



Brussels, 19 February 2007
D(2007) 1645

Opinion

Title **Impact Assessment report on: HACCP - Food hygiene
(Administrative Burden Reduction 'omnibus')**

(draft version of 14 February 2007)

Lead DG **DG ENTR**

1) Impact Assessment Board Opinion

(A) Context

This initiative is part of the implementation of the Commission's action programme on administrative burden, which was presented on 24 January 2007 and which will be discussed at the Spring European Council. It aims to demonstrate the Commission's determination to quickly bring concrete actions under this programme.

(B) Positive aspects

The problem definition gives a good and concise overview of the problems that were identified in the application of the existing regulation, and the steps that were taken – in consultation with stakeholders – until now to solve these issues.

(C) Main recommendations for improvements

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

General recommendation: The draft IA report should be complemented with a tentative indication of the expected administrative burden reduction and a justification for the proposed scope of application for exemption.

(1) The reduction in administrative burdens should be assessed. The IA report only mentions an estimate of the total administrative costs resulting from the regulation (€220 million) and projects a significant reduction as a result of the preferred option. The uncertainties in the extrapolation used and the underlying cost model that has been used should be given. Even if a calculation of the administrative burden reduction using the EU SCM is not possible at this stage because of political urgency and the lack of readily available data, it should be possible to give a qualitative indication of the reduction that can be expected. Finally, it should be made clear which HACCP requirements fall under

the definition of administrative costs and which correspond to other types of compliance costs.

(2) The options should be better formulated. It should be made clear why a better application of the guidance document is not part of the options. As far as option 2 is concerned, the scope of exemption needs to be clarified. The preferred option suggests to exempt some retail outlets from the identified information obligations, without indicating which (approximate) share of the total population of firms would be concerned and hence what the potential gains would be. "Businesses that prepare food in accordance with well known and established procedures" is quite wide (the only businesses not exempted would be those preparing food through innovative procedures). This could mean exempting "big" food business, while the draft IA refers only to "smaller businesses".

(3) The assumption of good hygiene practices making HACCP regulation redundant for the exempted businesses needs to be backed by precise references. The mere reference to "evidence based on experience" is not sufficient to demonstrate that health risks would not increase as a result of the proposed exemption. Compliance with good hygiene practices could suffer from the repeal of HACCP documenting and reporting obligations. The IA report should indicate why this will not be the case (for instance by referring to reporting obligations linked to hygiene practices). It should also be made more clear why normal food hygiene procedures would not work for "big" food industry, which is the main reason for discarding option 3.

(D) Procedure and presentation

The IA report does not comment on the procedural steps taken, but it appears that due to the political urgency of this initiative several of the normal procedural requirements were not met or only in a highly accelerated way.

2) IAB scrutiny process

Reference number	Not available
Author DG	ENTR-B-3
External expertise used	No
Date of Board Meeting	Written procedure
Date of adoption of Opinion	19 February 2007



Brussels, 19 February 2007
D(2007) 1646

Opinion

Title **Impact Assessment report on: Company law - mergers
(Administrative Burden Reduction 'omnibus')**

(draft version of 14 February 2007)

Lead DG **DG ENTR**

1) Impact Assessment Board Opinion

(A) Context

This initiative is part of the implementation of the Commission's action programme on administrative burden, which was presented on 24 January 2007 and which will be discussed at the Spring European Council. It aims to demonstrate the Commission's determination to quickly bring concrete actions under this programme.

(B) Positive aspects

The impact assessment is appropriately focused on the impacts of the changes proposed and generally proportionate to the expected impacts (see however comments below).

(C) Main recommendations for improvements

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

General recommendation: This IA report needs improvements in the assessment of benefits and in the comparison of options.

(1) The reduction in administrative burdens should be assessed. The IA report only mentions the total administrative costs resulting from the directive (€490 million), and does not provide data on the expected reduction. The weaknesses underlying the extrapolation used (e.g. the particular situation in the UK and potentially other countries) and the underlying cost model should be given. The expected reduction in burden should be assessed using the EU SCM, if need be in a subsequent stage. An important factor in this respect is the expected number of mergers that would take place without a report being requested and the particular impact on SMEs in this context.

(2) The comparison of options 2 and 3 needs elaboration. As the IA report makes

clear, these options are alternative ways of making the information requirement voluntary and as such are rather similar. The IA report makes it clear why option 2 is less burdensome, but could elaborate more on why option 3 provides better shareholder protection (demonstrating, for example, why asking shareholders to agree that a report is not needed could be considered as 'informed consent'). This is especially relevant as this latter point seems to swing the balance in favour of option 3.

To support the claimed savings, evidence that the reports currently produced are not appreciated by shareholders should be presented. Consideration also needs to be given to the additional administrative requirement to consult shareholders on the need to produce a report.

(D) Procedure and presentation

The IA report does not comment on the procedural steps taken, but it appears that due to the political urgency of this initiative several of the normal procedural requirements were not met or only in a highly accelerated way. It would be especially useful for the IA report to include the results of stakeholder consultation, so that it would be clear how the concerned operators value this initiative.

2) IAB scrutiny process

Reference number	Not available
Author DG	ENTR-B-3
External expertise used	No
Date of Board Meeting	Written procedure
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Brussels, 19 February 2007
D(2007) 1647

Opinion

<u>Title</u>	Impact Assessment Report on: Regulation 11 Transport (Administrative Burden Reduction 'omnibus') (draft version of 14 February 2007)
<u>Lead DG</u>	DG ENTR

1) Impact Assessment Board Opinion

(A) Context

This initiative is part of the implementation of the Commission's action programme on administrative burden, which was presented on 24 January 2007 and which will be discussed at the Spring European Council. It aims to demonstrate the Commission's determination to quickly bring concrete actions under this programme.

(B) Positive aspects

The impact assessment is appropriately focused on the impacts of the changes proposed and generally proportionate to the expected impacts (see however comments below).

(C) Main recommendations for improvements

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

General recommendation: This IA report needs clarification on the estimated potential benefits as well as on the assertion that the underlying objective of the legislation is not affected.

(1) The calculation of administrative costs should be more transparent. The IA report only contains the grand total of the administrative burden calculations based on an extrapolation. Insofar as assumptions or estimates were made these should be mentioned, thus allowing a better understanding of the accuracy of the figures. The uncertainties caused/magnified by the extrapolation should be addressed, as well as the underlying cost model that was used. Finally, the IA report should state that the amount of reduction provided by this action will be confirmed or revised on the basis of additional calculation. The EU Standard Cost Model should be applied in this case, but this may be

done at a later stage considering the political urgency.

(2) The problem definition should be clearer on the overlapping requirements. The IA report uses rather general language when it states that many of the information requirements are no longer needed, and that the same information is in any event included in other documentation. This assertion should be substantiated in view of the general principle that the underlying purpose of the legislation should not be affected. It would, on one hand, allow an analysis of the risk of undesirable side effects of the preferred option and, on the other hand, assist in understanding why the proposed modification should be the preferred option for change as opposed to the withdrawal of one of the other duplicating legal requirements.

(D) Procedure and presentation

The IA report does not comment on the procedural steps taken, but it appears that due to the political urgency of this initiative several of the normal procedural requirements were not met or only in a highly accelerated way. It would be especially useful for the IA report to indicate whether a stakeholder consultation has taken place and with what results, so that it would be clear how the concerned industries value this initiative.

2) IAB scrutiny process

Reference number	Not available
Author DG	ENTR-B-3
External expertise used	No
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