



EUROPEAN COMMISSION
IMPACT ASSESSMENT BOARD

Brussels,
D(2011)

Opinion

Title **DG DEVCO - Impact Assessment on a proposal for an Instrument for Nuclear Safety and Co-operation (INSC)**
(draft version of 8 August 2011)

(A) Context

Following up on the over-arching proposal for the next multiannual financial framework (MFF) for EU spending adopted on 29 June 2011, the Commission is currently preparing a series of follow-up proposals providing a legal basis for sectoral spending programmes and establishing their specific budgetary arrangements. In the area of external action, these include proposals for various financial instruments which should be supported by impact assessments, including Instrument for Nuclear Safety and Co-operation (INSC). According to the Commission June MFF Communication, the objective of the instrument is to support the promotion of a high level of nuclear safety, radiation protection and the application of efficient and effective safeguards of nuclear material in third countries. Total proposed allocation for the 2014-2020 period is €0.56 bn (2011 prices).

The IAB has focussed on the policy choices not yet fixed in the MFF June package.

(B) Overall assessment

The report should be significantly improved in several important respects. Firstly, it should clearly indicate all the dimensions of the problem on the basis of more concrete examples of identified problems, a more extensive presentation of evaluation results and a more thorough assessment of the value added of the current instrument. Secondly, the report should establish a clear intervention logic, by designing policy objectives that address the identified problems and by focusing policy options on the policy choices remaining after the Commission June MFF package. Thirdly, the report should strengthen the analysis of impacts and the comparison of the options' effectiveness, efficiency and coherence. Finally, it should provide a more extensive presentation of differences in stakeholders' views for the proposed new instrument.

Unless considerable improvements are made to address the recommendations above, this IA report cannot be considered to provide the evidence base to support decision-making that is normally expected from an impact assessment.

(C) Main recommendations for improvements

(1) Strengthen the problem analysis. The report should provide a more consolidated analysis of the problems with the implementation of the current instrument that have been identified in the evaluation(s) or through stakeholder consultation. It should clearly indicate up-front which issues have been already decided in the Communication on 'A budget for Europe 2020', and which remain to be addressed. The report should provide greater clarity about the scope of application of the INSC, and should analyse its adequacy to address new challenges that it may need to focus on (e.g. rehabilitation of Chernobyl site vs. addressing nuclear waste issue). On that basis the report should discuss in more depth the following issues: (i) limited absorption capacity of beneficiary countries, (ii) potential overlaps with other instruments, notably Instrument for Stability, (iii) mode of implementation and types of projects used (direct engagement with operators in third countries vs. co-operation with International Atomic Energy Agency). The report should make a greater effort to provide quantitative analysis of these issues, or to include concrete illustrative examples. This analysis should also allow for a clear demonstration of the value added of the instrument so far.

(2) Strengthen the intervention logic and improve the design and the presentation of the policy options. The policy objectives should be designed in "SMARTer" terms, clearly corresponding to the problems identified and the envisaged specific measures. While the report can briefly recall the policy choices and the proposed financial allocation already agreed in the June MFF package, it should clearly focus on the remaining policy choices and challenges (e.g. stress tests). The report should further develop (and justify) the content of option 2, and should provide sub-options that would correspond to the specific objectives (and identified problems). A more detailed explanation for disregarding Option 1 "no change" is needed, given the recommendations provided by the Report mentioned at §2.2.1. Possible sub-options could cover issues such as geographical scope, absorption capacity, and management and implementation. Finally, robust and objective progress indicators reflecting the redefined objectives should be discussed to ensure effective monitoring of the implementation of the INSC.

(3) Better analyse expected impacts. The report should explicitly acknowledge that no precise direct impacts can be assessed given the nature of the regulation in question. Within these limits, however, the report should show in concrete terms how and to what extent the options considered would address the problems identified and lead to improved results. Given the different elements of the current instrument, the report should indicate how the proposed changes would potentially affect the allocation either for the beneficiary countries, or with respect to past priorities (e.g. site rehabilitation vs. regulatory co-operation). The report should also analyse in greater depth the potential for simplification (including across instruments). On the basis of a strengthened analysis of impacts, the report should improve the comparison of options and sub-options by comparing their effectiveness, efficiency and coherence relative to the baseline development.

(4) Expand the presentation of stakeholders' views. The report should provide more detailed information about the stakeholder consultation and differences in stakeholders' views, including the views of experts, on the specific changes proposed to the current INSC.

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

Acronyms should be explained when first used. The report should also clarify (in section 7.2) when an evaluation for the proposed new instrument would be planned and whether this would fit with the decision-making needs for the next programming cycle. Section 2.4 (currently marked as “the underlying drivers of the problem”) should be used in the analysis of the policy objectives, and the specific measures (p.17) should be analysed under policy options.

(E) IAB scrutiny process

Reference number	2011/DEVCO+/004
External expertise used	No
Date of Board Meeting	Written Procedure