



**EUROPEAN COMMISSION**  
Impact Assessment Board

Brussels,  
D(2013)

**Opinion**

**Title**                    **DG CNECT - Impact Assessment on proposal for a Council Regulation setting up a Joint Undertaking on electronic components and systems**  
**(draft version of 16 January 2013)\***

**(A) Context**

Under the Seventh Framework Programme, two Joint Undertakings (JUs) ENIAC and ARTEMIS were established in the field of nanoelectronics and embedded computing systems, respectively. The JUs' objective was to increase, and leverage, private and public investments in research and innovation in two complementary domains of high importance for the entire industrial fabric in Europe.

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*The initiative is based on the Commission's proposal for the "Horizon 2020 Framework Programme for Research and Innovation in the European Union (2014-2020)" that provides a basis for future EU PPPs in Research and Innovation. The focus of IAB analysis has been adapted accordingly.*

**(B) Overall opinion**

**The report should be improved in several important respects. Firstly, it should clarify the parameters already set in the Horizon 2020 proposals relating to the joint undertaking on electronic components and systems. It should then clearly identify the problems encountered by the ARTEMIS and ENIAC programmes in meeting their objectives as identified in interim evaluations. On that basis it should review the objectives for this initiative, clearly indicating the changes compared to the past set of objectives, and better link them to the options that can achieve them. Then, the report should more clearly describe what the concretely available policy options are within the Horizon 2020 framework, and provide a more systematic description of their components. Impacts should be better assessed against the baseline scenario and a stronger argument in favour of the preferred option provided, given the views of Member States and industry, particularly SMEs, in this regard. Finally, the report should provide more robust and concrete monitoring and evaluation arrangements, presenting progress indicators that can effectively measure the objectives to be achieved.**

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

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

**(1) Improve the problem definition.** The report should clarify the parameters already set in the Horizon 2020 proposals relating to the joint undertaking on electronic components and systems. It should then clearly identify any issue affecting the way in which the ARTEMIS and ENIAC programmes achieve their stated objectives, including the need to address the whole value chain to maximize impact. In doing so, the report should rely more directly on stakeholders' opinions and on the findings of any evaluations, including the one to be finalised shortly (information on the latter should therefore be included). The extent to which past objectives were achieved (including expected funding from Member States) should be transparently presented and the underlying drivers clearly identified. The context for the initiative should only be briefly described and the reasons for public EU support to R&D in this area succinctly recalled. The report should, however, show that such reasons apply throughout the innovation chain, i.e. not only in the earlier phases but also closer to the marketing of final products (prototyping and demonstrators, for instance). The report should also provide additional background on the ARTEMIS and ENIAC programmes themselves, including a description of their governance arrangements and their institutional specificities.

**(2) Clarify the objectives and options and how they address the problems.** The set of objectives identified should be modified into a more specific and smarter set reflecting the revised problems concretely to be addressed rather than the objectives of the EU strategy for electronics. The changes to the set of objectives of the first programmes should be clearly indicated and adequately reflected in the future monitoring indicators. The report should then describe what the concretely available policy options are within the Horizon 2020 framework and provide a more systematic description of the components of the options under consideration, including their scope and governance arrangements. Against the background of a more clearly defined baseline scenario, the report should better explain the mechanisms through which the various options would affect the underlying drivers and what the differences between options would actually imply in terms of the selection of priorities, projects, financing level and sources. In so doing, the report should describe more extensively the links with other EU initiatives in this area. It should also discuss how the different options would deal with lower than committed industry financing.

**(3) Strengthen the case for the preferred option.** The assessment of the options should be underpinned by more concrete evidence as well as any information provided by the way similar problems are addressed in third countries. Impacts should be compared against the baseline and options assessed in terms of their effectiveness, efficiency and coherence in meeting the revised set of objectives. In so doing, the report should better highlight the value added of the initiative, and show more clearly why, under the preferred option, funding from Member States would increase, SMEs would be better off under a tripartite arrangement and the EU industry would find it easier to change its business model.

**(4) Better present stakeholders' views.** The report should provide a better indication of the representativeness of the views collected and a more comprehensive account of the views of all relevant stakeholders, particularly when divergent or conflicting. In these instances, the report should explain how concerns have been taken into account. For instance, the report will need to explain how the concerns of Member States and the industry, particularly SMEs about the preferred option have been addressed.

**(5) Present robust monitoring and evaluation arrangements.** Given that the 2010 interim evaluation report was unable to find any data collection activity that would

provide an objective basis for an evidence-based evaluation of the socio-economic impact of JTIs, the report should ensure that future evaluation and monitoring arrangements will address such drawback by collecting information on output as well as outcome indicators corresponding to the reviewed set of objectives.

*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 avoid jargon and complex language. The text should be systematically edited with a view to simplifying, clarifying and shortening. Also the report should use neutral language and avoid any bias towards a particular policy option.

**(E) IAB scrutiny process**

Reference number	2013/CNECT/002
External expertise used	No
Date of IAB meeting	27/02/2013