



EUROPEAN COMMISSION
IMPACT ASSESSMENT BOARD

Brussels,
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Opinion

Title

DG INFSO - Impact Assessment on: Guidelines on broadband and digital service infrastructure in the trans-European networks of infrastructure (Connecting Europe Facility)

(draft version of 1 August 2011)

(A) Context

The Commission adopted an over-arching proposal for the next multiannual financial framework (MFF) for EU spending on 29 June 2011, fixing the overall budget, allocations across high-level headings and key implementation choices. A series of follow-up proposals to provide a legal basis for sectoral spending programmes and to establish their specific budgetary arrangements are currently being finalised. One such proposal relates to the Connecting Europe Facility (CEF) that brings together infrastructure programmes and actions managed by DGs MOVE, ENER and INFSO. This Impact Assessment report will accompany a related proposal for the guidelines on broadband and digital services infrastructures in the trans-European networks of infrastructure for the post 2013 programming period.

The IAB has focused on the policy choices not yet fixed by the June MFF Communication.

(B) Overall assessment

The IA report needs to be significantly improved in several important aspects. Firstly, it should clarify how this proposal relates to the broader Connecting Europe Facility and other related initiatives. Secondly, the report needs to better explain the existing funding, the market failures for networks and cross border services and regulatory gaps in the area of the digital infrastructures. The report should also explain the different elements and operational measures that will be included in the guidelines and should assess their impacts. Finally, the intervention logic needs to be strengthened.

(C) Main recommendations for improvements

(1) Better explain the context of the proposal and ensure its coherence with CEF.

The report should better describe how this initiative relates to the Regulation establishing the Connecting Europe Facility and other related policies, such as the guidelines in other policy fields and the project bonds initiative. Against this background, it should explain the purpose of the current proposal for digital infrastructures guidelines by making clear what are the policy choices not yet fixed by the broader CEF proposal and what still needs to be defined in the guidelines. The report should also clarify the legal base of the proposal.

(2) Enhance the problem definition. The report should better explain the existing funding and regulatory gaps as regards the digital infrastructures, including their geographical distribution where relevant, and should strengthen the justification for public financing needs in this area. The role of National Regulatory Authorities should also be explained. The market failures related to funding of the core infrastructure layer and the value added services layer of digital infrastructures should be better substantiated with evidence and related where possible to issues identified in the evaluations and consultations.

(3) Clarify the scope of the guidelines. The report should explain and assess different elements and operational measures that will be included in the guidelines and back them up with figures. Depending on the purpose of the guidelines, the report should for instance discuss the governance structure, the criteria to select projects, or different financing modalities. It should then analyse their expected impacts and compare them according to their effectiveness and efficiency, preferably also at Member State level. Finally, the intervention logic should be strengthened by clearly linking the identified problems to the objectives and the concrete measures included in the guidelines.

Some more technical comments have been transmitted directly to the author DG and are expected to be incorporated in the final version of the impact assessment report.

(D) Procedure and presentation

The report should provide a clearer summary of the stakeholders' positions relevant for the current proposal for "guidelines on broadband and digital service infrastructures", and should reflect their different views throughout the report. The report should also better follow the structure set out in the IA guidelines. Its length should be brought closer to the recommended 30 pages, for instance by shortening the problem definition section and by moving the lists of consultations and evaluations to the Annexes.

(E) IAB scrutiny process

Reference number	[No reference number]
External expertise used	No
Date of Board Meeting	31 August 2011