



EUROPEAN COMMISSION  
Impact Assessment Board

Brussels,  
D(2011)

## Opinion

**Title**                      **DG OLAF - Impact Assessments on the Hercule and Pericles Programmes**

**(draft version of 8 September 2011)**

### **(A) Context**

The Hercule programme is the only EU programme specifically dedicated to fighting fraud against the EU Budget: it is appropriate to maintain a separate programme to fund activities to protect the EU Budget given both the political sensitivity of this issue, the unambiguous terms of the relevant provisions of the Treaty and the Commission's obligations under the legally binding agreements between the Commission, Member States and four international tobacco manufacturers. The Treaty provides for the principle of effective and equivalent protection across the Member States and the EU Institutions, bodies, offices and agencies (Article 325 TFEU).

The Pericles Programme is an exchange, assistance and training programme for the protection of the euro against counterfeiting. The programme was established by Council Decision 2001/923/EC of 17 December 2001 and its effects were extended to all EU Member States, also including the ones which have not adopted the euro as the single currency, by Council Decision 2001/924/EC of 17 December 2001. Subsequent amendments to these basic acts by Council Decisions 2006/75/EC, 2006/76/EC, 2006/849/EC and 2006/850/EC have prolonged the duration of the programme until 13 December 2013.

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

### **(B) Overall assessment**

**The two reports require considerable further work on several important aspects. Firstly, they should improve the presentation of the background and underlying problems, by providing more concrete evidence and by using relevant evaluation findings. Secondly, the reports should better demonstrate the concrete need and value added of an EU intervention. Thirdly, the reports should differentiate objectives by categories (general, specific, operational), clarify their content, express them in S.M.A.R.T. terms, and link them to tangible monitoring indicators. Further, the reports should improve the intervention logic by clearly linking the**

objectives to identified problems, and to the relevant options . Fourthly, the reports should analyse the different options in greater detail and they should clearly describe the comparative advantages of the preferred option, using a clear set of comparison criteria (effectiveness, efficiency, coherence). Finally, the reports should spell out more extensively the monitoring and evaluation arrangements.

**(C) Main recommendations for improvements**

**(1) Better explain the background and strengthen the problem definition.** The reports should present a more precise and evidence-based analysis of the specific drivers to demonstrate the seriousness of the problems, for instance by including representative examples, incorporating further detailed evidence and quantitative data where possible. The reports should use recent information where available and explain the current programmes in more detail. Furthermore, the reports should make better use of evaluation results and they should include relevant summaries of evaluations or studies in an annex.

**(2) More thoroughly discuss subsidiarity issues.** The reports should include a detailed subsidiarity discussion. They should explain the concrete need for an EU intervention and explain in more detail the value added of an EU intervention, including a presentation of the legal basis.

**(3) Clarify the objectives and improve the intervention logic.** The reports should differentiate the objectives by using the standard categories of general, specific and operational objectives. The objectives should be clearly designed according to the S.M.A.R.T. (Specific, Measurable, Achievable, Relevant and Timed) criteria. In so doing, the reports should present the objectives as a benchmark to be later used for the comparison of the options. The reports should significantly strengthen the intervention logic by clearly linking the objectives to the identified problems. The reports should, further, create a stronger link between the objectives and the policy options by presenting realistic options that can deliver on the given objectives. In this context the baseline scenarios should be clearly indicated. The reports should also link the objectives closer to the monitoring indicators.

**(4) Improve the analysis of impacts and the comparison of options.** The reports should provide a more substantive impact analysis of the options. The reports should do this by including a detailed description of the available evidence and the underlying assumptions. In this context, the reports should also extend the analysis of simplification and administrative burden issues by substantiating the corresponding presentation and by corroborating the arguments with robust evidence. The reports should compare the policy options against a clearly defined baseline scenario using a stringent set of comparison criteria (effectiveness, efficiency, coherence). The reports should better substantiate the presentation of the preferred option by clearly stating which options are preferred and by presenting the advantages, the value added and trade-offs compared to the baseline scenario. An apparent inconsistency between the two reports regarding a potential merger of the two programmes should be clarified.

**(5) Better present the monitoring and evaluation arrangements.** The reports should substantiate the monitoring and evaluation arrangements by considerably extending their

presentation and scope, and by including a set of concrete progress indicators that are clearly linked to the preferred option.

*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**

In terms of presentation, the structure of the reports should follow much more closely the impact assessment guidelines. Relevant information should be presented in the respective chapters and repetitions should be avoided throughout the report. The reports should avoid the use of EU jargon and of unexplained abbreviations. The content of the executive summaries should be better aligned with the IA reports.

The IAB secretariat will be available to give technical assistance and advice to improve the impact assessment reports.

**(E) IAB scrutiny process**

Reference number	2011/OLAF/003 (Hercule), 2011/OLAF/004 (Pericles)
External expertise used	No
Date of IAB meeting	05/10/2011 (Written procedure)