challenges to 2010 and beyond. These key challenges will be those which, if addressed, are most likely to make the most significant impact in terms of halting biodiversity loss and putting the EU on the track to recovery of nature and natural systems. Building on Malahide, likely sectors for priority attention will include environment, agriculture, forestry, fisheries, transport, energy, construction and extractive industries, tourism, regional development, economic and development cooperation, and trade. Attention will also be given to supporting measures including research, monitoring and indicators, education and awareness. The Communication will also address arrangements for delivery, including the enabling framework, partnerships, knowledge and awareness, and monitoring, evaluation and review.

The Communication is expected to focus on reinforced implementation of existing legislative provisions, for example making best use of provisions under the reformed Common Agricultural Policy and the reformed Common Fisheries Policy for biodiversity. However, the Communication is also expected to identify some new policy challenges. This may lead to future policy initiatives which would subsequently be subject to impact assessment.

The Communication will include a Road Map to 2010 and beyond which will identify, in response to the key challenges identified: priority objectives, output-oriented targets, and the indicators against which to measure whether or not these targets have been met; actions required to meet each policy objective, including timeline with key milestones; inputs required to implement the actions, including allocation of responsibility and financial resources.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

Actions are most likely to be required within key sectors such as agriculture, fisheries, forestry and water management, as well as in relation to regional/spatial policy and in response to key pressures such as alien species and the development of transport and urban infrastructure. In respect of external relations, actions are likely to address economic and development cooperation, trade and international governance. Environmental, economic and social impacts will be assessed sector-by-sector including the costs of any measures required. However, the net benefit of halting biodiversity loss in the longer-term should be positive as the conservation and sustainable use of biodiversity implies maintaining the stream of ecosystem services which underpin our economy, security, health and quality of life.. For example:

- measures for the effective management of Natura 2000, Europe's network of protected areas, to sustain the wide range of environmental goods and services deriving from these protected areas;
- better treatment of biodiversity concerns in environmental assessment procedures at the early, strategic stage of the planning process can help avoid the need for costly alterations to projects in the late stages of planning, and help reduce exposure to liability costs;
- measures which aim at the recovery and long-term management of fish stocks, such as the removal of subsidies for the building of new fishing vessels and the introduction of new technical measures and long-term management plans

may reduce short-term returns but should result in sustained longer-term returns from these stocks.

- measures to reduce by-catch and protect key sea-bed areas sustain the integrity and productivity of marine ecosystems.
- measures which promote the maintenance of high-nature value farmland and forestry can create economic gains from diversification of the rural economy;
- maintaining biodiversity also means maintaining genetic resources with potentially high future value, eg. in crop breeding or in the field of medicine;
- the maintenance of biodiversity in river catchments may be associated with improved water quality and lower water treatment costs;
- the maintenance of soil biodiversity can improve soil fertility and reduce the need for costly fossil fuel inputs to agriculture;
- the better integration of biodiversity concerns into economic and development cooperation, trade and international governance can help sustain the biodiversity 'capital' in developing countries and the flow of environmental goods and services from these countries to the EU.

Concerning social impacts some measures may imply higher short term operating and production costs for industry, possibly affecting employment. On the other hand, a future which is richer in biodiversity offers more ecosystem goods and services, and hence wider economic opportunities for sustainable growth which will benefit all social groups. Finally, healthy ecosystems are linked to positive benefits for human health, security and quality of life.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

Considerable information and data have already been gathered and analysed in the audit process. There may be some need to update some of this audit information between now and completion of the Communication. This would be done internally.

6. Which stakeholders & experts will be consulted, how and at what stage?

As already specified, the ongoing review included wide-ranging consultation with a broad range of stakeholders (other Commission services, MS, civil society, private sector) through an advisory committee, working groups and other fora including a major conference. Further consultation with these stakeholders is planned during preparation of the Communication, in particular through meetings of the Biodiversity Expert Group, as well as a web-based consultation.

7. Will an inter-service steering group be set up for the IA?

An inter-service group was set up for the policy review process (Inter-Departmental Coordination Group on Biodiversity (EU Implementation)). This same group can be used for impact assessment discussions.

ROADMAP

Title of the proposal: Proposal for a Regulation on the **applicable law and jurisdiction in divorce** matters

Expected date of adoption of the proposal: 4th quarter 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

The increasing mobility of citizens within the European Union has resulted in an increasing number of “international” marriages where the spouses are of different nationalities or live in a Member State of which they are not nationals. The absence of Community rules on applicable law to divorce may lead to practical problems for such couples. The current situation may lead to results that do not correspond to the legitimate expectations of the citizens as well as a lack of legal certainty and insufficient party autonomy. It may also lead to “rush to court”, where a spouse applies for divorce before the other spouse to prevent the courts of another Member State from acquiring jurisdiction

2. What are the main policy objectives?

The main policy objective is to provide solutions that enhance legal certainty and flexibility and meet the legitimate expectations of the citizens. The Commission launched a public consultation on this subject by presenting a Green Paper in March 2005.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

The following options could be envisaged to attain the policy objectives:

1. Status quo.
2. Propose a Regulation harmonising the conflict-of-law rules based on a set of uniform connecting factors.
3. Propose a revision of the jurisdiction rules in divorce matters of the “new Brussels II Regulation”
4. Propose a combination of options 2 and 3.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

The first option would obviously have no impact. The second option would increase legal certainty, but would not solve the problem of “rush to court”. It would also affect the national courts, which would be called upon to apply foreign divorce law in certain cases. The third option would increase flexibility for the citizens, but to a lesser extent ensure legal certainty. The fourth option would combine the benefits of the second and third options. The IA should analyse further the practical effects of the proposed options on “international” couples and on national courts

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

The Council conducted a comparative study in 2000 on the laws in divorce matters of the then 15 Member States. The Commission has subsequently collected supplementary information from the 10 new Member States. The Commission conducted a second study in 2002 on the practical consequences of non-harmonisation of conflict-of-law rules in divorce matters.

It is envisaged to request an external contractor to gather additional information on the impact of the various policy options by August 2006

6. Which stakeholders & experts will be consulted, how and at what stage?

The IA should involve the consultation of a number of stakeholders, including lawyers, judges and family associations

7. Will an inter-service steering group be set up for the IA?

No (see reply to question 9).

ROADMAP

Title of the proposal: Green Paper on the conflict of laws in matters concerning **matrimonial property regimes**, including the question of jurisdiction and mutual recognition

Expected date of adoption of the proposal: 1st quarter 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

The increasing mobility of citizens within the European Union has resulted in an increasing number of “international” married and unmarried couples whose members are of different nationalities or live in a Member State of which they are not nationals. The absence of Community rules on applicable law to the property rights of married and unmarried couples, such as the lack of a system of mutual recognition of patrimonial rights linked to these relationships, may lead to many practical problems. Given that the Regulation Brussels II does not cover the property aspects of separation, divorce and marriage annulment, the current situation may lead to results that do not correspond to the legitimate expectations of the citizens in terms of legal certainty.

2. What are the main policy objectives?

The objective is to launch a public consultation on the matter aiming to provide solutions for these problems in order to create a veritable area of civil justice in Europe. To this end, the Commission was invited, in the Hague Programme, to present in 2006 a Green Paper on the conflict of laws in matters concerning matrimonial property regimes, including the question of jurisdiction and mutual recognition

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

- a) Status quo
 - b) Extending the scope of the Regulation Brussels II to the property rights of married and unmarried couples
 - c) Propose a comprehensive set of rules concerning the property aspects of married and unmarried couples including the harmonisation of conflict-of-law and jurisdictions rules, recognition and enforcement of acts, and legalisations.
- What regulatory or non-regulatory instruments could be considered? A non-regulatory option would be useless in this matter; as regards the regulatory option, the instruments needed would be a Regulation or a Directive.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

The Commission will apply impacts assessments when presenting concrete proposals following the publication of the Green Paper and having been able to take into account the contributions to the subsequent consultation

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

The Green Paper is based on the “Etude sur les régimes matrimoniaux des couples mariés et sur le patrimoine des couples non mariés dans le Droit International Privé et le Droit interne des Etats membres de l’Union européenne” carried out in 2003 at the request of the European Commission by the Consortium TMC Asser Instituut voor International Recht-UCL Département de Droit International de la Faculté de Droit. The Study is available at:

http://europa.eu:int/comm/justice_home/doc_centre/civil/studies/doc_civil_studies_en.htm

Taking into account that the Study does not cover the legal systems of the 10 new Member States and, as this information is necessary for the elaboration of the Green Paper, the European Commission has elaborated a questionnaire presented in the 10th meeting of the European Judicial Network in Civil and Commercial Matters. The deadline for sending back the replies was 30 April 2005

6. Which stakeholders & experts will be consulted, how and at what stage?

The purpose of the Green Paper itself is to consult stakeholders and experts in this field with a view to possible future actions.

7. Will an inter-service steering group be set up for the IA?

No, an inter-service steering group will not be set up at this stage (non required for Green Papers)

ROADMAP

Title of the proposal: Draft Council Decision on **Strategic Community Guidelines on Cohesion** (SCGC)

Expected date of adoption of the proposal: Commission July 2005; Council 2005(non encore déterminé)(prévisiblement dans le 4ème trimestre 2005)

A. Initial impact assessment screening

1. What are the main problems identified?

Programmes co-financed by the Structural Funds and the Cohesion Fund rarely reflect the priorities set by the Union in a coherent way. This is due to the indicative character of the guidelines prepared by the Commission in the current programming period and by the absence of a systematic follow-up and monitoring.

2. What are the main policy objectives?

Need to reinforce the integration of Community priorities in programmes co-financed by the Structural Funds and the Cohesion Fund

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

Through the Strategic Community Guidelines on Cohesion adopted by the Council, after consultation of the other European institutions, cohesion policy is equipped – for the first time – with a policy agenda defined at Community level, which would allow a regular monitoring of progress of the policy. In this respect, better coordination with the BEPG and the European Employment Strategy can be established.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

The immediate impact of such instrument is to inform the preparation of the national strategic plans and of the operational programmes prepared by Member States, to strengthen the contribution of co-financed programmes to the Union's priorities. , to facilitate and speed up the negotiation with and the adoption by the Commission of the programmes,

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when.

A great deal of information is already available, whether through past and on-going evaluation work, EUROSTAT statistics and indicators, in-house elaboration on such information, programmes in regions and Member States co-financed in the current period, and studies and evaluations available in key sectoral DGs. In addition, a series of studies has been requested to external contractors to complement the available material, in particular on [please complete]. Preliminary results would be available by spring 2005.

6. Which stakeholders & experts will be consulted, how and at what stage?

A small group of experts would support the analysis carried out in house, starting at the beginning of 2005. Bilateral meetings with Member States will be organised during the first semester of 2005 to discuss the priorities identified by the Commission.

7. Will an inter-service steering group be set up for the IA?

Bilateral contacts with the concerned DGs have already been established to identify key Community priorities per policy area.

ROADMAP

Title of the proposal: Council Regulation (EC) Nr. amending Regulation° 2201/96 and n° 2202/96 on the **common organisation of fruit and vegetables** (fresh and processed)

Expected date of adoption of the proposal: 2nd semester 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

As far as fresh product is concerned, there is a huge consensus amongst the Member States, the European Parliament and the civil society, that the Commission analysis which was at the origin of the 1996 reform is still valid. There is a significant market power imbalance inside the industry between the retailers and the producers. This imbalance has even developed significantly the recent years. This is why the objectives and main instruments of the current CMO have to be updated and upgraded, but maintained in their principles. Adaptations are needed in order to simplify and clarify the regulation, to increase juridical security, to take account of the specific needs of some regions, in particular in the new Member States. This is why the impact of the proposal for fresh product is forecast to be limited.

The situation is clearly different for the process side of the CMO. The current Common Market regulation for processed Fruit and Vegetables (F & V) and citrus is one of the few remaining sectors left out of the 2003-2004 CAP reform, with coupled support, and thus remains subject to a series of criticisms, in particular with regard to its compatibility with WTO agreements.

1. What are the main problems identified?

The Council presidency conclusions adopted in November 2004, as far as processed fruit and vegetables are concerned included the following statement: “On processed products and citrus, the Commission is called on to carry out the appropriate impact analysis on possible shift from the current regimes to a decoupled system.”

Some specific problems may be listed:

Tomatoes: the expected increase of tomatoes production following CAP reform could lead in the short term to higher expenditures and the overrunning of thresholds, in the medium/long term to a crisis due to overproduction. It should be added that increased imports of processed tomatoes from third countries, especially from China, have been observed.

Citrus: One of the original aims of the aid scheme was to help the Community supply of citrus fruits to keep pace with demand on the market in fresh products by means of providing an incentive for the disposal of possible surpluses of the citrus fruit concerned with a view to their processing into juice and segments. However, the experience gained over recent years shows that in certain EU regions this objective has not been fully achieved. Producers seem not oriented to the fresh market. On the contrary, they have oriented their citrus production solely for processing and for obtaining the Community aid.

In tomatoes for processing and citrus sectors, at the present stage, the main MS producers are not in favour of a system based in the principles of the 2003 CAP reform (decoupled aid).

2. What are the main policy objectives?

- To deepen the CAP reform process, in order to ensure that agriculture in Europe is sustainable, in economic, social and environmental terms;
- To improve the competitiveness of processed fruits and vegetables industry through a more market orientated policy, while taking into account the important role of the sectors concerned in employment in rural areas;
- To update and upgrade the current instruments of the CMO for fresh products;
- To decrease trade distorting agricultural support, contributing to a successful Doha Development Round;
- To remove useless rules, to simplify and clarify the remaining regulations in order to increase legal security for operators and administrations.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

1. a status quo;
2. an improved status quo of current regimes, without changing their basic elements;
3. a complete reshuffling of current regimes for processed products, following principles applied during the 2003 reform (meaning decoupling) (combined with an update and upgrade of the current instruments for fresh products).

Independently of the option finally retained, the instruments should be regulatory (Council regulations). The Commission already published in 2004 a report (COM (2004) 549) on the simplification of the CMO, covering also the processed aid schemes.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

If option 1 or 2 were the ones finally retained, no or minor impact will result – in other words, the problems would persist. However, assuming option 3 as a possible final decision, this would imply a wide range of economical, environmental and social impacts (mainly for processed products).

Economical impacts:

The shift from coupled regimes based on quantities of raw material delivered to processors on a contract basis to a decoupled system, may impact the competitiveness of EU firms, including relocation of economic activities. It will certainly impact on costs (prices) of raw materials and thus have an impact on the investment decisions. It is expected to impact on the final prices to consumers as well as on the quality of goods. Due to the fact that current productions are concentrated in certain regions, a specific impact in terms of jobs (created or lost) could be expected. Option 3 is consistent with the EU trade policy and compatible with the WTO green box. From a budgetary point of view, option 3 is neutral compared to current expenditures

Environmental impact

Decoupled schemes, if subject to cross-compliance as other sectors of the CAP reformed in 2003, are expected to impact positively on different environmental indicators.

Social impact

A more market oriented policy, as that followed by option 3, is deemed to have a positive impact on employment, even if regional tensions where the current industries are not really competitive cannot be excluded.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

Information available:

- Report from the Commission on the simplification of the CMO in F & V, COM(2004)549 final
- Data related to the management of different aid schemes

Information to be available:

- Analysis made internally on data related to the different aid schemes (end 2005)
- Evaluation report made by an external contractor on the CMO in fruit and vegetables (first results scheduled for the 1st quarter 2006)

6. Which stakeholders & experts will be consulted, how and at what stage?

A large and open debate involving the institutional, economic and social partners affected by the CMO has already been held in 2004 following the adoption by the Commission of the simplification report. An even wider debate will be launched following the evaluation results in 2006, before presenting a Commission legislative proposal.

7. Will an inter-service steering group be set up for the IA?

The same inter-service steering group set up for the evaluation will be also in charge of the IA

ROADMAP

Title of the proposal: Reform of the **Common Market Organisation on the wine sector**

Expected date of adoption of the proposal: 2nd semester 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

The current Common Market Organisation for Wine, one of the last sectors left out of the 2003-2004 CAP reform process, provide some instruments to improve the competitiveness of the sector. However, those measures become unsatisfactory to the new global market situation, in particular to orientate all the processes of wine making and marketing towards the market. The basic problems identified are:

- The current unbalanced market situation between supply and demand on the Community market. The latest harvests have increased stocks dramatically, followed by a decrease in price levels and a new pressure for expensive intervention measures (distillation measures). This is in a context of a continuous drop in consumption and of a continuous increase in imports, combined with no real increase in exports;
- The difficulties of some Member States to implement some of the provisions of the CMO like the regularisation of unauthorised plantings and the control of plantations not in conformity with Regulation (EC) No 1493/1999;
- The market regulations for wines have rules governing the definitions of wine. These rules need to be reviewed and updated to take into account the shrinking and changing qualitative consumer demand. They should also be developed to combine the strong elements of EU-wine tradition with the necessary flexibility to adapt rapidly to new production techniques, labelling and marketing methods.

2. What are the main policy objectives?

- To improve the competitiveness of the EU-produced wine by orientating all the processes of the wine making and marketing towards the market in order to meet the demand of the consumers;
- To reach a balance between supply and demand (qualitative and quantitative);
- To develop better instruments for a better knowledge and monitoring of the market;
- To simplify and clarify legislation allowing a more effective and flexible framework of rules for production and labelling;
- To ensure that wine production in Europe is sustainable in economic, cultural, social and environmental terms taking into account the important role of the wine production for employment in rural areas;
- To preserve the authenticity and character of the product, to express the Community's viticultural tradition, and to safeguard the main characteristics of the wine harvest that gives them their typical features.

In order to reach the above objectives, the future reform would need to review the whole CMO e.g. the interdiction of plantings, restructuring programs, distillation measures, oenological practices, designation and labelling requirements.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

- To maintain the current status quo;
- To improve the current system through the adaptation of current measures: market level, potential production, labelling and designation as well as technical standards;
- To apply the criteria of the 2003 CAP reform and modify substantially the current system of market support (e.g. distillation), structural measures (link with rural development), oenological practices (e.g. allowing new technologies), designation and labelling requirements (simplifying requirements).
- To fully deregulate the sector.

What regulatory or non-regulatory instruments could be considered?

Council Regulation N° 1493/1999 on the Wine Common Market Organisation and derivate legislation should be subsequently modified.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

In case of maintaining the status quo or adapting the current measures only minor impacts are expected.

In case of substantial modifications to the current system an important range of impacts could be expected. These consequences would be directly related to the changes of the system. A positive impact on environment, rural society, employment, and diversity of Community production can be expected if an appropriate balance between market and structural measures would bring the necessary flexibility to the producers to adapt rapidly to new market developments. In this sense, the interrelation of the measures is an important element to avoid negative evolution and in particular the delocalisation of the production in certain areas.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

The ex-post evaluation of the Common Market Organisation for wine has already been finished. The evaluation of the environmental impacts of the Common Market Organisations relating to permanent crops, should bring some elements of information for the reform.

6. Which stakeholders & experts will be consulted, how and at what stage?

The Commission will associate the experts of the Wine Management Committee in an appropriate way and the Wine Advisory Committee, representing all the stakeholders of the sector, to the exercise. It is also envisaged to hold a public wider debate before presenting a proposal.

7. Will an inter-service steering group be set up for the IA?

An interservice steering group will be set up.

ROADMAP

Title of the proposal: Communication on **Biofuels**

Expected date of adoption of the proposal: February 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

Energy demand and supply patterns in the EU show an increasing dependence on oil and natural gas. This is particularly uncomfortable in view of recent increases in the oil price. With the Kyoto Agreement, the EU has committed itself to reducing greenhouse gas emissions. Increasing the share of renewable energies and, in particular, the increased use of biomass for energy generation, has been identified as an important element in the EU's approach to the security of energy supply, as spelled out in the Commission's Green Paper (COM (2000) 769).

At present, more than 90% of the energy used in the EU transport sector comes from oil. Liquid biofuels are the only direct substitute for oil that can currently be made available in large quantities. As an indicative target the EU agreed on the share of biofuels reaching 5.75% by 2010. However, in 2004 the Commission realised that the renewable energy targets will not be met unless the use of biomass increases faster (COM (2004) 366).

The actions so far taken by Member States are not sufficient to achieve the indicative target for biofuels. The Commission is therefore launching a Biomass Action Plan to promote the debate on encouraging biomass, including biofuels. The Communication on biofuels will take up this debate and complement it, in particular concerning the supply of biofuels feedstocks from agriculture and forestry as well as the global context for the EU biofuels policy.

2. What are the main policy objectives?

- To recall the reasons why the EU is promoting biofuels
- To assess the current situation of biofuel consumption and production in the EU and to compare this to the biofuel target for 2010
- To discuss possible instruments to further support biofuels, in particular the role of the Common Agricultural Policy including Rural Development Policy
- To assess the EU potential for biofuel production and the future role of imports of biofuels and their feedstock materials
- To develop a forward-looking EU approach to biofuels

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

- To give up specific targets for biofuels and to concentrate on general targets for renewable energy and the promotion of biomass in general
- To continue with the policies already in place
- To deepen and complement the approaches identified by the Biomass Action Plan and to discuss the adaptation of instruments available under the Common Agricultural Policy including Rural Development and other policies, as well as possible new instruments, in order to encourage the development of biofuels for the future.
- To establish a more rigorous approach to achieve the biofuel targets in 2010.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

If preference is given to general targets for renewable energy there might be a negative impact on the developing biofuels industry.

Under the status quo option the EU biofuel targets will not be achieved in 2010.

The establishment of a forward-looking strategy for biofuels is expected to have a positive impact on the environment by reducing greenhouse gas emissions and on the security of energy supply for the EU. A biofuels strategy will open up market opportunities for biofuels feedstock producers in the EU and in third countries. This will be important in the context of the reform of the Common Market Organisation for sugar. A clear strategy for the future may also affect fuel prices and thus consumers of liquid transport fuels.

A more rigorous approach will affect the same sectors and groups as mentioned before but in a stronger way.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

A set of six fact sheets on research success stories and further priorities, the environmental impact of biofuels, the global context, the macro and micro economic aspects, agricultural production and further opportunities and the regulatory and institutional aspects has already been prepared by the services responsible.

6. Which stakeholders & experts will be consulted, how and at what stage?

The Commission has already consulted the main stakeholders in the context of the preparation of the Biomass Action Plan. The forum established for this purpose can be used for additional consultations. The advisory committee on renewable resources which was established in 2004 will also be used to consult stakeholders, in particular concerning the agricultural policy instruments.

7. Will an inter-service steering group be set up for the IA?

An interservice steering group has already been set up at Cabinet level. The steering group is chaired by Mr. Claus Sørensen.

ROADMAP

Title of the proposal: Growth, prosperity and solidarity in an equal and democratic society: a roadmap for **equality between women and men**

Expected date of adoption of the proposal: January 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

Despite progress made in the last decades towards equality between women and men, several gender gaps in employment, unemployment, pay, decision making positions, as well as phenomenon of violence against women and trafficking still remain, as mentioned in the annual Report on equality between women and men to the Spring Council.

Article 2 of the EC Treaty provides that promotion of equality between men and women is a task of the European Community. Article 3(2) provides that it should aim to eliminate inequalities, and to promote equality, between men and women in all its activities. The current Framework Strategy for gender equality, created to answer this requirement, will expire at the end of 2005. A prorogation of the Programme for gender equality for 2006 has been decided.

As the Treaty indicates that gender equality should be mainstreamed in all activities, it is important to elaborate a global strategy at EU level. This represents a condition for the success of the new agenda for growth and jobs launched by the Commission. This is also relevant in the context of the commitment taken by the EU and its member states in the international arena, namely in the Beijing Platform for Action and for the Millennium declaration and Millennium development Goals. Finally, this specificity of gender equality policy and the role of a strategy designed at EU level is also evident when considering the demographic change.

2. What are the main policy objectives?

This Communication will represent the road map on gender equality and will define objectives and actions for EU policies in order to achieve gender equality, and to tackle remaining problems and obstacles. Among its main objectives: to contribute to the new agenda for growth and jobs and to the new Social Policy Agenda, in the context of demographic change and globalisation

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

The first option would be not proposing a specific document on gender equality when the current Framework Strategy comes to an end.

The second option could be to reaffirm and continue with the policies areas, actions and measures of the current Framework Strategy.

The third option would be to create a new roadmap for gender equality, which creates a renewed strategy.

The use of a combination of instruments has always characterised gender equality policies, namely: legislation, Open Method of Coordination, Financial Programmes and the Structural Funds, social dialogue. Depending on the actions, it will be seen which instruments will be privileged. Actions should be implemented mainly, but not exclusively, within the framework of already existing policies.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant

further analysis (cf. list of impacts in the impact assessment guidelines)?

- Option 1 seems to be the less viable option as it would make difficult, if not impossible, to fulfil the requirement of the EC Treaty, in particular because all EU policies should aim towards gender equality. The absence of a global view on gender equality policies would hinder the possibilities of success. In fact, this option would imply a lack of coordinated actions in terms of gender equality and a lack of efficiency and effectiveness. This would also imply to loose the structures, methodologies, exchanges etc. that Member States and EU institutions have put in place in these years of common work towards gender equality.
- Option 2 would continue on the strategy already in place and known to stakeholders. However, although this strategy has been positive in the context and time in which it was created, its ongoing external evaluation is showing some shortcomings in the overlapping of some objectives and actions and, in some cases, a problem of internal coherence. Moreover, the maintenance of the current strategy wouldn't allow tackling new challenges.
- Option 3 would be to have a road map which will represent a new strategy addressing new emerging challenges. This roadmap would build on the experience of the current strategy, giving continuity to the work done up to now in partnership between institutions, Member States, social partners and civil society. However, objectives, actions and instruments would be re-adjusted in order to overcome inefficiencies of the current strategy and also to make them in line with current changes and challenges. This would allow focusing future actions on gender equality on the Commission and EU current strategic objectives, providing. This roadmap would also increase the visibility of gender equality policy at EU level

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

- The independent external evaluation of the current Framework Strategy will represent an important source of information.
- Beside this, a series of statistical data and indicators are available from EUROSTAT. These have been already used in the Open Method of Coordination and for the annual Report on equality between women and men to the Spring Council. Therefore, also these documents will be part of the information material.
- The work of the two Commission's networks of legal and economic experts on gender equality which have produced several studies on important issues will also provide a valid contribution for the assessment.
- Another important source of information is provided by the yearly Commission work programme on gender equality.
- Moreover, in the framework of the follow-up of the Beijing Platform for Action, the Luxembourg Presidency, in cooperation with the Commission has produced the report "Beijing +10: progress in the EU", which makes a review of 10 years of EU policies on gender equality, and which has used as basis for a declaration of EU gender equality ministers on the subject.

The above information is sufficient to critically analyse the situation and the impact of the different options proposed. No additional studies are required and the impact assessment will be realised internally in the Commission.

Following the principle of the proportionate analysis indicated in the Impact Assessment Guidelines¹³, this proposal will follow the suggested procedure for "Broad policy-defining documents". Therefore, assessment of impact will be preliminary and will not provide detailed quantitative data.

6. Which stakeholders & experts will be consulted, how and at what stage?

The ongoing evaluation of the current strategy implies that relevant stakeholders have been partly already consulted on relevant questions. The evaluation identifies challenges, problems, possible solutions which can be very useful. Beside this, the Commission has already asked the Advisory Committee on gender equality to provide an opinion on this new roadmap. This is due at the beginning of October.

7. Will an inter-service steering group be set up for the IA?

Yes, in the framework of the already existing Inter-Service-Group (ISG) on gender equality of the Commission, which meets regularly and represents all Commission services

¹³ SEC(2005) 791

ROADMAP

Title of the proposal: Community Strategy for **Health & Safety at Work 2007-2012**

Expected date of adoption of the proposal: November 2006

A. Initial impact assessment screening

1. What are the main problems identified?

Accidents at work and occupational diseases levels are too high. 210 million working days are lost each year due to accidents at work. 350 million days lost each year due to work related diseases. 7% of victims have to change jobs and 4% either reduce working hours or stop working. The total cost to the EU economy is estimated between 2,6% and 3,8 of the EU Gross Domestic Product

2. What are the main policy objectives?

Occupational injury and ill health impair the ability of people to work, affect the quality of work and result in substantial costs for society, companies and for individual workers and their families. The Lisbon objective of creating more and better jobs cannot be attained without a sound policy strategy on health and safety at work geared at the continuous improvement of well-being at work through a continuing reduction of occupational accidents and diseases. A reduction of 25% of fatal occupational accidents and 15% of accidents with absence of more than 3 days, as well as reduction of 10% of absenteeism would be the concrete objectives to be attained at the end of the period.

3. What are the policy options?

What regulatory or non-regulatory instruments could be considered? The new Community strategy on health and safety at work will build on the current strategy and the evaluation of the results on the existing one (COM(2002)118 final) by combining a variety of political instruments: up-dating an simplifying legislation, social dialogue, progressive measures , guidelines helping the implementation of legislation and economic incentives and on building partnerships between all the players on the safety and health scene.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

No additional costs other than those imposed by existing health and safety legislation are expected, whereas the benefits in terms of reduced absenteeism and ill health will largely offset the costs. The measures to be proposed will affect all players in the field: national authorities, prevention services, employers and workers. Should the implementation of the new Community strategy require the development of new legislative instruments, in order to anticipate risks and bring them under control, then extended impact assessments will be undertaken.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

Data on occupational accidents and diseases for EU -15 already exist, as well as data on the cost of accidents at work. This information shall be extended for EU-25 and appropriate health indicators need still to be developed to refine the analysis. Additionally, the results of the implementation of the current strategy 2002-2006 will need to be gathered and evaluated. This information will be obtained through the on going work with Eurostat in this area, the results of the next Labour Force Survey and through a specific survey addressed to competent authorities in Member States and social partners for the evaluation of the current strategy.

6. Which stakeholders & experts will be consulted, how and at what stage?.

National authorities in Member States, social partners, Advisory Committee for health and safety at work, European Agency for health and safety at work and the European Foundation for the improvement of living and working conditions will be consulted at the development and evaluation stages.

7. Will an inter-service steering group be set up for the IA?

The existing inter-service group on health and safety at work will be consulted.

ROADMAP

Title of the proposal: Green Paper on **the Evolution of Labour Law**

Expected date of adoption of the proposal: Second half 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

New forms of work have emerged in the last decades, for example economically dependent work and fixed-term work. Among employees, some of the traditional distinctions (working time/rest) are less evident than in the past. On the basis of reports elaborated by a group of labour law experts and taking account of the results of the Presidency conference "Labour Law in Europe: Steps towards 2010", the Green Paper will launch a broad consultation of stakeholders on important trends of and future perspectives for the evolution of labour law in the European Union.

2. What are the main policy objectives?

Analyse current trends in new work patterns in Member States and the role of labour law in tackling these developments. Define future perspectives for the evolution of labour law in the EU.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

The Green Paper is a consultative document. Depending on the outcome, both regulatory and non regulatory instruments could be envisaged.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

Not applicable at this stage.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

A report elaborated by a group of labour law experts and the results of the Presidency conference "Labour Law in Europe: Steps towards 2010".

6. Which stakeholders & experts will be consulted, how and at what stage?

Broad consultation of all stakeholders at national and EU level.

7. Will an inter-service steering group be set up for the IA?

An IA will not be drawn up since this is a consultation document by nature.

ROADMAP

Title of the proposal: Communication on **the impact of demographic change**; follow-up to the Green Paper of March 2005

Expected date of adoption of the proposal: 2nd quarter 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

Europe's population is going to age and this will have enormous consequences for our institutions and societal arrangements (social protection systems, care provision, etc.), most of which were created at times when our population was much younger. The Communication will review the main policy issues and options on the basis of the Green Paper replies and analytical studies. The Communication could point MSs into the right direction. In areas that overall are within Member States' competence, a Commission Communication can lend support to ongoing reform efforts, help disseminate best practices and propose future actions.

2. What are the main policy objectives?

Raise awareness among MSs and the general public for the challenges ahead, and suggest possible options for overcoming these challenges. The Communication should underline the need for timely action, while at the same time showing that with the right policies many of the ageing-related problems can be prevented or diminished.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

Ageing raises a range of issues for which the MSs themselves are in the first place responsible, so regulatory action is not considered. One option is to help with EU-wide analysis, the exchange of information and best practices, which can be achieved through policy coordination (European Employment Strategy, Open Method of Coordination on social protection and social inclusion) and financial support from the Structural Funds to address ageing problems at the local level. The option to refrain from any EU action would seem contradictory to the Commission's commitment to the new agenda for growth and jobs as well as the Sustainable Development Strategy.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

The ultimately desired impact of this Communication is to prepare the EU better for the problems that are connected to the ageing of its population. The EU must develop and pursue a realistic long run ageing strategy that is complementary with the present medium term Lisbon strategy. Specific impacts will depend on specific national situations and on how reforms are implemented in the Member States. But any success in driving reform can be expected to impact favourably on European competitiveness as well as in social terms via improved confidence and welfare among European citizens.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

A wide range material is available which can be used in the assessment process (studies, population and expenditure projections, information on reforms in Member States).

6. Which stakeholders & experts will be consulted, how and at what stage?

Replies from Member States, NGOs, social partners, individuals to the Green Paper will provide information on

stakeholder positions.

7. Will an inter-service steering group be set up for the IA?

An interservice group already exists and will be used for steering the IA.
To be decided after the adoption of the Communication.

ROADMAP

Title of the proposal: **European Climate Change Programme**: Green Paper on Adaptation to climate change
 Expected date of adoption of the proposal: 3rd qtr 2006

A. Initial impact assessment screening

1. What are the main problems identified?

Climate change is happening. Science tells us that we should be aiming to limit the future global average temperature increase to 2°C above pre-industrial levels in order to limit the damage. The 2°C target implies that policies are needed both to adapt to climate change and to mitigate climate change. Despite the implementation of already agreed policies, global emissions are likely to grow within the next two decades and global reductions of at least 15 % in emission by 2050 compared to 1990 levels would seem to be necessary, and will take significant effort.

2. What are the main policy objectives?

The battle against climate change is a top EU strategic objective for the period 2005-2009 in the pursuit of solidarity, both with future generations and globally. This comprises 2 key elements. Internationally, 2006 will be a critical year for multilateral climate negotiations for the period post 2012. Secondly, The European Union needs to continue the elaboration of its own climate change policies. This includes implementation of the Kyoto Protocol so as to enable the EU and its Member States to meet the Kyoto targets they have agreed to. On the basis of the latest monitoring reports, the EU needs to strengthen its efforts. It also includes further work in the context of the development of a future international climate change regime. The EU needs to investigate how it can domestically contribute to global emissions reductions in the longer term and what actions can be taken. The EU will also need to identify what actions should be taken at Community level to adapt to the growing adverse effects of climate change.

The European Council concluded in March 2005 that climate change is likely to have major negative global environmental, economic and social implications. It confirmed that, with a view to achieving the ultimate objective of the UN Framework Convention on Climate Change, the global annual mean surface temperature increase should not exceed 2°C above pre-industrial levels. It called on the Commission to explore options for a post-2012 arrangement in the context of the UN climate change process, ensuring the widest possible cooperation by all countries and their participation in an effective and appropriate international response and develop a medium and long-term EU strategy to combat climate change, consistent with meeting the 2°C objective. It called for emission reduction pathways in the order of 15-30% by 2020 (compared to Kyoto baseline).

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

Doing nothing is not a sensible option. The more action is postponed, the greater the risk of irreversible climate change, as options to stabilise greenhouse gas concentrations at lower levels are closed off. The science of climate change continues to develop and future evidence may show that change is taking place even faster than is apparent today. Therefore, a rational medium- and long-term climate policy should be based on a 'keeping the door open' strategy. Such a strategy would allow moving even to a lower than initially targeted concentration level in future, if new scientific knowledge points to the necessity to do so.

Therefore, a new multi-annual policy making cycle is being launched identifying a series of actions that can better be taken at Community level to reinforce actions undertaken by Member States and provide the necessary strengthening of the EU's actions on climate change. The policy options are being developed under the ECCP (European Climate Change Programme). This ECCP comprises a multi-annual work program, starting in October 2005, aimed at advancing the EU's climate change policy. For each area considered under the ECCP a wide range of possible policies and measures are being investigated.

For 2006 a number of activities are foreseen. The activity relevant for the Commission Legislative and Work Programme is the production of a Green Paper on adaptation. The Green Paper will show why it is necessary to use the most efficient and least-cost mix of adaptation and mitigation actions over time to meet our environmental objectives while maintaining our economic competitiveness.

As yet, few Member States have examined the need to reduce vulnerability and to increase their resilience to the effects of the climate change.

Adaptation to climate change will require further research to predict the impacts at regional level in order to enable local and regional public and private sector actors to develop cost-effective adaptation options. Particularly vulnerable to climatic changes are low-lying areas close to the coast and in river catchments, mountainous areas, and areas with high risks of increasing numbers of storms and hurricanes.

Economic sectors dependent on weather like agriculture, fisheries, forestry and tourism are more at risk than other sectors, and thus have a greater need to adapt to climate change. In this context, developing countries are the most vulnerable given their high dependence on these climate-sensitive economic sectors and their low capacity to adapt. Strengthening their adaptive capacity would contribute to their development.

Another important aspect of adaptation is the early prediction of more frequent and more damaging natural disasters. The Commission is already involved in an EUwide early warning system for floods and forest fires. This will improve responses to natural disasters and assist in preventing damage. Earth observation can provide reliable tools for both prevention and adaptation. Private insurance might not adequately cover damages and losses of private property or might even be reduced over time. Governments will have to step in, either by requiring the provision of adequate coverage or providing solidarity funding.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

This initiative is a Green paper for which an impact assessment is not required

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

Information will be gathered through a number of avenues. Central in this effort will be the dialogue with stakeholders through the ECCP. In addition to this the Commission will review literature, organise additional stakeholder consultation exercises and provide for the elaboration of specific studies and technical and economic modelling tools.

6. Which stakeholders & experts will be consulted, how and at what stage?

A Stakeholder Working Group will be formed on the Adaptation area covered by the ECCP.

7. Will an inter-service steering group be set up for the IA?

An ISC group will be set as steering committee for the ECCP.

ROADMAP

Title: Communication from the Commission to the Council and the European Parliament - **Results of the review of the Community Strategy to Reduce CO₂ Emissions from Cars** .

Expected date of adoption of the proposal : 3rd qtr 06

A. Initial impact assessment screening

1. What are the main problems? Are they likely to be solved satisfactorily by the sole action of Member states? (principle of subsidiarity – necessity test)

Road transport is a major contributor to the environmental impacts of transport. It dominates the CO₂ emissions from transport (with 84%), thus contributing 24% to the overall CO₂ emissions. Passenger cars emit roughly half of the whole road transport CO₂ emissions, and current projections show that these emissions will keep increasing as growth in traffic outstrips the effects of the implementation of the EU's "CO₂ and cars" strategy.

The Community strategy, aimed at reaching a new car fleet average emission of 120 g CO₂/km, is currently based on 3 pillars: voluntary commitments by car manufacturers to improve the fuel efficiency of new cars sold in the EU market, which should lead to a 25% improvement between 1995 and 2008/9 (i.e. from 186 g CO₂/km down to 140 g CO₂/km); consumer awareness raising via fuel efficiency labelling; and the promotion of fuel efficient vehicles through taxation.

The 120g CO₂/km target should also be seen against an emerging realisation that even more substantial reductions will be needed in the long term, as outlined by the European Council in its March 2005 conclusions ("reduction pathways for the group of developed countries in the order of 15-30% by 2020, compared to the baseline envisaged in the Kyoto Protocol, and beyond, in the spirit of the conclusions of the Environment Council, should be considered.").

If nothing is done to improve further the fuel efficiency of cars sold in the EU beyond the measures already in place, it is likely that the current trend towards more traffic and heavier cars will lead to a further increase of the greenhouse gas emissions of passenger road transport, jeopardising the EU's efforts at mitigating climate change impacts and maintaining our dependence on fossil fuels.

2. What are the main policy objectives?

The purpose of this Review is to ensure that the Strategy is efficiently contributing to the policy objectives below, and to identify whether additional measures are needed:

- To improve the fuel efficiency of passenger road transport, thus contributing to the EU's efforts in the field of climate change and security of energy supply.
- To increase consumer awareness about the greenhouse gas emissions of passenger cars
- To contribute to improving car manufacturers' global competitiveness by stimulating the development of advanced fuel efficiency technologies

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

A number of policy options have been or are being considered and will be set out and assessed as part of the Review. These include:

- the assessment of measures already implemented or being undertaken as part of the current CO₂ and cars strategy;
 - further technological improvements beyond the current voluntary agreements;
 - improvement of the Directive on car labelling;
 - fiscal measures
 - other measures such as broadening the scope of the current agreement to include light commercial vehicles into the strategy, support to the introduction of alternative fuels, innovative technologies (hybrids), initiatives addressing driver behaviour etc.

The review of the current strategy will notably assess whether a voluntary approach beyond the current agreements would be feasible.

The Communication will likely suggest a combination of measures that overall contribute to an "integrated approach" to reducing CO₂ emissions from cars. In this respect, particular attention will be paid to measures that have the potential to deliver CO₂ reductions that are measurable, monitorable and clearly attributable to stakeholders responsible for their implementation. In addition, regular reviews of the objectives of such an approach and of the progress achieved over time may well be included in the Communication.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant

further analysis (cf. list of impacts in the impact assessment guidelines)?

The economic, social and environmental impacts are being examined, with addition specific attention being paid to the likely impacts on the automotive sector:

- Effects on transport costs and demand
- Effect on vehicle stock and new car sales
- Effect on fuel consumption, GHG and pollutant emissions
- Macro-economic effects (GDP, employment, external trade, impact on public finance)
- Impact on the automotive sector in the EU (changes in location, in supply chain, business structure)

Moreover, the options selected may have additional distributional and price and demand impacts, as well as impacts on technological developments regarding fuel efficient powertrains. The net climate change effects, as well as potential synergies with other policies (security of energy supply) will be explored.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

A number of studies on the implementation of the current strategy and on some of the options available to move towards the Community objective of 120 g CO₂/km are already available (see http://europa.eu.int/comm/environment/co2/co2_studies.htm). Besides, the European, Japanese and Korean Car Manufacturers Associations have provided the European Commission with position papers on the potential to reach 120 g CO₂/km by 2012. Building on this preparatory work, two contracts have been launched in order to support the elaboration of the impact assessment (they will run until the completion of the IA):

- Task A: Service contract on the review and analysis of the reduction potential and costs of technological and other measures to reduce CO₂-emissions from passenger cars
- Task B: Service contract to carry out economic analysis and business impact assessment of CO₂ emissions reduction measures, including on the automotive sector

6. Which stakeholders & experts will be consulted, how and at what stage?

A working group on the reduction of CO₂ emissions from cars will be set up under the umbrella of the European Climate Change Programme (ECCP) in order to ensure that all relevant stakeholders (in particular the automotive industry and environmental NGOs) are consulted as part of the revision process of the strategy. Besides, specific consultations on technical matters and related costs will be carried out during the above mentioned contracts (stakeholder group to steer the first contract, questionnaire on technologies and costs sent to the industry etc). Finally an online public consultation is foreseen for end 2005/early 2006.

7. Will an inter-service steering group be set up for the IA?

Yes.

ROADMAP

Title: **Revision of Directive 2001/81/EC** of the European Parliament and of the Council of 23 October 2001 on national emission ceilings (NEC) for certain atmospheric pollutants
 Expected date of adoption: 4th qtr 06

A. Initial impact assessment screening

<p>1. What are the main problems? Are they likely to be solved satisfactorily by the sole action of Member states? (principle of subsidiarity – necessity test)</p>
<p>According to the Thematic Strategy on Air Pollution, by 2020, air pollution is projected to reduce life expectancy of European citizens on the average by 5 months due to fine particulate matter (PM2.5), some 20.000 people are projected to die prematurely due to ozone, and still hundreds of thousands of square kilometres of forests, soils and waters will be endangered due to acid rain and eutrophication and ground level ozone. Consequently, crops, forests, lakes and soils are damaged and biodiversity threatened.</p> <p>As air pollution is transboundary, action or inaction of one Member State affects all other Member States. Thus, joint action at EU level is called for. Furthermore, many policies to reduce air pollution need to be identified and analysed at the EU level so as to identify an optimal policy mix of EU-wide and national policies and measures.</p>
<p>2. What are the main policy objectives?</p>
<p>Compared to 2000, the objective is to reduce by 2020,</p> <ul style="list-style-type: none"> • by about 50% the number of life years lost due to fine particulates (PM2.5), • by 10% acute mortalities due to ground level ozone, • by 75% the area of forests and 42% the area of freshwaters at risk from acid rain, • by 46% ecosystems at risk from atmospheric input of nutrient nitrogen and biodiversity loss; and • by 15% forests that are damaged by ground level ozone. <p>This will be achieved by an overall reduction of 80% of emissions of sulphur dioxide, of 60% of emissions of nitrogen oxides, of 50% of emissions of volatile organic compounds, of 30% of emissions of ammonia, and of 60% of emissions of fine particles (measured as PM2.5) between 2000 and 2020. Furthermore, as methane emissions contribute to the formation of ground level ozone, the objective is to reduce the emissions of methane consistent with the objective of reducing the emissions of greenhouse gases in a cost-effective manner.</p>
<p>3. What are the policy options? What regulatory or non-regulatory instruments could be considered?</p>
<p>The options examined relate to changes possible to the NEC Directive. The NEC Directive may be complemented by other instruments, including market based instruments, both at Community and Member State level. Due to the links with the Convention on Long Range Transboundary Air Pollution, and in particular the Gothenburg Protocol, during the review process, the options of streamlining the Protocol and/or the NEC Directive will be under consideration.</p>
<p>4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?</p>
<p>By placing the emission ceilings on each Member State, the Community and the Member States will take an obligation to reduce emissions. This will reduce air pollution and thus, increase human health and make natural environment cleaner. The health benefits alone were estimated to be between €45 and €150 billion in 2020 if the interim objectives are attained. In addition the ecosystem benefits are considerable.</p> <p>Air pollution affects the health of all EU citizens. In addition, reducing air pollution is beneficial to all EU citizens as all are benefiting from improved environment. As some specific groups (like elderly people) are more vulnerable to air pollution, the directive is likely to have a specifically positive impact on them. All these impacts will be subject to further analysis, similar to the one that was already carried out as part of the Thematic Strategy on Air Pollution.</p>

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

The data and the analytical tools that were developed under the Thematic Strategy on Air Pollution will be updated as part of the impact assessment of the NEC Directive. The most important information to be updated include air emission and activity data, use of energy, update of emission factors, costs of abating air pollution, possible co-benefits or tradeoffs of different technologies on identified key areas, such as emissions of greenhouse gases, damage of air pollution on human health and the environment. Key computer models will also be updated with regard to most appropriate projections of trends (GDP, energy prices, changes in age structure, etc.) the impact of different meteorological years on air quality, affect of different policies etc. All this information will be updated up to year 2020. This work is carried out by long-term contracts that have already been awarded based on open calls for tender.

6. Which stakeholders & experts will be consulted, how and at what stage?

Industry, NGOs, Member States are consulted through the Clean Air for Europe Steering Group, and the working groups, in particular the Working Group on National Emissions Ceilings and Policy Instruments.

7. Will an inter-service steering group be set up for the IA?

Yes. The existing CAFE inter-service group will be used.

ROADMAP

Title: Modification of Directive 2003/87/EC in order to **include aviation in the EU Emissions Trading Scheme**

Expected date of adoption: 4th qtr 2006

A. Initial impact assessment screening

1. What are the main problems? Are they likely to be solved satisfactorily by the sole action of Member states? (principle of subsidiarity – necessity test)
To address the climate change impact of aviation. A Community approach is required given the high degree of harmonisation and competition achieved in the internal market for air transport and in the market for EU greenhouse gas allowances.
2. What are the main policy objectives?
To amend the legislation to include aviation emissions in the EU Emissions Trading Scheme and thus follow up on the Communication from September 2005 on Reducing the Climate Change Impact of Aviation.
3. What are the policy options? What regulatory or non-regulatory instruments could be considered?
The policy options relate to a number of design parameters that need to be analysed. On some of these the Commission has already stated its position in the Communication referred to above. A non-regulatory approach will not be considered as the inclusion of aviation emissions in the ETS could not be achieved in a harmonised way without amending the legislative framework.
4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?
The measure may have impacts on the aviation sector as well as on sectors already participating in the EU ETS. Environmental, social and economic impacts will be analysed

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?
Both external and internal analysis will be conducted. New capabilities of the JRC will be utilised as well as the Primes model and other relevant models. Analysis will mainly serve to illustrate and try to quantify to the extent possible the key impacts under different assumptions about the key parameters of the scheme, in particular methodologies and levels of allocation.
6. Which stakeholders & experts will be consulted, how and at what stage?
In the framework of the European Climate Change Programme a working group with experts and stakeholders will be set up to analyse certain issues and report on their findings.
7. Will an inter-service steering group be set up for the IA?
Yes.

Title of the proposal: Green Paper on a future **EU Maritime Policy**

Expected date of adoption of the proposal: first semester 2006

A. Initial impact assessment screening

1. What are the main problems identified?

The EU has been carrying out sectoral policies on various sea-related issues for years. Contrary to what other major maritime countries have achieved, the EU has not developed an integrated approach encompassing all these aspects. Such a common European vision is therefore lacking.

2. What are the main policy objectives?

The Commission will launch a wide consultation on what shape and content could have an EU policy embracing all sea-related aspects. To this end, the Green Paper will assess the benefits which could result from an integrated Maritime Policy in the medium and long term in relation to economic growth and competitiveness, employment, environmental protection and security. It will identify options for a future EU maritime policy. Taking account of the public debate which will follow the adoption of the Green Paper, the Commission will decide on the further steps to be taken.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

NA

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

NA

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

NA

6. Which stakeholders & experts will be consulted, how and at what stage?

NA

7. Will an inter-service steering group be set up for the IA?

NA

ROADMAP

Title of the proposal: Communication from the Commission to the European Parliament and the Council on future priorities for the **common policy on illegal immigration**.

Expected date of adoption of the proposal: First half 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

The joint combat against illegal immigration has been a top priority for the EU and its Member States over the last years. In this respect, the European Council in the Hague Programme underlined the need for solidarity and fair sharing of responsibility between the Member States. Indeed, the challenges posed by the management of migration flows can no longer be adequately met by the Member States acting alone and independently. While progress has been achieved in many areas, a number of issues need to be pursued more vigorously, as the annual inflows of illegal migration into the EU are still considerable. The 2004 Hague Programme -the 5-years framework programme on JLS matters- consequently asks the Commission to tackle these issues, which include legislative as well as other measures. One year later, stocktaking and additional priority setting by the Commission is advisable.

Individual, uncoordinated measures at Member State level in a Schengen area without internal borders are insufficient to address the problem. EU level action is therefore indispensable.

2. What are the main policy objectives?

The aim of this communication is twofold: first, to review the progress made in the area since the last annual report (SEC (2004) 1349) from October 2004, and second, on that basis, to give further steer to the fight against illegal immigration by suggesting a number of future political priorities.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

As an annual stocktaking is part of the regular political monitoring process announced in the Commission's 2003 communication on illegal immigration, a no-policy option is not feasible.

1. Mere stocktaking of progress achieved, through an annual report
2. In addition to 1., also propose a number of additional actions and prioritise the work of coming years

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

Impact of mere stocktaking: Would provide an update of main developments to Member States and stakeholders and therefore increase transparency.

Impact of additional new actions: Would, in addition, allow stronger focus on new priorities and challenges and thus enhance the combat against illegal immigration.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

The necessary information is to a large extent available; additional information will be provided by Member States in the context of their consultation through the Commission's Committee on Immigration and Asylum (CIA).

6. Which stakeholders & experts will be consulted, how and at what stage?

As to Member States: see point 5. Others: not foreseen.

7. Will an inter-service steering group be set up for the IA?

No.

ROADMAP

Title of the proposal: Green Paper on Enforcement: the **European Bank Arrestment**

Expected date of adoption of the proposal: 1st quarter 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

A creditor seeking to recover a monetary claim will [most] commonly try to do so by obtaining an arrestment of his debtor's bank account(s). But while debtors are today able to move their monies out of accounts known to their creditors into other accounts in the same or another Member State almost instantaneously, creditors are currently not able to block these monies with the same swiftness. In addition, the creditor has to face varying degrees of efficiency and efficacy of the recovery of monetary claims in other Member States. The situation is aggravated where a creditor wants to arrest funds lying to his debtor's credit in bank accounts situated in several Member States. Legislative action on a European level is necessary, because the problems of cross-border debt recovery outlined above constitute an obstacle to the free circulation of monetary payment orders within the European Union and an impediment for the proper functioning of the Internal Market. The differences in the efficiency of debt-recovery within the European Union also risk to distort competition between businesses operating in Member States with efficient systems of enforcing monetary payment orders and those operating in Member States where this is not the case.

2. What are the main policy objectives?

By using a uniform European instrument, a creditor should be able to secure the payment of a sum of money due to him by preventing the removal or transfer of funds held to the credit of his debtor in one or several bank accounts within the territory of the European Union. The European instrument should be available for the recovery of monetary claims in civil and commercial matters and its scope of application would correspond to the scope of application of both, the existing European legislation in this area, i.e. the Brussels I Regulation and the European Enforcement Order for uncontested claims, and the proposals which are currently in the legislative process, i.e. the European Small Claims Procedure and the European Order for Payment Procedure

3. What are the policy options?

a) Status quo b) Amendment of Regulation Brussels I c) Creation of a European Bank Arrestment.

What regulatory or non-regulatory instruments could be considered?

A non-regulatory option would be useless in this matter; as regards the regulatory option, the instrument envisaged would be a Regulation.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

The Commission will apply impact assessments when presenting concrete proposals following the publication of the Green Paper and having been able to take into account the results of the consultation

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

A "Study on making more efficient the enforcement of judicial decisions within the European Union", undertaken by Prof Burckhard Hess and a team of academics¹⁴, published in December 2003. In April 2003, the Commission held a first

¹⁴ Study No. JAI/A3/2002/02.

meeting of government experts which discussed possibilities to improve the arrestment of bank accounts in Europe. The results and policy recommendations of the study were discussed a further meeting of experts convened in February 2004. The Commission intends to obtain further information about the issues at stake by consulting a number of key stakeholders and organising an expert meeting of those stakeholders prior to finalising the Green Paper.

6. Which stakeholders & experts will be consulted, how and at what stage?

The Commission is in the process of consulting associations of banks, consumers, lawyers and bailiffs on the draft Green Paper and an expert meeting is envisaged for the end of 2005/beginning of 2006. A further consultation of experts will take place at a public hearing, to be held after the publication of the Green Paper at the end of the consultation period.

7. Will an inter-service steering group be set up for the IA?

No, an inter-service steering group will not be set up at this stage (non required for Green Papers)

ROADMAP

Title of the proposal: Green paper on **drugs and civil society in the EU**

Expected date of adoption of the proposal: 30/9/2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test). Civil society is a key actor in drugs issues throughout Europe. This is also expressed in the EU Action Plan on Drugs 2005-2008. Civil society organisations provide services for drug users, produces information on best practices and pragmatic policies etc. However, this information is often unsatisfactorily disseminated and shared, especially at the EU level. Learning from experience and dissemination of best practices, as well as feeding into the policy processes at the EU level would provide genuine added value and be beneficial to all those involved. The Commission needs to be transparent in this field and there is a real added value in listening to the experts during a constructive debate.

2. What are the main policy objectives?

- To provide structures/forum for an ongoing dialogue with the civil society on drugs issue
- To ensure the active participation on the civil society in the implementation of the EU Drugs Action Plan 2005-2008

3. What are the policy options? What regulatory or non-regulatory instruments could be considered? The Commission is committed in so far as a Green paper on the subject is announced under action 3 in the EU Drugs Action Plan 2005-2008. No regulatory instrument is foreseen. Another option would be non-action from the Commission side, which would result in non compliance with the Action Plan (and with an action specifically proposed by the Commission), adverse publicity by civil society organisations which have been calling for their involvement to be accepted, and an unsatisfactory level of input from civil society in the implementation of the EU Drugs Action Plan.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)? Active but controlled participation of civil society through effective structures would ensure better achievements of the targets of the EU Drugs Action Plan. Non action would result in some degree of disinterest towards the implementation of the Action Plan on the part of the very groups to whom it is, partly, addressed.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)? Information of the work done by the civil society, in particular the NGOs and NGO-networks is available through the Internet and through some Community funded projects and from the databases of the European Monitoring centre for Drugs and Drug Addiction (EMCDDA). More information will be gathered through a conference with civil society early next year (contract prepared by unit A5) and through a platform to be set up on the basis of that conference. All the information needed for the Green paper will be available in January 2006. It will be analysed to see how it could best contribute to the implementation of the Drugs Action Plan.

6. Which stakeholders & experts will be consulted, how and at what stage? Council will hold a thematic debate on civil society – and on the Commission's planned Green Paper, in September 2005. A conference with civil society will be held in early 2006. Ideas expressed in the civil society conference on drugs organised by the European Parliament in 2003 will also be taken into account.

7. Will an inter-service steering group be set up for the IA? No

ROADMAP

Title of the proposal: Elections européennes 2004: Communication de la Commission sur la participation des citoyens de l'UE dans l'EM hôte (directive 93/109/CE) et sur les modalités de l'élection (décision 76/787/CE modifiée par la décision 2002/772/CE).- European elections 2004: Commission Communication on **the participation of the Union citizens in the Member State of residence** (Directive 93/109/EC) and on the **electoral modalities** (Decision 76/787/EC as amended by Decision 2002/772/EC)

Expected date of adoption of the proposal: July 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

The Communication will evaluate application of Community law in the last EP elections on the basis of information received from the Member States and propose necessary changes to be prepared for the reality of the European Union of 27 Member States.

In order to deal with the prevention of double voting, Directive 93/109/EC has set up a system of information exchange on registered non-national Community voters. Despite sustained efforts, this system is for Member States too administratively burdensome, expensive in terms of staff needed to run it and is not proportionate to the actual size of double voting. It is proposed to replace this system with a formal declaration by the Community voters. That would fundamentally decrease administrative workload of Member States. As the proposal would be a legislative one, aiming to simplify regulatory framework of the European Parliament elections, it must be done of the Community level with due regard to all procedural requirements.

As regards the electoral modalities, June 2004 elections brought several incidents of local or municipal authorities making public the results of their counts before the close of polling in the last still voting Member State. Such measures were against the Commission's line communicated to all Member States before the elections. Subsequent debate has shown that the relevant provision of the 1976 Act is not interpreted uniformly. The Communication will draw the attention of the EP to the question concerning publication of results of elections in Member States with the view of amending the relevant provision to be clear and to be implemented in a uniform way. It will be then up to the new Parliament to contemplate the appropriateness of any legislative initiative.

2. What are the main policy objectives?

The main objectives are to streamline the processes and to simplify administrative procedures, carried out by the Member States when implementing the Directive. Furthermore, the Report aims at promoting the uniform interpretation and application of electoral modalities laid down by the 1976 Act.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

There are three alternatives:

“No changes” option is not viable as all Member States experienced similar problems with current system like in the previous EP elections, multiplied by the enlargement.

“Non-legislative changes” option could be possible solution, although it is not likely that it would lead to a substantive improvement of the situation, especially in the light of similar kind of previous changes that brought no solution.

“Legislative changes” option, as being proposed, tackles the administrative dimension of the problems, making the new solution proportionate to the problems and more transparent.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

“No changes” option – current persistent problems would become more acute with further enlargement and increased volumes of internal migration. Member States would be affected with higher administrative workload relating to system

of exchange of information (impact on public authorities). It is likely that this option would have impact on governance and participation as Member States would be forced to redirect the resources to running the information exchange system instead of focusing on improving turnout and informing public. This option would not ensure the uniform application of electoral principles around the Union.

“Non-legislative changes” option would lead to similar kind of impact as described in the “no changes” option. Further practical changes to the system could improve its efficiency but it could not solve certain problems such as legislative obstacles in several Member States concerning registration on the electoral rolls and data collection.

“Legislative changes” option would have positive impact on public authorities and on governance and participation. It would ensure the harmonised interpretation of basic principles of democratic elections.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

DG JLS prepared an extensive questionnaire that was circulated among the Member States. In addition, it gathered information through the Commission representations. No further information is needed.

The level of analysis will be quite limited as this is the case of a revision of existing legislation aiming at deregulation and at uniform interpretation of existing legislation.

6. Which stakeholders & experts will be consulted, how and at what stage?

Member States' electoral experts will be consulted on the basis of draft report and draft legislative changes in December 2005. The final proposal will reflect on the outcome of the meeting.

7. Will an inter-service steering group be set up for the IA?

No.

ROADMAP

Title of the proposal: Communication on the implementation of **the Rights of the Child**

Expected date of adoption of the proposal: March 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

Around thirty Directives, Framework Decisions or Green Papers were adopted during the last 5 years in the frame of c.a. ten European policy areas, with children as principal target (see table 1 in annex), notably related to family reunification, parental responsibilities, trafficking in human beings, sexual exploitation, children in armed conflict, safety of toys, paediatric use of medicinal products, etc.

As a complement, a dozen community programmes fund actions in favour of children and young people, notably against violence against them, for a safer use of the Internet, against trafficking in human beings, against sexual tourism, in favour of the participation of young people in the functioning of democracy, to ensure access of Roma children to education, etc.

It is clear that, although the Commission is quite active, there is a breaking up of these actions and a lack of coordination.

The evaluation currently carried out by UN of the implementation of the Millenium Declaration Goals shows a lack of serious progress, especially on the topics impacting on children, such as access to primary school, reducing world hunger, reducing mortality below 5 years old, etc.

2. What are the main policy objectives?

The obligations contracted by Member States within the framework of the UN Convention of the Rights of the Child (CRC) and of the Millenium Declaration can be assisted at European level by a plan of action that will coordinate and ensure consistency between Member States actions, while respecting their right of initiative in this area.

The Communication will present this action plan and its justification.

To ensure coordination and consistency of the various approaches and efforts made by the European institutions and Member States in implementing actions (be it legislative or programmatic) aimed at protecting children's rights, not only within the Union but also in third countries, thanks to the external relations policy of the Union.

The communication would like to reinforce the position of the Commission as the protector/guardian of children's rights.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

Mainly three options are open :

- 1) the Commission leaves the situation as it is;
- 2) the Commission takes the lead and drafts strong legislative work in favour of children;
- 3) within its areas of competence, the Commission reinforces its actions (be it by legislative or programmatic work), while ensuring a strong coordination of its actions and those of the Member States.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

For each of the above options, the consequences may be as follows

- 1) the Union and its Member States will appear as lacking of political will to achieve their commitments in favour of children's rights and will keep acting in a dispersed way;
- 2) the Commission lacks a full competence in the area of children's rights and therefore cannot propose a strong

legislative work itself;

3) the foreseeable impact is, on the one hand, on the European institution where an improved coordination of its activities in favour of children should occur and, on the other hand, on the Member States that will be asked to report on the initiatives taken and the achievements reached in their policy on children, positioning Europe as the region of strong commitment and realisations in favour of children's rights

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

A large amount of information is already available, be it from Commission services (on their policies), or from the UN agencies or from the many NGOs involved in children's rights.

After the collect and analysis of this information, the next step is to structure it and shape it into the communication in a meaningful way.

6. Which stakeholders & experts will be consulted, how and at what stage?

All services of the Commission involved with children's rights have been involved, as well as UNICEF, the Council of Europe and more than 20 NGOs.

It is envisaged to hold a hearing at the European Parliament in autumn 2005 in order to further investigate with the main stakeholders (such as Ombudspersons for children) the axis of the Communication.

End of 2005, a new consultation of the Commission services, UNICEF, CoE and NGOs will occur when a stabilised draft of the Communication will be available.

7. Will an inter-service steering group be set up for the IA?

The Communication not being a legislative act, the Impact Assessment will be kept proportional and does not necessitate such a steering group.

ROADMAP

Title of the proposal: Draft Proposal for a Council Regulation concerning **Community financial contributions to the International Fund for Ireland (2007-2008)**

Expected date of adoption of the proposal: 3th Quarter 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

Economic and social development in support of peace and reconciliation is a long term process. As an instrument towards this goal the IFI complements the action carried out by the EU Programmes for Peace and Reconciliation in Northern Ireland and the Border Region of Ireland (PEACE I 1995-1999, PEACE II 2000-2004).

2. What are the main policy objectives?

To promote economic and social advance and to encourage contact, dialogue and reconciliation between nationalists and unionists throughout Ireland, in implementation of one of the objectives specified by the Anglo-Irish Agreement of 15 November 1985.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

According to Article 5 of Council Regulation 177/2005 of 24 January 2005, by 31 March 2006, the Commission shall submit a report to the Budgetary Authority, assessing the results of the activities of the Fund and the need for continuing contributions beyond 2006, taking into account developments in the peace process in Northern Ireland. That report shall incorporate, inter alia, the following:

- (a) a survey of the Fund's activities;
- (b) a list of projects which have received aid;
- (c) an assessment of the nature and impact of the Fund's activities, notably in relation to its objectives and the criteria laid down in Articles 2 and 7;
- (d) an assessment of action taken by the Fund to ensure cooperation and coordination with Structural Funds interventions, taking account, in particular, of obligations under Articles 3 and 4;
- (e) an annex setting out the results of the verifications and controls carried out by the Commission pursuant to the undertaking referred to in Article 6.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

The assessments carried out in accordance with Article 5 of Regulation 177/2005 should /should not confirm the need for further support for Fund activities, while continuing reinforcing synergy of objectives and coordination with Structural Funds interventions, in particular with the Special Programme for Peace and Reconciliation in Northern Ireland and the Border Counties of Ireland.

On the basis of such a report, the Commission shall consider acknowledging the IFI's valuable and positive actions for peace and reconciliation in the region, and thereby the fulfilment of its objectives. The Commission shall also consider whether funding after 2006 should be provided on the basis of the observations made in the report, which could be reflected either in the future Council Regulation on the EC contribution to the IFI, or through other appropriate means of cooperation.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

The basis for the report will be the 2004 Commission Report on the IFI (COM 633 final of 13.10.2004, the IFI Annual Reports for 2004 and 2005, IFI Board Minutes in 2004 and 2005, Audits of the IFI Accounts and IFI External Review of 2005.

The Commission will receive this information in its capacity as Observer of the Fund

6. Which stakeholders & experts will be consulted, how and at what stage?

The International Fund for Ireland and the UK and Irish authorities for the elaboration of the report.

The position of the European Parliament and European Court of Auditors will be considered as well.

7. Will an inter-service steering group be set up for the IA? No

ROADMAP

Title of the proposal :Paquet de propositions visant à renforcer la position et le **cadre réglementaire de la navigation fluviale**, notamment : (1) Proposition de règlement du Parlement européen et du Conseil établissant un cadre institutionnel européen pour le transport par voie navigable ; (2) proposition de mandat de négociation visant à faciliter la participation d'Etats tiers dans ce cadre institutionnel et, si possible, à établir un cadre réglementaire commun entre la Communauté et les Etats tiers

Expected date of adoption of the proposal: Quatrième trimestre 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

Le programme d'action intégré que la Commission proposera dans sa Communication sur la promotion du transport fluvial (fin 2005) ne peut donner son plein effet que s'il est mis en œuvre de manière cohérente. Le cadre institutionnel du transport par voies navigables en Europe est fragmenté, et les responsabilités sont dispersées entre plusieurs organismes, à voir la Commission Centrale pour la Navigation du Rhin, la Commission du Danube et la Communauté européenne. Sans modification de ce cadre actuel, aucun organisme ne sera en mesure de relever les défis à venir.

2. What are the main policy objectives?

Afin d'exploiter davantage le potentiel de la navigation intérieure de contribuer au transfert modal de la route à des modes de transport plus respectueux de l'environnement, la Communication de la Commission pour la promotion du transport fluvial (fin 2005) propose un programme d'action intégré. Le renforcement du cadre institutionnel pour la navigation intérieure fait partie de ce programme.

Le paquet de propositions a pour principal objectif de renforcer la position et le cadre réglementaire de la navigation fluviale. La création d'une agence européenne du transport par voies navigables en serait une option.

Dans l'objectif de permettre la participation des Etats tiers intéressés dans le cadre réglementaire, et de parvenir à un cadre harmonisé en Europe, l'établissement d'un tel cadre devra être accompagné par des accords bi- ou multilatéraux avec des pays tiers.

Les éléments du paquet sont les suivants :

1 - une proposition de règlement sur l'établissement d'un cadre institutionnel adéquat pour le transport par voie navigable

La proposition vise à créer un outil efficace, à l'échelle communautaire et auquel les Etats membres et les Etats tiers concernés pourront participer. Par rapport à l'organisation actuelle, un nouveau cadre, p.ex. une agence européenne pour la navigation intérieure, pourrait rendre sa structure plus efficace et faciliter de manière coordonnée la mise en œuvre du programme d'action. Dans ce cadre, et en utilisant les aptitudes et connaissances techniques ainsi rassemblées, les missions et compétences comprendront la contribution au travail législatif visant à établir des normes en matière technique et de sécurité, ainsi que d'autres tâches spécifiques telles le contrôle de l'application de l'acquis communautaire en la matière, l'observation du marché, et la contribution d'experts à la stratégie politique.

2 - une proposition de mandat de négociation visant à faciliter la participation d'Etats tiers dans le cadre institutionnel établi et, si possible/applicable, à établir un cadre réglementaire commun entre la Communauté et les Etats tiers

Afin de garantir la participation des pays tiers dans un cadre institutionnel commun, des accords bi/pluripartites devraient être conclu, en parallèle avec l'établissement de ce cadre, avec des pays européens qui disposent de voies navigables mais ne sont pas (encore) membres de l'Union.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

Lors de la préparation de sa Communication (fin 2005), la Commission a examiné la question du cadre institutionnel pour la navigation intérieure en Europe.

Les options suivantes, dont quelques-unes ont été proposées dans le cadre de la discussion sur le cadre institutionnel pour la navigation intérieure en Europe, ont été examinées par la Commission :

- a. Maintenir le cadre et les méthodes de travail actuelles, ce qui ne nécessite pas de mesures additionnelles.
- b. Renforcer davantage la coopération des différents acteurs, à voir la Commission Centrale pour la Navigation du Rhin, la Commission du Danube, la Commission économique des Nations unies pour l'Europe, et la Commission européenne. Cette option nécessitera une coordination accrue des travaux de ces organisations et pourrait être soutenue par des « Memoranda of Understanding » sur la coopération entre les différents acteurs.
- c. Créer une Organisation Européenne pour la Navigation Intérieure, tel que proposé par le rapport « EFIN » (European Framework Inland Navigation). Une telle organisation pourrait être créée soit par une déclaration, soit par une Convention internationale. Ces instruments pourraient, si nécessaire, être accompagnés par des « Memoranda of Understanding » entre les différentes organisations.
- d. Etablir une Agence européenne pour la navigation intérieure, sur base d'un règlement du Parlement européen et du Conseil.

Quant aux propositions de mandat de négociation, elles s'entendent comme complémentaires à la proposition d'établir un cadre institutionnel adéquat. Le ou les accords devraient permettre la participation des Etats tiers dans l'élaboration ainsi que dans la mise en œuvre de règles harmonisées pour tout le réseau des voies navigables européens.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

- a. Le maintien du cadre et des méthodes de travail actuelles présente l'inconvénient de ne pas apporter de solutions aux problèmes posés et de laisser persister la fragmentation organisationnelle, l'utilisation insuffisante des ressources administratives et humaines et la faible attention politique pour le transport fluvial en Europe.
- b. Le renforcement de la coopération des différents acteurs peu déjà être observé dans la situation actuelle, au moins en ce qui concerne les règles techniques. Cependant, cette option ne résout ni la question de la responsabilité dispersée, ni celle de l'attention politique insuffisante. Par le maintien des bases juridiques fragmentées, elle prive le transport fluvial d'un fondement adéquat au niveau européen. Les commissions fluviales ont un domaine de compétence limité. Aucune d'entre elles ne peut définir des règles au-delà du bassin fluvial respectif. La Communauté ne peut exercer pleinement ses pouvoirs. Cette option porte en outre le désavantage du double emploi des experts dans des multitudes de réunions auprès de quatre organismes différents.
- c. La création d'une Organisation Européenne pour la Navigation Intérieure maintiendrait le statu quo de plusieurs régimes différents dans la navigation intérieure. Elle ajouterait une nouvelle organisation aux organismes existants dans le secteur, ce qui ne résoudra pas les problèmes de la navigation intérieure qui ont été identifiés mais risquera d'ajouter de nouvelles frictions. De plus, le caractère intergouvernemental du cadre suggéré est inapproprié, parce qu'il ne permet pas d'adopter des règles juridiquement contraignantes. Il manquerait donc de l'effectivité et de l'efficacité qu'il veut obtenir.
- d. L'option préconisée par la Commission est celle de l'Agence européenne pour la navigation intérieure, car elle offre la base institutionnelle la plus large pour une politique stratégique et efficace dans le domaine de la navigation intérieure au niveau européen. Dans l'accomplissement de ses tâches, l'agence devrait agir en étroite consultation avec l'industrie et les partenaires sociaux, et coopérer avec les commissions fluviales internationales. En tant qu'organe de la Communauté européenne, elle serait ouverte à la participation de pays tiers.
Enfin, le cadre communautaire ne représente pas un niveau administratif supplémentaire. En assurant la participation du Conseil et du Parlement européen, il garantit que les décisions feront l'objet d'un contrôle

démocratique et seront donc plus proches des citoyens.

Le paquet aura un impact sur un large éventail d'acteurs du monde de la navigation intérieure et en particulier : les administrations responsables de la navigation intérieure des Etats membres et des Etats tiers, les commissions fluviales internationales, les autorités portuaires, les sociétés de classification, les armateurs et particuliers. Une évaluation d'impact approfondie accompagnera l'adoption du paquet. Celle-ci devrait notamment examiner les rôles et responsabilités respectives ainsi que les relations entre les différents acteurs dans les différentes options qui sont considérées.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

Les données recueillies pour élaborer le paquet fluvial proviennent des sources suivantes :

- des informations obtenues au travers des réunions de consultation publiques pendant la préparation de la Communication sur la promotion du transport par voies navigables intérieures, avec la participation notamment de l'industrie et des organisations professionnelles de la navigation intérieure,
- des informations obtenues au travers des réunions de discussion avec les Etats membres de la CCNR et d'autres Etats concernés au sujet du rapport du groupe de sages « EFIN » (European Framework Inland Navigation), y inclus l'analyse du rapport même,
- des travaux auxquels la Commission participe dans le cadre des commissions fluviales internationales (CCNR et Commission du Danube),

En outre la Commission compte d'effectuer, en vue d'une discussion approfondie au Parlement européen et au Conseil :

- des études de faisabilité et d'impact, notamment sur les aspects budgétaires,
- des analyses juridiques sur l'intégration du droit fluvial international dans le cadre communautaire.

6. Which stakeholders & experts will be consulted, how and at what stage?

La Commission entend utiliser les résultats des réunions de consultation organisées en 2005 avec les experts des Etats membres, les commissions fluviales internationales, la profession, l'industrie et d'autres parties intéressées, ainsi que des réunions de discussion avec les administrations nationales. En outre, sa proposition tiendra compte de la discussion que le Parlement européen et le Conseil mèneront au sujet de la Communication sur la promotion du transport par voie navigable (fin 2005). Il est possible que d'autres réunions soient organisées en 2006, en tant que de besoin.

7. Will an inter-service steering group be set up for the IA?

Of course

ROADMAP

Title of the proposal: Communication sur **une politique européenne pour les transports urbains**.

Expected date of adoption of the proposal: Novembre 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

Les problèmes de transport urbain sont complexes. La très grande majorité de la population européenne (80%) vit dans des zones urbaines. Un déplacement sur deux fait moins de 4km ; deux tiers des accidents routiers et un tiers des décès ont lieu en milieu urbain. Le transport urbain est presque totalement dépendant du pétrole. Il représente à lui seul 40% du CO2 émis dans le domaine des transports. Concernant les émissions de polluants, de nombreuses villes ont des difficultés à respecter la directive relative à la qualité de l'air. Le Livre Blanc « La politique européenne des transports à l'horizon 2010: l'heure des choix », le Livre vert de 2000 sur la sécurité d'approvisionnement énergétique et celui de juin 2005 sur l'efficacité énergétique, contiennent tous des éléments concernant spécifiquement le transport urbain.

Dans le domaine urbain, il existe déjà des mesures clairement identifiées dans le Livre Blanc, dont beaucoup dépendent de la subsidiarité. Les responsabilités se partagent en effet entre plusieurs partenaires: locaux, régionaux, nationaux et l'Union européenne, chacun dans son domaine de compétence. Des initiatives se concentrent sur la promotion des bonnes pratiques, la promotion des véhicules propres et une révision de la législation européenne sur les obligations de service public dans les transports en commun. Mais les échanges de bonnes pratiques et les programmes comme Civitas ont leurs limites. Compte tenu des problèmes croissants liés au transport dans les villes européennes, nous devons réfléchir à la nécessité de développer une vraie dimension urbaine comme une partie capitale de la politique européenne des transports et rationaliser l'utilisation des véhicules particuliers dans les villes.

2. What are the main policy objectives?

L'objectif est de développer une vraie politique communautaire pour le transport urbain, comme partie intégrée à la politique européenne des transports. Sur la base des résultats des consultations sur le livre vert de l'efficacité énergétique ainsi que celles effectuées dans le cadre de la révision à mi-parcours du livre blanc, la Commission proposera une communication sur une politique européenne pour les transports urbains.

La Communication pourrait mener à de futures propositions législatives pour améliorer la qualité du transport urbain afin de réduire la congestion, la pollution et les conséquences néfastes du transport urbain sur la santé et l'environnement, et d'améliorer la qualité du transport public. Elles pourraient être relatives à des règles harmonisées dans les villes en matière de restriction d'accès aux véhicules les plus polluants et les plus consommateurs d'énergie (« zones propres »), à des systèmes de tarification, à la promotion de l'utilisation de moyens de navigation intelligents, à la mise en place de limitation de vitesse harmonisés ou de priorité aux transports en commun.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

Etant donné la nature des compétences dans ce domaine, plusieurs options politiques alternatives seront considérées. Tout d'abord des mesures non législatives comme l'examen de la situation actuelle (par exemple la continuation de la promotion des meilleures pratiques dans le domaine du transport urbain) ; la promotion de mesures volontaires sera une deuxième option évaluée ; finalement des mesures législatives (par exemple sous la forme de directives) seront aussi évaluées.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

Un large éventail d'impacts seront évalués : tout d'abord les impacts économiques, comme les impacts sur la compétitivité de l'industrie liée au transport urbain, sur des villes/régions ou des secteurs spécifiques, sur les autorités publiques, ou sur les citoyens/passagers ; puis les impacts environnementaux sur la qualité de l'air, sur le climat, sur l'utilisation de l'espace ou sur la mobilité ; enfin, les impacts sociaux comme ceux sur la santé et la sécurité publique, sur la gouvernance, sur l'accessibilité ou sur l'emploi.

Les principales parties affectées seront les villes et les autorités locales, les opérateurs de transport, l'industrie automobile,

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

Un certain nombre d'informations sont déjà disponibles à travers des programmes ou des initiatives européennes comme CIVITAS ou ELTIS (The European Local Transport Information Service). D'autres informations seront recueillies durant la phase d'analyse et de consultation.

Etant donné qu'il s'agit d'une Communication, l'étude d'impact sera basée sur des analyses proportionnées. Dans une étape ultérieure, si des nouvelles propositions législatives étaient proposées suite à cette Communication, des études d'impact plus approfondies seront entreprises pour chaque proposition spécifique.

6. Which stakeholders & experts will be consulted, how and at what stage?

Dans le cadre de cette directive, la Commission organisera des consultations avec les acteurs extérieurs concernés, notamment certaines villes européennes ayant développé une expérience riche dans les domaines du transport urbain (par exemple les villes CIVITAS ou la ville de Londres qui a mis en place le « congestion charging » ou qui proposera des zones de faible émissions visant à décourager l'accès aux véhicules les plus polluants), des experts nationaux, l'UITP (Union Internationale de Transports Publics), etc.

7. Will an inter-service steering group be set up for the IA?

Oui, un groupe de pilotage sera créé. En effet, d'autres politiques de l'UE, chacune avec leurs propres objectifs, sont importantes pour l'amélioration des transports dans les villes. Dans ce contexte, une bonne coordination avec les différents services concernés (DG REGIO, DG RTD, DG ENV, DG ENTR, DG MARKT, ...) doit être assurée afin que des synergies soient réalisées autant que possible (par exemple liaison avec la proposition de la DG ENV sur la stratégie thématique urbaine).

ROADMAP

Title of the proposal: Priority Action. **Action Plan on Energy Efficiency**, accompanied, where appropriate, by legislative proposals

Expected date of adoption of the proposal: 2nd quarter 2006, possible legislative proposals at end 2006

A. Initial impact assessment screening

1. What are the main problems identified? Are they unlikely to be solved satisfactorily by the sole action of Member States? (principle of subsidiarity – necessity test)

- EU is missing out on major savings on its energy expenditure by not taking up cost-effective energy efficiency measures. 20% of current energy expenditure can be saved, thus enhancing competitiveness of EU industry (Lisbon Strategy) and attenuating the effects of the upward pressure on energy prices for the EU economy
 - A significant amount of the savings on energy will be reinvested in measures furthering energy efficiency. These sectors are highly labour intensive and present significant development potential, thus directly contributing to increased competitiveness of the European economy and better jobs.
 - This will bring important benefits in terms of lowering costs of the respect of the Kyoto Protocol, the after Kyoto period and other environmental commitments
 - The external dependency on energy of the EU is set to grow significantly. Energy efficiency improvements will serve to soften this sharp increase of dependence on third countries
 - Energy efficiency services are a sector of the economy relatively well developed in EU, which would benefit enormously from a real EU push, also in terms of exporting technology to regions with less developed energy services. This would create more and better jobs in the EU.

2. What are the main policy objectives?

- Stabilise and subsequently reduce energy demand in the European Union
- Enhancing competitiveness and job creation potential of the EU economy
- Reducing external energy dependence of the EU
- Assist in delivering on EU's environmental commitments in a cost-effective way.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

- A range of options is available, which is why the Green Paper launched a broad consultation lasting 9 months with all interested parties - industry, authorities and end-users - to define which concrete actions should be taken at EU level and which ones can be left to national, regional and local level. The Action Plan will reflect the outcome of this broad consultation and will indicate which concrete measures will be proposed.
- Among the options available can be cited:
 - Voluntary agreements with industry and/or end-users
 - EU Directives, or framework laws should the Constitution enter into force in 2007
 - Directly applicable EU legislation, regulations

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the impact assessment guidelines)?

Any possible measures relating to increased energy efficiency impact on economic, social and environmental fields. The impact on all those fields will therefore be studied. Energy efficiency furthermore impacts on a great number of actors, public authorities, industry, different professional groupings and all energy consumers.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when? What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

The broad consultation following the Green Paper, numerous studies on impacts and potentials for increased energy efficiency, do already give indications as to the feasibility and desirability of some policy initiatives, however, for some

concrete legislative initiatives it would be necessary to follow-up with a more in-depth IA. In this case proportionate analyses will be carried out.

6. Which stakeholders & experts will be consulted, how and at what stage?

All stakeholders and experts are consulted through the broad consultation that started after the adoption of the Green Paper. A dedicated website and mailbox have been created and are being used by stakeholders. In addition, the Representations of the Commission in the Member States and the Energy Agencies are involved in the communication activities surrounding the Green Paper and leading up to the Action Plan. Should specific actions be singled out as a result of this consultation, for instance in the buildings or transport sector, a wide range of stakeholders and experts will be reached in addition through web consultations and via other dedicated channels, trade magazines and the Energy Agencies for instance.

7. Will an inter-service steering group be set up for the IA?

As soon as potential policy options are identified, such a group will be set up. Start of 2006 looks likely. As an indication, DG's to be invited would be: ENTR, MARKT, COMP, ENV, SANCO, ECFIN, RTD, JRC. Probably three to four meetings will be held over a three month period.

ROADMAP

Title of the proposal:

European Neighbourhood Policy (ENP), First review of the implementation of the 2004 ENP Action Plans (“Progress reports”)

Expected date of presentation to College: 4th quarter

A. Initial impact assessment screening

1. What are the main problems identified?

With enlargement, the Union has acquired new external borders bringing new challenges and opportunities. The ENP is a crucial contribution to European security as identified in the European Security Strategy of 2003: “It is in the European interest that countries on our borders are well-governed. Neighbours who are engaged in violent conflict, weak states where organised crime flourishes, dysfunctional societies or exploding population growth on its borders all pose problems for Europe”.

It is in the enlarged Union’s interest that its external border does not create new dividing lines in an area that is closely connected by historical, cultural and economic ties. Some neighbouring countries have apprehensions about potentially negative effects enlargement might have on them. The Union therefore needs a structured way of dealing with neighbours who (currently) do not have an accession prospect.

2. What are the main policy objectives?

ENP aims at the creation of an area of prosperity, stability and security - based on common values, common interests and deeper integration - encompassing the enlarged Union’s neighbours to the East and the South that currently do not have a perspective of EU membership,. This combines progress demonstrating shared values and effective implementation of political, economic and institutional reforms, with closer economic and political links with the EU, including a stake in the internal market. ENP also facilitates regional co-operation and cross-border co-operation at the Union’s external borders through the implementation of Neighbourhood Programmes (2004-2006) and a new European Neighbourhood and Partnership Instrument for the period beyond 2006.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

At the time of preparing the original ENP Strategy Communication (adopted May 2004) various reactions to the new challenges posed by enlargement had been considered. The Commission proposed, and Parliament and Council agreed, that the preferred option was to pursue a neighbourhood policy that actively seeks to encourage stabilisation and reform efforts within the partner countries and offers them a measured and responsive degree of benefits.

The ENP is a clear priority for the enlarged Union, as affirmed in that Communication (COM(2004) 373, 12 May 2004), and in the related Council conclusions and Parliament resolutions. Thus, there is a clear consensus established within the Union in favour of this approach.

No regulatory instruments have been considered.

Since 2004, the Commission has begun to implement the new policy framework as proposed in two communications of 2003, and the Communication (ENP Strategy Paper) of May 2004. The key operational instruments for the neighbourhood policy are bilateral Action Plans, seven of which were formally adopted in 2005, following the presentation of Country Reports in May 2004. Action Plans are political documents. The Commission has been requested by the Council to report periodically on progress accomplished in the implementation of the Action Plans. The review to be carried out by the end of 2006 will lay the base for their adaptation and renewal. On the basis of five more Country Reports which were presented in February 2005 (and a sixth Country Report to be presented in 2006), Action Plans with further countries are being / will be elaborated.

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

In general, impacts of foreign policy are difficult to measure and always depend on a variety of assumptions about future developments, many of which are beyond the Union’s influence.

Nevertheless, the risks to stability and security in Europe inherent in option (i) above are very considerable and real. A number of independent studies have described these risks in graphic detail. Thus, negative security, economic, social, health and environmental impacts could be expected if, for example, the Union were to focus exclusively on the

upgrading of its new external borders without regard to the situations and developments beyond (options (i)-(iii)).

Basically, the Union faces the choice either to export stability or to import instability. Obviously, the latter could entail enormous yet incalculable costs in the future. Therefore, a constructive and coherent approach that can be implemented at reasonable cost is largely preferable over options (i) to (iii).

Option (iv) allows for the precise scope and intensity of EU engagement to be determined on the basis of a differentiated, country-specific analysis of costs and benefits. The EU's relationship with each neighbour will depend on the degree of the partner's commitment to common values and its capacity to implement jointly agreed priorities. Further analysis will be provided through a regular monitoring process and adaptation of Action Plans.

ENP will provide incentives for reforms that will bring benefits in terms of economic and social development. The convergence of economic legislation, the opening of partner economies to each other, and the continued reduction of trade barriers should stimulate investment and bring economic growth. This in turn will positively impact on prosperity within the Union itself through increased trade, and more generally, positive exchanges of people and ideas, ideally creating a virtuous circle.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

For each partner country that actively engages in ENP, the Commission elaborates Country Reports that describe the current situation in all sectors of particular interest, as well as the impact of recent policy measures. Implementation of the Action Plans will be closely monitored. For both, the Commission will draw on a wide range of information sources, from government information to contributions from Commission delegations, international institutions, media and civil society. A regular revision and adaptation of both Country Reports and Action Plans is foreseen. The results of this monitoring will be assessed and reported upon in an annual Review, and the present Communication will be the first of these.

6. Which stakeholders & experts will be consulted, how and at what stage?

See previous question.

7. Will an inter-service steering group be set up for the IA?

A Wider Europe Inter-Service Group already exists which ensures coordination through formal as well as informal cooperation between services regarding Country Reports, Action Plans and other Commission initiatives.

ROADMAP

Title of the proposal:

Proposal for a Council decision establishing negotiating directives for an enhanced agreement to replace, or amend, the Partnership and Co-operation Agreement between the European Community and its Member States and Ukraine

Expected date of presentation to College: 4th quarter

A. Initial impact assessment screening

1. What are the main problems identified?

This proposal will not address a problem, but will provide the basis to work towards an enhanced agreement between the EU and Ukraine to replace, or amend, the Partnership and Co-operation Agreement at the end of its 10-year initial period, in 2008. The perspective of an enhanced agreement with Ukraine is also included in the ENP Action Plan for Ukraine.

The Council conclusions on Ukraine of 22 February 2005 stipulate that the EU undertakes to “initiate early consultations on an enhanced agreement between the EU and Ukraine, to replace the Partnership and Co-operation Agreement at the end of its initial ten-year period, as soon as the political priorities of the ENP Action Plan have been addressed.”

2. What are the main policy objectives?

To further reinforce EU – Ukraine relations, based on common values, with a view to closer political co-operation and economic integration.

3. What are the policy options? What regulatory or non-regulatory instruments could be considered?

International agreement

4. What are the impacts likely to result from each policy option and who is affected? Which impacts are likely to warrant further analysis (cf. list of impacts in the enclosed guide)?

The envisaged agreement being a framework agreement aimed at covering the entire range of EU –Ukraine relations, the agreement is to result in overall reinforced relations between the EU and Ukraine.

It is envisaged that this framework agreement will eventually incorporate the envisaged Economic integration and free trade agreement with Ukraine, preparatory work for which is to be launched in the first half of 2006.

B. Planning of further impact assessment work

5. What information and data is already available? What further information needs to be gathered? How will this be done (e.g. internally or by an external contractor) and by when?

A systematic follow up of the implementation of the Partnership and Co-operation Agreement and of the EU – Ukraine ENP Action Plan is taking place through the institutions of the Partnership and Co-operation Agreement, and through a day-to-day follow up by the Commission, including input from Member States, other EU institutions, Ukraine, and all possible interested parties (economic operators, NGOs, academic community, etc).

6. Which stakeholders & experts will be consulted, how and at what stage?

Member States – COEST Council Working Group; see also above point 5.

7. Will an inter-service steering group be set up for the IA?

The inter-service group following overall EU – Ukraine relations will also follow up work in this context.