



EUROPEAN COMMISSION
Impact Assessment Board

Brussels,
D(2013)

Opinion*

Title

DG ENTR – Identification and dissemination of high resolution Earth observation satellite data for commercial purposes.

(resubmitted draft version of 05 December 2013)

(A) Context

The present initiative on the production and dissemination of high resolution satellite data (HRSD) for commercial purposes is one of the possible measures put forward by the Commission in its Communication on the EU Space Industrial Policy from February 2013 “Releasing the potential for economic growth in the space sector”. The production and dissemination of HRSD by commercial operators is currently regulated at national level by the three Member States which have HRSD capabilities for commercial use: Germany, France, and Italy. It is likely that the United Kingdom and Spain will also develop HRSD technological capabilities for commercial purposes. The present IA report examines the potential regulatory obstacles to further development of the HRSD market, and considers options aimed at ensuring the proper functioning and development of an internal market for HRSD products and services.

(B) Overall opinion: POSITIVE

The report has been enhanced to a good extent along the lines of the recommendations in the Board's first opinion, but should be further improved in a number of respects. First, the report should further strengthen the problem definition with additional evidence in particular regarding the cross-border dimension of the problem. Second, the report should provide further detail on each of the policy options, and clarify what further decisions on the technical criteria for defining HRSD, the uniform screening procedure, and the authorisation procedures will be taken in conjunction with Member States, and how. Third, the report should attempt to quantify the administrative costs for the different actors and for Member States, notably with regard to the preferred policy option.

(C) Main recommendations for improvements

(1) Better define the problems. The report has provided a clearer overview of the organisation and size of the market and a clearer picture of the competition faced by data providers and resellers nationally and internationally. However it should underpin statements regarding competition from abroad (India, China, Canada) with further evidence. It has also provided a clearer overview of the national regulatory systems in place within the

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

three Member States concerned, and clarified that cross-border activity remains limited. As regards the identified internal market related problems however, it should still provide further supporting evidence, in particular in relation to the claim that additional controls or interdictions for HRSD products and services controlled in one Member State are hampering the development of a single market for HRSD. The claim that Member States' security interests are to a large extent very similar should also be further substantiated. It could also provide examples of what type of commercial uses or of data could be security-sensitive. Finally the report should still better explain the need to legislate at EU level when only 3 Member States have HRSD capabilities.

(2) Provide more detail on the policy options. The report has provided further detail on the content of the options, but should still further clarify, in relation to option 3, how the screening procedure would work in practical terms, and by which authorities it would be undertaken. Generally it should better explain under options 3 and 4, how Member States will be involved in the process of defining the technical criteria for HRSD, the uniform screening procedure, and the authorisation procedures e.g. clarify which decisions will be taken at the level of implementing measures or delegated acts. The report could also demonstrate that demand for HRSD products/services exists in most Member States and not only those having HRSD technical capacity. The report should also more transparently present the views of different Member States and stakeholder groups in relation to each policy option.

(3) Further assess the impacts. The analysis of the options sections has been improved and the report has provided a clearer overall assessment of the options as against a strengthened baseline scenario. The report has also further substantiated the impacts on SMEs/micros and on competitiveness. However, whilst the analysis of the impacts on the HRSD market has been further developed, this analysis remains mainly qualitative. The assessment of the administrative costs for the different actors and for Member States also remains underdeveloped and should be further substantiated and quantified notably with regard to the preferred option. Finally, the report should clarify to what extent the initiative could indirectly enable the creation of databases with personal data.

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 views of different stakeholders groups should be more transparently presented throughout the report.

(E) IAB scrutiny process

Reference number	2012/ENTR/024
External expertise used	No
Date of IAB meeting	Written procedure An earlier version of this report was submitted to the IAB in August 2013 for which the Board issued an opinion on 04 October 2013.