



EUROPEAN COMMISSION
Regulatory Scrutiny Board

Brussels,
D(2016)

Opinion

Title **DG RTD - Partnership for Research and Innovation in the Mediterranean Area (PRIMA)**
(draft version of 8 June 2016)*

(A) Context

In December 2014, a group of Member States and third countries submitted a proposal for the participation of the EU in a joint research and innovation programme under Article 185 TFEU, which was complemented by an addendum in February 2016.

This proposal for a "Partnership for Research and Innovation in the Mediterranean Area" (PRIMA) aims at reinforcing cooperation in Research and Innovation in Mediterranean countries in order to contribute to the challenges of sustainable food production and water provision in the Mediterranean region.

The present impact assessment analyses the need for and added value of EU action in this domain and the potential economic, social and environmental impacts of alternative policy options.

(B) Overall opinion: NEGATIVE

While acknowledging that the services have already started to improve the report, the Board gives a negative opinion because the report contains shortcomings that need to be addressed, particularly with respect to the following issues:

(1) The initiative should be put in its wider policy context with relevant references to its preparatory work and the related Competitiveness Council Conclusions. The arguments to invest in this particular domain should be substantiated and the underlying problems to be addressed clarified. The geographical rationale, including the expected added value of the inclusion of each country, should also be further elaborated.

(2) The evidence to demonstrate the choice of the preferred option should be strengthened. In particular, the rationale for an Article 185 initiative should be better substantiated, drawing on lessons learned from such initiatives in the past, and the need for a contribution of EUR 200 million (compared with the effective contribution of participating countries) justified.

(3) The actual content, expected deliverables, their timing and resulting impacts on the ground of the envisaged programme should be clarified. In particular, the

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

expected focus on demonstration actions rather than basic research should be spelt out.

4) The report should clarify to what extent the proposed governance structure provides sufficient guarantees that this initiative can meet its objectives while protecting the financial interests of the EU, especially given the front-loading of EU commitments.

The lead DG shall ensure that the report is revised accordingly and resubmitted to the Board, which will issue a new opinion on the revised draft.

(C) Main recommendations for improvements

(1) The context and underlying problems addressed by this initiative should be further elaborated. Building on elements presented orally to the Board, the report should better describe the wider context of this initiative, its preparatory work and its link with the conclusions of the 5 December 2014 Competitiveness Council. Arguments should be presented as to why and on what basis the choice was made to intervene in this particular domain. The report should also explain how this initiative can be one important element, among others, contributing to addressing major societal issues, and clarify how and to what extent resolving the problem(s) tackled by this initiative contributes to addressing broader challenges such as food and water security or economic development in the Mediterranean region. To do so, it should further describe the current approach in terms of R&I and its limitations, spell out how the proposed initiative will effectively address the identified flaws and further discuss the reasons behind its geographic coverage. In doing so, the expected added value of each participating country for reaching the projects objectives should be specified.

(2) The rationale for and modalities of an Article 185 initiative are not sufficiently justified. The evidence provided does not satisfactorily demonstrate the choice of an Article 185 initiative as the preferred vehicle to implement this programme. Building on the revised definition of the problem described under point (1), the report should provide evidence (e.g. drawing lessons from past Article 185 initiatives) that this approach is the one that can best deliver the expected results, notably a long-term structured cooperation in R/I in the Euromed area reducing fragmentation and duplication between national and EU programmes. The report should also justify preferences expressed regarding the practical modalities of the preferred option, such as the amounts required and the rationale for matching the EU contribution with the funding provided by Member States or the way grants will be distributed between EU and non-EU countries to ensure the desired level of integration, size and scope of research.

(3) The content and concrete impact of the proposed initiative should be further substantiated. The description of anticipated outputs should be elaborated to clarify the type of deliverables expected (e.g. large-scale demonstrators and/or support for the diffusion of innovation rather than basic research) as well as their contribution to addressing the problems described. As a result, the added value of this initiative should be clarified in terms of tangible outcomes on the ground. When describing the net impacts of this initiative, the report should consider any potential crowding out effects and consequences of discontinuing other existing or planned bilateral programmes.

(4) The proposed governance structure should be further explained. Having demonstrated the added value of this initiative and having identified Article 185 as the proper vehicle to implement it, the report should provide further clarification on how the programme will be implemented. In particular, it should further elaborate on its governance structure (including by providing more details on the functioning of the Dedicated

Implementation Structure and the involvement of the Commission) and offer sufficient guarantees that it is adequate to deliver on its objectives, while ensuring the protection of the financial interests of the EU. The risk analysis section should therefore be further developed by addressing i.a. the capability of all participating countries to comply with H2020 rules, and expanding the description of mitigation measures for the identified risks.

Some more technical comments have been transmitted directly to the author DG and are expected to be incorporated into the final version of the impact assessment report.

(D) Procedure and presentation

The arguments presented in the report should be further based on and supported with data, facts and evidence that should be fully referenced and made publicly available to the extent possible. The regular format of an impact assessment report should be adhered to.

(E) RSB scrutiny process

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| Reference number | 2015/RTD/009 |
| External expertise used | No |
| Date of RSB meeting | 5 July 2016 |