



Brussels,
Ares(2016)

Opinion

Title

DG FPI – Impact assessment report on capacity building in support of security and development

(Resubmitted version of 20 June 2016)*

(A) Context

Member States have called on the Commission and the High Representative to present proposals that would allow the Union to engage comprehensively in capacity building in support of security and development. Member States understand this to be an essential part of EU support to security sector reform. The implication of “comprehensive engagement” would make it possible for military actors to receive funding from the budget of the Union, as long as the action being financed is not for defence-related purposes.

In 2014, Council stated the need to enhance the effectiveness of the Common Security and Defence Policy (CSDP) underlining the importance of addressing the need to sustain sufficient expenditures related to security and defence. Furthermore, the Council invited the High Representative and the Commission “to present a joint proposal for a policy approach for concrete implementation” which was followed up by the Joint Communication on capacity building in support of security and development in 2015 and ensuing Council conclusions.

(B) Overall opinion: POSITIVE

The Board notes that the resubmitted impact assessment has been improved in line with its recommendations. However, the Board considers that further improvements are necessary and gives a positive opinion on the understanding that remaining shortcomings in the report will be addressed, particularly with respect to the following issues:

(1) Given that the initiative has now been more clearly framed in the context of development policy, the link between this policy and the security capacity of military actors becomes central for the intervention logic. The development center of gravity approach should, therefore, be better reflected throughout the report: in the problem description, objectives, options, the assessment criteria of the analysis and the monitoring regime.

(2) The problem description should demonstrate clearly why the problem is urgent to solve now and why it needs to be addressed before the next MFF review. It should also elaborate on the financial aspects and explain how the (limited) funding needs fit with the size and extent of the problem.

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

(3) The baseline should represent a neutral projection of the problem into the future, for instance by building on the projections already provided in OECD's States of Fragility report and the JRC Global Conflict Risk Index.

(4) The objectives should be revised and consolidated in light of the new overall development center of gravity approach. The objective of providing a short-term solution to urgent needs should be added.

(5) The risk assessment and risk management part should be further elaborated, explaining better what the involved risks are. The envisaged ex-ante and ex-post risk mitigating procedures should be more clearly spelled out and explained. This section should also be aligned with the development center of gravity approach.

(6) The impact analysis and comparison table should be revised to take account of the updated assessment criteria linked to the revised consolidated objectives. The scores of the different options should be better explained and consistency across options ensured. The analysis should demonstrate much more clearly how a rather limited budgetary effort in the area of security capacity building can reduce risks and improve prospects for development policy goals. It should elaborate on the added value of funding such activities, as compared to expenditure on traditional development aid areas.

(7) Finally, the views of different groups of stakeholders in relation to the problems, objectives and options should be presented more completely and transparently, including by acknowledging caveats where relevant, notably with respect to the representativeness and solidity of the consultation process and its results.

The lead DG shall ensure that the report is adjusted accordingly prior to launching the interservice consultation.

(C) Main recommendations for improvements

(1) The intervention logic. Given that the context has now been clarified to focus on enhancing the effectiveness and efficiency of development policy, the link between development policy and capacity of military actors and the 'center of gravity' principle becomes crucial for the intervention logic. The development center of gravity approach should therefore be justified much more prominently in the report and be reflected in the problem description, objectives, options and the assessment criteria of the analysis. For this reason, the illustrative examples of the problem should be linked upfront with the development context in which they are situated and the associated financial limitations should be clearly explained. Furthermore, the report should explain much more precisely how the development center of gravity dimension will be respected in practice. What will be the criteria for determining whether the development requirement is complied with and how will this be ensured? In this respect, also the envisaged exclusions should be made clear upfront.

(2) The problem description should explain clearly why the problem is urgent to solve now and why it cannot be addressed in the next MFF review. The problem description should also be related to the funding needs and related budget constraints, and the report should discuss the envisaged (limited) funding and how it corresponds to the size and extent of the problem.

(3) The objectives should be revised and consolidated in light of the overall approach focused on development. Specific objectives have to reflect the requirements of the general approach such as flexibility or synergy and the objective of providing a short term solution should be added.

(4) The risk assessment and risk management part should be aligned with the development center of gravity approach, the risks involved should be more clearly addressed and the report should better explain the envisaged ex-ante and ex-post risk mitigating procedures.

(5) The comparative analysis of the options should be revised to take account of the updated assessment criteria in the light of the revised and consolidated objectives. The revised table comparing the options should be clearly linked to various objectives, and the assessment criteria should be better explained. In particular, the negative assessment of the legal aspects of the preferred option as well as the ranking of options should be clarified. The impact analysis should demonstrate much more clearly how a rather limited budgetary effort in the area of security capacity building can reduce risks and improve the prospects for development policy goals. It should elaborate on the added value of funding such activities as compared to expenditure on traditional development aid areas.

(6) The report should clarify whether it accounts for an **ex-ante evaluation** as required by the financial regulation and, if so, address relevant aspects as outlined in the Better Regulation Tool #6. In addition, the **monitoring and evaluation** regime should be clarified and made more committal.

(7) Finally, the **stakeholder consultation** provides little input to the analysis. The report should be better underpinned by the views of the different stakeholder groups and the results of the consultation should be better and more nuanced in the report.

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 streamlined in terms of drafting and structure, a list of content should be added, an annex on the procedural information and on how stakeholders are affected should be added. The report should refer to the RSB opinion and how its recommendations have been taken on board.

(E) RSB scrutiny process

Reference number	2016/FPI+/002
External expertise used	No
Date of RSB meeting	Written procedure