

EUROPEAN COMMISSION IMPACT ASSESSMENT BOARD

Brussels, 30 May 2007 D(2007) **4302** ·

Opinion

<u>Title</u> Impact Assessment on: Joint Technology Initiative in the area

of nanoelectronics

(draft version of 8 May 2007)

Lead DG

DG INFSO

1) Impact Assessment Board Opinion

(A) Context

The Commission initiative "i2010" identified strengthening of innovation and investment in ICT research as a way to narrow the productivity gap between Europe and competing zones. The Seventh Framework Programme introduced the concept of Joint Technology Initiatives (JTI), and during the implementation of this programme the Commission and the Competitiveness Council of 4-5 December 2006 identified nanoelectronics as one of the potential areas for the establishment of a JTI.

(B) Positive aspects

The IA report contains a good overview of various risks (subdivided by stakeholder affected) associated with the proposed initiative.

(C) Main recommendations for improvements

The recommendations below are listed in order of descending importance.

General recommendations: The sections on problem definition and objectives should be more concise, while the analysis of discarded options and the analysis of competition impacts of the preferred option need further elaboration.

(1) The problem definition and objectives should be more focused and concise. The problem definition is very elaborate and raises a lot of issues in relation to R&D in general and nanoelectronics in particular. However, not all of these issues are (explicitly) carried forward in the remainder of the IA report, presumably because they are not directly relevant in the context of this initiative. This section could therefore be substantially shortened and more clearly focused on the key issues that the initiative aims

Commission européenne, B-1049 Bruxelles / Europese Commissie, B-1049 Brussel - Belgium. Telephone: (32-2) 299 11 11. Office: BERL 6/29. Telephone: direct line (32-2) 2981898. Fax: (32-2) 2965960.

E-mail: impact-assessment-board@ec.europa.eu
Website: http://www.cc.cec/iab/ii/index_en.cfm

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