

to address. This should then be clearly linked with the objectives section. The IA report should at this point clarify how the policy objectives, economic objectives, and technical objectives relate to each other.

(2) Market failures and competition issues should be more thoroughly analysed.

While the IA report does analyse the market failures that this initiative is supposed to address, it could usefully add information on the geographical scope of these failures (local, national, EU or global) by indicating the geographical location of the critical parts of the supply chain. It should complete the analysis by commenting on how private parties could be or have been able to correct these failures themselves, for instance by building alliances and de-verticalization. Furthermore, the IA report should have regard to the competition impacts that setting up the JTI may have, and better distinguish between developing a new technology and actual production.

(3) The analysis of policy options should be elaborated. The IA report should more clearly summarise the reasons for discarding the alternative legal models for the JTI. Similarly, with regard to the option 'participation in joint actions by Member States' the IA report should elaborate more on the 'difficulties' that have led to discarding. With regard to both options, the IA report should assess them on the grounds of how well they contribute to reaching the policy objectives, and avoid giving the impression that they are discarded solely on the ground that the Commission cannot fully participate in these.

(D) Procedure and presentation

With regard to procedure, the IA report should explicitly state whether this document is also intended to meet the requirements for an ex-ante evaluation, in the sense of the Financial Regulation, for initiatives with an impact on the EU budget.

With regard to presentation, the IA report should aim to more closely respect the recommended maximum length of 30 pages (excluding annexes). An executive summary needs to be added.

IAB scrutiny process

Reference number	2007/INFSO/038
Author DG	INFSO
External expertise used	No
Date of Board Meeting	Written procedure
Date of adoption of Opinion	30 May 2007