



**EUROPEAN COMMISSION**  
Impact Assessment Board

Brussels,  
D(2012)

**Opinion**

**Title**                    **DG CNECT - Impact Assessment on the participation by the European Union in a follow up to the Ambient Assisted Living Joint Programme undertaken by several Member States**  
**(draft version of 25 October 2012)\***

**(A) Context**

The Ambient Assisted Living Joint Programme (AAL JP) is a joint research and innovation funding programme established jointly between 23 European countries with financial support from the 7th Framework Programme for Research and Technological Development (FP7). The programme is targeting development of innovative ICT based solutions for ageing well to achieve a triple win of better quality of life for citizens, more sustainable care systems and creation of large new market opportunities for European industry, in particular for SMEs. The current AAL JP (2008-2013) is financed by participating countries, the EU, and the organisations participating in the AAL JP projects. It has a minimum total public budget of €300 million and a total minimum budget of €600 million. This includes up to €150 million from the EU FP7, through art. 185 of the Treaty on the Functioning of the European Union (TFEU). This impact assessment report supports a potential Commission proposal on the participation of the European Union in the follow-up to the AAL JP.

**(B) Overall assessment**

**The report should be improved in several respects. Firstly, it should better explain the policy context of the AAL JP2, in particular, its link with the Horizon 2020 and other relevant initiatives. It should also better present the current content of AAL JP and highlight the remaining problems and market failures to be concretely addressed by the follow-up initiative, fully informed by the interim evaluation and stakeholder views. Secondly, the report should present a more developed baseline scenario that can serve as a reference for the comparison of policy options. Thirdly, the report should define the objectives in such a manner that it would be possible to evaluate the extent to which AAL JP2 has generated the intended effects. Fourthly, the report should design options that are feasible and realistic alternatives to achieve the set objectives, for instance, by presenting sub-options on how to improve the AAL JP taking into account different funding scenarios. It should better describe the content of each option, its practical implementation and how it will concretely address the identified problems. The report should present a better structured and more thorough analysis of social and health impacts. Finally, it should present a more comprehensive comparison of options against a fully developed baseline scenario in terms of effectiveness, efficiency and coherence.**

\* Note that this opinion concerns a draft impact assessment report which may differ from the one adopted

### **(C) Main recommendations for improvements**

**(1) Better describe the policy context and improve the problem definition.** The report should better explain the policy context of this initiative by outlining the rationale behind the introduction of AAL JP and by clarifying the extent to which the reasons for continuing this joint programme are still relevant for the coming years. The scope of the current programme should be clarified to allow a meaningful comparison with a possible follow-up initiative. In doing so, the report should highlight the remaining problems and market failures to be concretely addressed by AAL JP2, informed by the lessons learned from the interim evaluation and stakeholder views. Furthermore, it should clearly describe the linkages between the AAL JP2 and Horizon 2020 as well as other relevant initiatives, such as European Innovation Partnership for Active and Healthy Aging. The report should describe the current situation regarding research on ICT-based products and services for aging well and related markets in the Member States, as well as its worldwide competition. The report should explain how the challenge of an aging society is addressed in other countries through similar initiatives and substantiate any statements made in this regard. When highlighting the successes of the AAL JP (e.g., leverage, SME participation, securing funding for market roll-out) it should compare it to the other research and innovation initiatives. The report should provide a more detailed description of problems and their drivers. For example, it should explain why user organisations are not eligible in all participating countries and what other technical barriers exist, in particular, regarding standardisation and interoperability. Moreover, statements related to low penetration, high prices and incompatibility issues of ICT products for elderly persons, mentioned under a low market availability of ICT products, should all be described in more detail and backed up with evidence.

**(2) Strengthen the baseline scenario.** The report should develop a robust and complete baseline scenario that can serve as a reference for the comparison of policy options. The baseline scenario relies exclusively on qualitative description, and therefore should be complemented by factual evidence expressed in quantitative terms where possible. In particular, it should describe and where possible quantify the benefits generated by the current AAL JP. The report should clearly explain the consequences to different stakeholder groups of maintaining the AAL JP in its current form. It should also mention if the allocated funding can be used differently if the AAL JP is not renewed.

**(3) Better formulate the objectives and clarify the corresponding monitoring and evaluation arrangements.** The report should present the objectives in a "SMARTer" and more hierarchical way, in particular, by making them more specific and measurable. General objectives should be presented in a way that they link this particular initiative to the existing policy setting with the same or similar objectives, such as research, innovation, health. Specific objectives should be presented in more precise terms identifying what exactly is to be achieved by this initiative. For example, it should explain what is sufficient (number of participants, cooperation, R&D and innovation activity) to create a critical mass of R&D and innovation. Operational objectives should be defined more specifically in terms of deliverables. For example, by how much the time to market will be reduced. Finally, objectives should be defined in such a manner that it would be possible to evaluate the extent to which the action has generated the intended effects. For example, the report should clarify what is meant by operational excellence and accountability for the programme and how it will be determined if those objectives are achieved.

**(4) Better present the policy options.** The report should develop options that are realistic alternatives (i.e., to achieve the set objectives and address the identified problems) and given the specific nature of art. 185 research programmes, the report should limit the options (and also objectives) to what can actually be influenced by the Commission. It should therefore focus more in the different options on how to improve the follow-up to the AAL JP, for instance by taking into account different funding scenarios from Member States. The report should better describe the content of each option and how it will be implemented in practice (e.g., providing more detail on what would partnership approach entail). Furthermore, in describing the options it should clarify why some improvements, such as greater involvement of end users of AHA products and services, cannot be implemented under the current AAL JP set-up and hence be part of the baseline.

**(5) Strengthen analysis of impacts and comparison of options.** The report should substantiate with evidence where possible, using examples from existing programmes in Member States or third countries, the stated impacts on the containment of long-term care costs, cost savings from deploying telecare or effects on job creation. It should analyse regional impacts as the development of ageing related markets across EU Member States is not equally spread. It should also analyse impacts on administrative costs, competitiveness and SMEs under the different options. The report should better explain the methodology used for assessment of the simplification potential. It should outline to what extent the initiative has an impact on fundamental rights such as the right to human dignity and the right to a private life. The report should present a more comprehensive comparison of options against a fully developed baseline scenario using on a clear and consistent set of criteria that measure effectiveness, efficiency and coherence. It should better explain the methodology used for comparing the options, in particular, the reasoning for assigning particular scores to the options.

*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 be shortened by avoiding repetitions. It should clearly distinguish between the description of options and assessment of impacts. The report should include a glossary of most commonly used specific terms.

**(E) IAB scrutiny process**

Reference number	2012/CNECT/008
External expertise used	No
Date of IAB meeting	21 November 2012