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## **Opinion**

<u>Title</u> Impact Assessment on the Freight Transport Logistics Action

Plan (draft version 4 July 2007)

Lead DG DG TREN

# 1) Impact Assessment Board Opinion

#### (A) Context

The scope of the Action Plan and the accompanying Impact Assessment has been influenced by the Communication on Freight Transport Logistics in Europe – the key to sustainable mobility (COM(2006) 336 final). It was also announced in the Communication from the Commission "Keep Europe moving - Sustainable mobility for our continent" - mid-term review of the European Commission's 2001 Transport White Paper (COM(2006)314).

## (B) Positive aspects

The Impact Assessment report provides a detailed account of the background and content of the Action Plan and the corresponding appraisal activities undertaken so far.

# (C) Main recommendations for improvements

The recommendations below are listed in order of descending importance. Some more technical comments have been transmitted directly to the author DG.

General recommendation: The IA report requires improvements in several key aspects: focused and coherent formulation of both the problems and objectives; consideration of alternatives to the actual measures proposed; for all options, a balanced appraisal of all the relevant economic, environmental and social impacts, at the various levels of aggregation (company, sectoral and macro level); an analysis of the trade-offs and synergies between the measures contained in the Action Plan. These recommendations were largely accepted by DG TREN in the written procedure.

(1) The IA report should clarify the precise nature of the problems that the Action Plan intends to address. It should distinguish them clearly from the wider context and

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/i/index\_en.cfm

observed trends in the transport sector. This should include a clear identification of the most affected stakeholders. Subsequently, the IA report should formulate general objectives and work these out in specific objectives, expressed in SMART terms rather than in terms of the actions proposed. The report should also explain why the objectives of the action plan cannot be achieved by the Member States or the transport sector alone.

- (2) The IA report should consider alternative options. So far, only one option (the Action Plan itself) is analysed. Additional options should be considered which take account of the political context, in particular past commitments of the Commission, and thus reflect the Commission's room to set the scope and content of proposed actions. The appraisal should also take account of the revealed preference of stakeholders. Moreover, the IA report should address the synergies and trade-offs between the various sub-options related to the elements contained in the Action Plan.
- (3) The appraisal of the options should be balanced. The various options/sub-options should be assessed in comparable degree, as regards the economic, environmental and social aspects and the level of aggregation (company, sectoral and macro level). This includes a consideration of the overall change in transport efficiency to be expected; the expected modal shift in transport; the investment costs implied by certain measures; a more elaborate appraisal of the administrative costs; the expected changes in the number and character of jobs in the transport sector; and the environmental impacts taking account also of the consequences of the additional demand for transport induced by the lower transport costs.
- (4) The IA report should review the robustness of certain cost/benefit parameters. The estimated benefits look very high given the actions actually proposed and require a more elaborated explanation. Any appraisal exercise of macro effects, which cannot serve as a substitute for other appraisals, needs to justify the choice of the model used and why it is considered suitable although it neglects the opportunity cost of financing investment, explain briefly the assumptions underlying the model, and make an explicit link between the inputs to that model and the preceding estimates of impacts at sectoral level.

### (D) Procedure and presentation

The minimum standards for inter-service and stakeholder consultation have been met. The current report follows more or less the standard format; it is recommended while revising the report to stay close to the size limit of 30 pages (as recommended by the Guidelines).

## 2) IAB scrutiny process

Reference number	2007/TREN/009 CLWP Priority initiative
Author DG	TREN
External expertise used	No
Date of Board Meeting	written procedure
Date of adoption of Opinion	23 July 2007