



European Parliament work in the fields of Impact Assessment and European Added Value

Activity Report for
July 2019 to
December 2020

EPRS | European Parliamentary Research Service

Directorate for Impact Assessment and European Added Value

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Contents

Contents	1
1) Introduction	3
Background.....	4
Parliamentary structures and support.....	6
Recent developments and outlook.....	10
2) Work on ex-ante impact assessment	13
Contribution to EP committee work.....	13
Publications	22
3) Work on European added value	25
Contribution to EP committee work.....	25
Publications	31
4) Work on ex-post evaluation	34
Contribution to EP committee work.....	35
Publications	37
5) Wider horizontal support	40
Scrutiny throughout the policy cycle.....	40
Scrutiny of the European Council	41
Publications	43
6) Selected publications from July 2019 to December 2020	47
<i>Ex-ante impact assessment</i>	47
<i>European added value</i>	47
<i>Ex-post evaluation</i>	48
<i>European Council oversight</i>	49
<i>Annex: EP Impact Assessment Handbook (as updated in September 2017)</i>	50

List of Acronyms

AFCO	European Parliament Committee on Constitutional Affairs
AFET	European Parliament Committee on Foreign Affairs
CCC	European Parliament Conference of Committee Chairs
CWP	Commission work programme
CoNE	Cost of Non-Europe Report
CULT	European Parliament Committee on Culture and Education
DG	directorate-general
DG IPOL	Directorate-General for Internal Policies of the Union
EAVA	European Added Value Unit
ECA	European Court of Auditors
ECOS	European Council Oversight Unit
ENVI	European Parliament Committee on Environment, Public Health and Food Safety
EP	European Parliament
EPRS	European Parliamentary Research Service
EU	European Union
EVAL	Ex-Post Evaluation Unit
FEMM	European Parliament Committee on Women's Rights and Gender Equality
IA	initial appraisal
IIA	Inter-Institutional Agreement on Better Law-making
IMCO	European Parliament Committee on Internal Market and Consumer Protection
IMPA	Ex-Ante Impact Assessment Unit
INI	own-initiative implementation reports
INTA	European Parliament Committee on International Trade
ITRE	European Parliament Committee on Industry, Research and Energy
JURI	European Parliament Committee on Legal Affairs
LIBE	European Parliament Committee on Civil Liberties, Justice and Home Affairs
MEP	Member of the European Parliament
REFIT	regulatory fitness and performance programme
RSB	Regulatory Scrutiny Board
STOA	Scientific Foresight Unit
TRAN	European Parliament Committee on Transport and Tourism

1) Introduction

Work undertaken by the administration of the European Parliament in the fields of impact assessment and European added value is designed to assist parliamentarians in their legislative and scrutiny work throughout the whole EU policy cycle. Its purpose is to help policy-makers to take informed decisions, the final objective being to contribute to better law-making in the Union.

This activity report summarises the work undertaken by the **Directorate for Impact Assessment and European Added Value** within the European Parliamentary Research Service (EPRS) during the period between July 2019 and December 2020. It focuses notably on the directorate's activities in support of both legislative activity and oversight and scrutiny of the executive by parliamentary committees, specifically in the fields of: (i) ex-ante impact assessment; (ii) European added value; and (iii) ex-post evaluation. It also refers to the directorate's work in the field of European Council oversight. (A separate annual report on the activities of the European Parliament Panel on the Future of Science and Technology (STOA), which also falls within the remit of the directorate, is published in parallel).

Overall, during the previous five-year legislative term from 2014 to 2019, the **Directorate for Impact Assessment and European Added Value** produced a total of 573 publications of various kinds in the fields covered by this report. The corresponding figure for the first 18 months of the current legislative cycle (2019-2024) is 116 publications, amounting to almost 9 000 pages of text. All of these publications are available to read on the European Parliament's [Think Tank](#) website and on the [EPRS intranet](#) and EPRS App.

This activity report, which is the sixth in a series dating back to mid-2012, provides detailed information on activities undertaken between the start of the current legislative term in July 2019 and the end of the first full year of that term, in December 2020. More information about work undertaken and published between mid-2012 and mid-2019 can be found in [previous editions](#) of this report.¹

¹ All activity reports are available on the European Parliament's Think Tank website. They cover [June 2012 to June 2014](#), [July 2014 to December 2015](#) and the three calendar years of [2016](#), [2017](#) and [2018](#). The last in the series also provided an overview of the whole [eighth legislative term](#) and was published in July 2019.

Background

The work done by the Directorate for Impact Assessment and European Added Value relates closely to the parliamentary cycle of activities of the European Parliament and its committees. For this reason, demand for the directorate's products and services in support of evidence-based policy-making throughout the EU legislative and policy cycles varies during the course of the parliamentary term, depending on the type of activities that committees are focusing on at a given moment. To support their work, the directorate therefore provides products and services for all the phases of the policy cycle.

While parliamentary committees during the first months of the term are in general less busy with new or amending legislation, they focus increasingly on other activities, such as identifying and tabling legislative own-initiative reports and evaluating existing policies through 'implementation reports'. In both cases, the directorate provides automatic support for such work through 'European Added Value Assessments' and 'European Implementation Assessments' respectively. Later during the five-year term, more traditional legislative work characteristically takes up more of the time of the parliamentary committees, which leads in turn to an increase in the volume of ex-ante assessment work for committees.

Research of this kind for parliamentary committees aims to contribute to better law-making which is a joint objective of the European institutions, agreed and confirmed in the current EU Inter-institutional Agreement on Better Law-making (IIA), signed by the European Commission, European Parliament and Council of Ministers in April 2016.² The IIA confirms a joint commitment to strengthen the process of evidence-based policy-making at the various stages of the legislative and policy cycles, by emphasising the importance of effective programming, enactment and implementation of EU law. The IIA also includes a renewed commitment by the institutions to use certain better law-making tools, notably ex-ante impact assessment, advance public and stakeholder consultation, and ex-post policy evaluation of existing legislation.

Based on the IIA, the EU institutions have continued their efforts to embed a culture of better law-making firmly in the mind-set of all stakeholders and actors at all levels of policy preparation, decision-making and policy review. This includes increased attention to the notion of 'European added value', to better explain and justify the reasons for political initiatives undertaken at

² [http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32016Q0512\(01\)&from=EN](http://eur-lex.europa.eu/legal-content/EN/TXT/HTML/?uri=CELEX:32016Q0512(01)&from=EN)

European level, as well as an assessment of the 'cost of non-Europe' in the absence of appropriate action at Union level. The aim of such work is to try to generate European legislation of the highest quality, in terms of simplicity, clarity, consistency and effectiveness, for the benefit of European citizens.

Efforts by the EU institutions to enhance the quality of legislation go back much further than 2016. As long ago as 2002, the European Commission began to accompany many of its legislative proposals with ex-ante impact assessments, looking notably at the potential economic, social and environmental effects of each measure put forward. Some basic provisions in relation to such assessments were already included in the first Inter-institutional Agreement on Better Law-Making of December 2003.³ Subsequently, in July 2005, the three institutions agreed on a common approach to impact assessments, which built on these commitments in greater detail.⁴

In a series of annual reports on better law-making, drafted by its Legal Affairs Committee (JURI), the European Parliament successfully encouraged the Commission to move to the (current) situation whereby every significant legislative proposal is now supposed to be accompanied by an ex-ante impact assessment (IA), sometimes running to several hundred pages. In the same spirit, the Parliament also began its own ex-ante impact assessment work on a limited scale. Between 2004 and 2010, there were 29 occasions on which parliamentary committees undertook their own analyses of Commission IAs, in various forms, or did some kind of further, complementary work on them.

To assist the Parliament's committees in undertaking impact assessment work, the Conference of Committee Chairs (CCC) adopted an *Impact Assessment Handbook* in 2008. This was subsequently updated in November 2013 and September 2017, in the latter case to take account of the new inter-institutional agreement. The *Handbook* in its current form is included, for reference, as an annex to this activity report.⁵

In June 2011, the Parliament adopted an own-initiative report (Niebler Report) on 'guaranteeing independent impact assessment', which welcomed the ongoing development of the impact assessment process as an important aid to the legislator, and argued that the concept of 'impact assessment' in its broad sense, should be applied throughout the policy cycle – on both an *ex-ante* and an *ex-*

³ *Official Journal*, 31 December 2003 (2003/C 321/01).

⁴ NT/551/551547 PE 353.887.

⁵ [Conference of Committee Chairs, Impact Assessment Handbook](#).

post basis – from the design of legislation through to its implementation, evaluation and possible revision.⁶ It also advocated a proper assessment of European added value by the EU institutions, 'in terms of what savings will result from a European solution and/or what supplementary costs would arise ... in the absence of a European solution'. It suggested that, within Parliament, there should be renewed emphasis on an 'integrated impact assessment process', underpinned by the development of a stronger common procedure and methodology for use in parliamentary committees.

Parliamentary structures and support

In response to the 2011 Niebler Report, and with a view to strengthening the capacity of parliamentary committees to engage in oversight and scrutiny work of various kinds, the Parliament's Bureau decided in 2011 to establish a dedicated Directorate for Impact Assessment and European Added Value, which started work in January 2012. The directorate was initially located in the Directorate-General for Internal Policies (DG IPOL); since November 2013, it has formed part of the **Directorate-General for Parliamentary Research Services** (DG EPRS), otherwise known as the European Parliamentary Research Service, which was created at that time.

For reference, DG EPRS as a whole – within which the directorate is located – aims to provide comprehensive research and analytical support for Members and, where appropriate, parliamentary committees, in all EU policy fields. It is organised into four directorates:

- *Directorate A*: the Directorate for the **Members' Research Service**, which provides tailored briefing and research for individual MEPs, as well as a wide range of publications – in the form of '*at a glance*' notes, *briefings*, *in-depth analyses* and *studies* – on all EU policies, issues and legislation;
- *Directorate B*: the Directorate for **Impact Assessment and European Added Value**, which provides inter alia the products and services detailed in this activity report; and
- *Directorate C*: the Directorate for the **Library and Knowledge Services**, which provides on-site and online library services of multiple kinds, as well as responding to citizens' enquiries;

⁶ 2010/2016(INI), 8 June 2011.

- *Directorate D*: the Directorate for **Resources**, which provides support for the whole directorate-general in areas such as facilities management, financial management, human resources and information technology.

The Directorate for Impact Assessment and European Added Value works to strengthen the Parliament's capacity for scrutiny and oversight of the executive at successive stages of the policy cycle – generating analysis in-house wherever possible and drawing on outside expertise as necessary – as well as contributing to the quality of law-making itself. European Parliamentary committees may commission a variety of products and services from the directorate to support their work in these fields.

The Directorate for Impact Assessment and European Added Value includes the following **three units providing direct support to parliamentary committees** in various aspects of their oversight and scrutiny roles:

- the **Ex-Ante Impact Assessment Unit (IMPA)**, which undertakes an *Initial Appraisal* of the quality of each impact assessment accompanying the legislative proposals produced by the European Commission, checking that certain criteria are met and identifying the basic methodological strengths and weaknesses of the Commission impact assessment. At the request of individual committees, the unit can then provide *detailed appraisals* of the quality and independence of Commission impact assessments, or *complementary* or *substitute impact assessments* on aspects of a legislative proposal not dealt with adequately (or at all) by the Commission. At the request of the committee concerned, the unit can also undertake *impact assessments of substantial amendments* to the Commission proposal. (In accordance with the procedures laid down in the Conference of Committee Chairs' *Impact Assessment Handbook*, the latter are always carried out by external experts);
- the **European Added Value Unit (EAVA)**, which analyses the potential benefit of future action by the Union through *Cost of Non-Europe Reports* in policy areas where greater efficiency or a collective good could be realised through common action at European level. The unit also provides *European Added Value Assessments* to set out the rationale for legislative initiative reports put forward by parliamentary committees and it analyses the added value of existing EU policies in practice; and
- the **Ex-Post Evaluation Unit (EVAL)**, which assists committees in ex-post evaluation work – including on the transposition, implementation and

enforcement of EU policy or law at national level – notably by providing *European Implementation Assessments* to support own-initiative (INI) implementation reports being prepared by parliamentary committees. Other ex-post evaluations, not linked to such reports, are also provided for committees on request. The unit also acts as a sort of 'policy cycle competence centre' and generates '*rolling check-lists*' and synoptic overviews on relevant issues, and *Implementation Appraisals* of the operation of existing legislation in practice, notably whenever a new proposal to update such legislation is announced in the Commission's annual work programme.

In addition to these three units, the **European Council Oversight Unit** (ECOS) provides horizontal analytical support for both parliamentary committees and Members in general, by monitoring and analysing the delivery of the European Council in respect of the commitments made in the conclusions of its meetings, as well as of its various responsibilities either in law or on the basis of inter-governmental agreements. The unit maintains a rolling check-list of all such commitments and/or responsibilities, provides routine briefing notes on their degree of attainment within the Council system, and undertakes detailed research in this field.

As of December 2020, 43 people – comprising four heads of unit, 30 policy analysts, two seconded national experts and seven assistants – were assigned to work in the four fields described above.

For reference, the Directorate for Impact Assessment and European Added Value also includes a **Scientific Foresight Unit** (STOA), which undertakes work specifically in the field of science and technology options assessment for Parliament's **Panel for the Future of Science and Technology** (STOA Panel). The European Science-Media Hub (ESMH) and a recently established Centre for Artificial Intelligence (C4AI) also form part of this unit. (Work in the field of scientific foresight is subject to a parallel annual report, submitted by the STOA Panel to Parliament's Bureau).

In November 2012, Parliament's Conference of Presidents tasked the **Conference of Committee Chairs** (CCC) with 'coordinating the parliamentary committees' approach towards impact assessment and European added value, and supervising the Parliament's work in this area, as well as developing a more consistent and integrated approach to the matter'.⁷ The directorate sends a

⁷ PE 499.457/CPG 28/38.

monthly update of all completed, on-going and planned work to the CCC, of which the latter body takes note at its monthly meetings.

The **administrative budgets** of the European Parliament for 2019 and 2020 provided for €0.72 million and €1.0 million (budget item 95-0-3210-01) respectively for the purpose of acquiring, as necessary, external expertise in the fields of impact assessment and European added value, in order to support the institution's activities in these fields.

Most of the 2019 budget allocation was spent during the first six months of the year, providing support for projects of the out-going Parliament towards the end of its term. The budget allocation for 2020 proved insufficient to cover the increased volume of activity undertaken during that first full year of the newly elected Parliament in these fields. For this reason, a budget transfer of €260 000 was undertaken (from other EPRS sources), to increase the resources available for this purpose.

During the 18-month period under review, 30 public procurement procedures were launched by the directorate in these various fields, to a total committed value of €1 255 610. During the second half of 2019, €15 000 of this figure was used for externally commissioned ex-ante impact assessment research and €126 200 for externally-commissioned European added value research. In 2020, once again, €15 000 was used for externally commissioned ex-ante impact assessment research, while €575 670 was spent on externally commissioned European added value research and €523 740 on externally-commissioned ex-post evaluation research. This means that between July 2019 and December 2020, 55.9 per cent of the total amount (of €1 255 610) was committed for externally commissioned European added value research, 41.7 per cent for externally-commissioned ex-post evaluation research, and 2.4 per cent for externally-commissioned ex-ante impact assessment research.

During the second half of 2019 externally commissioned research was purchased in support of the work of two parliamentary committees: JURI: €126 200 and LIBE: €15 000. During 2020, research was commissioned in support of the work of 11 parliamentary committees: AFET: €33 400; AGRI: €79 400; ECON: €82 150; ENVI: €103 815; FEMM: €109 290; FEMM/LIBE jointly: €48 500; IMCO: €45 300; IMCO/JURI jointly: €81 730, ITRE: €96 900, JURI: €152 600, LIBE: €74 600 and TRAN: €90 825.

In December 2019, a new framework contract, divided into five lots, was concluded for contracts in the fields of ex-ante impact assessment, ex-post

evaluation, European added value and the stress-testing of EU policies. In addition, in September 2019, the Parliament also published a new multiannual call for expressions of interest (CEI), with a view to compiling a list of academic and scientific experts for the provision of independent external expertise in the fields of impact assessment, European added value, ex-post evaluation, foresight and stress-testing, for use as necessary. Negotiated procedures are also used in some cases for the purchase of external research or expertise, if appropriate.

The directorate may also use the framework contracts of other administrative services, notably of the Directorate-General for Internal Policies (IPOL), if this is required.

Recent developments and outlook

The precise rhythm of the work of the various units within the Directorate for Impact Assessment and European Added Value varies depending on the balance between pro-actively generated background analysis for parliamentary committees and more detailed work undertaken in response to specific requests for detailed research from committees.

In general, the workload and output of the directorate has increased continuously over the years since its creation. This trend reached its peak in 2018, near the end of the last legislative term, because of both enhanced (cyclical) parliamentary activity and a rising level of interest by parliamentary committees in the directorate's products and services.

In view of the European Commission's tendency to produce most of its legislative proposals during the middle and latter part of its five-year term of office, the directorate produced a record number of initial appraisals of Commission impact assessments during 2018. Using the period of electoral recess, the directorate undertook an extensive study to analyse the evolution of the quality of regular impact assessments over time, a monitoring exercise the directorate is committed to repeat and to continue for the current period as well.

In past years, unfortunately and contrary to the political commitment to provide impact assessments for all proposals of major potential impact, the Commission, in too many cases, failed to provide impact assessments, including for proposals which the Parliament, Council and Commission had

jointly deemed to be 'priority files' – namely, files of strategic importance and earmarked for rapid adoption. In order to counter this trend and to make committees more aware of the lack of impact assessments, where that is the case, the directorate systematically monitors the delivery and possible lack of such documents and informs parliamentary committees in this regard.

In parallel, the directorate supports parliamentary committees in their increased efforts to evaluate how existing EU policies are being implemented in practice and how effective they are proving on the ground. This resulted in growing demand for implementation-related work throughout the previous parliamentary term and this pattern has continued in the new Parliament since July 2019. By the end of 2020, Parliament had already voted on 12 implementation reports, while parliamentary committees were working on a total number of 25 of them during that period. By comparison, during the whole 2014-2019 legislative term, 65 implementation reports were initiated, which was more than double the 23 reports drawn up during the preceding period of 2009-2014.

European added value work – primarily in the form of Cost of Non-Europe Reports and European Added Value Assessments – is undertaken fairly continuously throughout the legislative term, and, over time, the range of policy areas in which it has been requested by parliamentary committees has widened (to include for example the fields of civil liberties and international trade). With the new Commission's commitment to try to respond positively to Parliament's legislative own-initiative resolutions, work in this area is already benefitting from additional attention and is likely to continue to do so.

In general, the new IIA on Better Law-Making has provided useful guidance on a number of important issues of direct relevance to the work described in this activity report. As well as reinforcing existing mechanisms relating to ex-ante impact assessment and making reference for the first time to the importance of 'European added value' and the 'cost of non-Europe' in identifying the potential for European-level initiatives, the IIA also includes a specific chapter on the ex-post evaluation of existing legislation, which now forms an important part of the text. Since its entry into force, the implementation of the IIA has been regularly monitored by Parliament, which discusses relevant issues with the European Commission and Council, as appropriate.

The European Commission has announced a comprehensive stock-taking exercise on its better regulation approach, with new guidelines in this field

expected soon. It has already announced its general intention to try to follow a 'one-in/one-out' principle when proposing new legislation that might involve burdens on operators, and to introduce new dimensions (or strengthen some existing ones) in its ex-ante impact assessment process, including notably a greater emphasis on 'strategic foresight' in Commission IAs.

Overall, there is a common understanding throughout the EU institutions, including the European Parliament, that better law-making is here to stay as a guiding philosophy for the policy process and that it should be further strengthened over time. Better law-making tools can contribute positively to improving the quality and effectiveness of legislation, provided they remain a support for, and do not become a substitute for, political choices in decision-making, and that they do not cause undue delay to the legislative process.

In this spirit, the European Parliament's Directorate for Impact Assessment and European Added Value stands ready to engage in dialogue and cooperation at all levels, to evaluate progress and to find appropriate ways and means to best enhance the quality of the law-making process. The directorate's main objective, however, remains to supply the institution and its committees with the research and analysis needed to help enable it to better evaluate, justify and quantify its legislative priorities and options, and to exercise effective oversight and scrutiny of the executive, at all stages of the EU policy cycle.

For reference, all of the directorate's publications are available for consultation and download on the Parliament's [Think Tank](#) internet page, as well as on the EPRS [intranet webpage](#) and [blog](#). Studies and in-depth analysis can also be found at the [EU Bookshop](#) of the Publications Office of the European Union.

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2) Work on ex-ante impact assessment

Since 2012, **the Ex-Ante Impact Assessment Unit** of the Directorate for Impact Assessment and European Added Value has developed a series of products and services that offer targeted, timely and specialised support for parliamentary committees in their work on ex-ante impact assessment, covering all policy areas and available at any stage in the law-making process.

The support begins with the proactive provision of **initial appraisals that offer a critical overview of, and analyse the quality of, the impact assessments (IAs)** accompanying the **European Commission's** legislative proposals. These appraisals take the form of short briefing papers, usually of up to eight pages in length, that check that certain quality criteria have been met and identify the basic methodological strengths and weaknesses of the impact assessment text, in the light of the Commission's own [Better Regulation Guidelines](#) and relevant European Parliament resolutions. At the request of individual parliamentary committees, the unit can provide more **detailed appraisals** of the quality, completeness and independence of Commission IAs, and/or **complementary or substitute impact assessments** on aspects of a legislative proposal not dealt with adequately (or at all) by the Commission in its IA. At the request of the committee responsible, the unit can also undertake **impact assessments of substantial amendments** to a Commission proposal being considered by Parliament. (Under the provisions of Parliament's *Impact Assessment Handbook*, such impact assessments of amendments are always carried out by external experts).

Contribution to European Parliament committee work

Between July 2012 and December 2020, the Ex-Ante Impact Assessment Unit produced 258 initial appraisals, six detailed appraisals, eight complementary or substitute impact assessments, one full impact assessment and eight impact assessments of substantial European Parliament amendments, covering a total of 42 amendments. During the 18-month period under review (July 2019-December 2020), the unit produced, in terms of the above-mentioned regular products, eight initial appraisals, one substitute impact assessment and one study reviewing the quality of the impact assessments produced by the Commission between 2015 and 2018.

Since 2019 was an election year and saw not only the entry into office of a new Parliament, but also the installation of a new European Commission, led by President Ursula von der Leyen, only a limited number of new legislative initiatives with impact assessments were presented, entailing fewer initial appraisals (10),⁸ compared for instance with 64 produced in 2018. Against this backdrop, the work of the unit focused, among other things, on undertaking a comprehensive review of the quality of the Commission impact assessments published between July 2015 and December 2018 and appraised by the unit (see chapter below). It also looked at two substitute impact assessments and one complementary impact assessment requested by the Civil Liberties, Justice and Home Affairs Committee (LIBE) and Fisheries Committee (PECH) – on the [recast of the Return directive](#), on [ETIAS consequential amendments](#) and on the [fisheries exploiting demersal stocks in the western Mediterranean](#), respectively. In addition, the unit undertook the strategic preparation of the new, 2019-2024 parliamentary term.

The calendar year 2020 was, of course, deeply affected by the outbreak of the coronavirus crisis, which caused significant delays in the Commission's legislative planning, with the first proposals with impact assessment attached being published only in July 2020. During the year, besides the publication of five initial appraisals and the finalisation of the substitute impact assessment on the Commission package of ETIAS consequential amendments, the unit contributed to collaborative projects with other units in EPRS, such as common horizontal studies, and co-authored briefings on the original and then on the delayed, coronavirus-adjusted, Commission work programme for 2020. It also started working on another substitute impact assessment at the request of the LIBE Committee on the Commission proposal for a derogation from certain provisions of the e-Privacy Directive for the purpose of combatting child sexual abuse online.

A full **list of the publications** produced during the period covered by this activity report, from July 2019 to December 2020, with hyperlinks, can be found on pages 27-28 below.

⁸ Seven of these were published in the first half of 2019, a period not covered by this activity report: [Acceptance of electronic freight transport information](#); [Establishing a European Investment Stabilisation Function](#); [European Maritime and Fisheries Fund 2021-2027](#); [Modernising and simplifying the common agricultural policy](#); [Preventing the dissemination of terrorist content online](#); [Establishing a cybersecurity competence centre and a network of national coordination centres](#); [An EU framework to facilitate investments in environmentally sustainable economic activities](#).

The unit's work takes account of, but is not bound by, the Commission's guidelines and toolbox on Better Regulation, updated in July 2017, which cover all stages of the EU policy cycle, from planning to implementation, including monitoring, evaluation and impact assessment, with 'mandatory requirements and obligations for each step' (Guidelines, 2017, p4). In the context of the Commission's stock-take of its better regulation approach in 2019 and the expected publication of a Commission communication on better regulation in spring 2021, its guidelines and toolbox are expected to be updated as well. The unit will continue to monitor these developments closely and adapt elements of its own work, as appropriate.

Initial appraisals of Commission impact assessments

In light of Parliament's commitment in the [Inter-institutional Agreement \(IIA\) on Better law-Making](#), to take full account of the Commission's impact assessments when considering the latter's legislative proposals, the Ex-Ante Impact Assessment Unit's **initial appraisals** of the Commission's impact assessments seek to support informed and effective consideration of legislative proposals at committee stage within Parliament.

These initial appraisals provide an overview and critical assessment of the content, quality and evidence-base of Commission IAs and, more specifically, alert parliamentary committees to their strengths and weaknesses, flagging up issues that Members may wish to examine further. They may prompt committees to invite the Commission to explain the reasoning and methodology of its impact assessment, to respond to any criticisms or shortcomings identified, and/or to complement its own impact assessment, as envisaged by the IIA. In this context, committees may also request further support from the Ex-Ante Impact Assessment Unit, to address weaknesses or omissions in the Commission's texts.

Consequently, the unit's succinct briefings on the quality of the Commission's IAs help to strengthen Parliament's role as an effective co-legislator and its capacity for scrutiny of the executive. They also raise awareness in the Commission that scrutiny of the quality of impact assessments continues after the Commission's own internal review board, the Regulatory Scrutiny Board (RSB), has considered the draft (not final) impact assessments. This also helps to ensure a more consistent and coherent approach by the Commission to the justification of its proposals and its assessment of their likely effects.

- *Comprehensive review of the quality of Commission impact assessments published between 2015 and 2018*

The Ex-Ante Impact Assessment Unit took advantage of the election year 2019 to carry out an extensive and substantive review of the quality of Commission impact assessments published between July 2015 and December 2018, with a view to enhancing understanding of issues surrounding the IA process, not least in the context of the Commission's better regulation stock-take at the start of a new legislative term.

This [study](#), which was published at the end of 2019, draws on a review of the respective 132 initial appraisals of Commission impact assessments produced by the unit during that period, as well as their comparative analysis. It is based on a scoring exercise of the 10 main dimensions of an IA covered in each initial appraisal, rating each of these dimensions separately (on a range from 1 to 5, corresponding to the perceived quality of 'very poor, poor, satisfactory, good, very good'). Similar to the findings of a previous review, carried out in 2015 for the period between 2012 and 2015,⁹ the results of the 2019 study confirm an overall positive trend in the quality of IAs since 2012, reflecting consistent efforts by the Commission in this regard. The 2019 review found, more specifically, 66 per cent of the appraised IAs to be 'satisfactory' in quality, while five per cent were considered 'good' and 29 per cent 'poor'. These average percentages relate to the 10 key dimensions of an IA scored together, with variations detected between different parts of an IA. The purpose of the study was to pinpoint the strengths and weaknesses of each dimension, and to identify the evolution and trend over time, with a view to highlighting the areas in need of further improvement.

The dimensions that scored on average the best under the review were 'problem definition', followed by provisions for monitoring and evaluation, and coherence between the IA and the corresponding legislative proposal. The weakest were the presentation of policy options and the assessment of their relevant impacts, two essential sections of any IA. In the wake of these findings, the study identified the need for consistent transparency as an important aspect of the quality and accountability of an IA. This concerned in particular the use of data and stakeholder consultations, as well as the methods and assumptions underlying an IA.

⁹ J. Dunne and W. Hiller, European Parliament work in the fields of Impact Assessment and European Added Value, Activity Report for July 2014 - December 2015, Annex one, EPRS, European Parliament, April 2016.

A positive feature in nearly all the IAs appraised was the rather good quality of the **problem definition** and its drivers, which marked a significant improvement on the 2015 review. This is important, as strong problem definition constitutes the essential basis for the intervention logic of any IA. The situation was more mixed in relation to the definition of **clear and distinct objectives**. While nearly all IAs presented general and specific objectives, they were not always formulated in a precise and distinct manner, and from the three categories of **objectives** set out in the Better Regulation Guidelines – general, specific and operational – the latter were not found in all impact assessments. When they did feature, they did not always comply with all the 'SMART' criteria laid out in the Better Regulation Guidelines of being specific, measurable, achievable, realistic and time-bound ('SMART'). They were often too broadly formulated, not reflecting concrete deliverables, and were rarely time-bound.

The presentation of **policy options** to address the problem(s) was found to be one of the weakest parts of the IAs under review. While the range of options appeared sufficiently broad overall and had improved compared to the previous review – with the broad majority of IAs presenting at least three alternatives to the status quo – their specific description (and substantiation) was regularly found, as before, insufficiently clear and/or unbalanced, with the risk of undermining the overall credibility of the analysis. This appears to concur with successive annual reports of the Regulatory Scrutiny Board (RSB), which show that the design of options remains one of the weakest areas in impact assessments by comparison with other components.¹⁰

Another crucial aspect of every IA, the necessary analysis of **all relevant direct and indirect impacts** of the policy options presented, scored the lowest (on average) of the different parts of the IAs that were reviewed. As in the 2015 review, many initial appraisals observed that economic impacts were afforded greater attention than environmental or social impacts, and other impacts, for instance on SMEs and competitiveness – which should be considered systematically in all impact assessments according to the Better Regulation Guidelines – were not analysed in sufficient depth. The study concurs with the Commission's acknowledgement in its own stock-taking exercise that such 'impacts could be better taken into account',¹¹ while also recognising the need to keep the assessment proportionate, as highlighted in the IIA on Better Law-

¹⁰ See RSB Annual Report 2016, p 13; RSB Annual Report 2017, p. 13; and RSB Annual Report 2018, p. 12.

¹¹ Communication on stocktaking, 2019. p. 18. 30 % of respondents in the stocktaking exercise replied that in their opinion the Commission had not considered environmental and social impacts sufficiently.

making.¹² Improved screening and identification of the potential relevant impacts appear therefore necessary, along with proper justification for the impacts assessed or deemed relevant for the benefit of transparency and accountability.

In line with the greater emphasis placed on **stakeholder consultation** in the 2017 Better Regulation Guidelines, which corresponds to Parliament's requests on the matter, and pursuing the generally positive trend towards broad stakeholder involvement already noted in the 2015 review,¹³ the requirement for a 12-week open public consultation was met in the vast majority of cases. However, the open public consultations were frequently limited in terms of replies or representativeness. Shortcomings already previously identified concerned both the quality of the questionnaires of some consultations and, more specifically, the often very general reporting of the consultations in the IAs, where the effect of stakeholder views on the IA (for example the choice of the preferred option) was not transparent. The outcomes of stakeholder consultations were often presented in a rather general manner, with recurring use of unspecific statements, such as 'the majority of stakeholders think that...!'

The quality of research and the **evidence-base** of the Commission impact assessments under this review was found in general to be solid, based on relevant and reliable data, and extensive internal and external research. In a number of instances, however, a lack of consistency, coherence and/or transparency regarding the origin of data – as well as lack of information on the assumptions underlying the analysis, the use of models or the methodologies of the impact assessments – reduced their overall accessibility and degree of accountability. The Commission clearly made increasing efforts to **quantify** costs and (more rarely) benefits, but limited availability of reliable data, or, conversely, great complexity of both data and modelling methods, were cited as challenges preventing greater quantification. The Commission usually acknowledged such limitations, but did not always provide transparent explanations in this respect.

Appropriate **monitoring and ex-post evaluation** requirements were included in a more systematic way than before and generally accompanied by relevant indicators. Against the backdrop of the 'evaluate first' principle, the **'back to back'** practice used in some IAs, where, owing to time constraints, the Commission carried out ex-ante and ex-post assessments in one (short) exercise,

¹² IIA on Better Law-making, paragraph 12.

¹³ J. Dunne and W. Hiller, 2016, p. 41.

raised some methodological questions, which require further clarification from the Commission, with a view to preserving the quality and accountability of both ex-ante and ex-post assessments over the longer term.

The also review found that recommendations on the draft IAs made by the RSB in its opinions were in most cases addressed (only) partially and to varying degrees in the final IA, and could have been dealt with in a more transparent and explicit way. The requirement in principle for a positive opinion from the RSB on the impact assessment prior to the adoption of the legislative proposal in question was met in all but two cases of the IAs appraised between 2015 and 2018.¹⁴ Finally, the legislative proposals themselves were usually aligned with the impact assessment, even if in some cases, technical or other details went beyond the IA or suggested detailed monitoring mechanisms were not referred to in the proposal itself.

Substitute impact assessments

1) ETIAS consequential amendments

In the absence of a Commission impact assessment for the proposal for a Return Directive (recast), in February 2019, the Ex-Ante Impact Assessment Unit provided a targeted substitute impact assessment for this proposal, following a request of the Parliament's LIBE committee.

Later that year, LIBE also asked the unit to provide a targeted substitute impact assessment in relation to the expected fundamental rights impacts of specific elements of the Commission's proposed package of ETIAS consequential amendments,¹⁵ which the Commission had also presented without an impact assessment. The [resulting impact assessment](#), commissioned externally by the unit, which was delivered in a very short timeframe, was published and presented to the LIBE committee in December 2019, and is quoted in the [LIBE report of 11 December 2020](#) (pp 37-38).

¹⁴ There were in fact three cases of an IA receiving two negative opinions during the period of this review: The IAs on the 'free flow of non-personal data', on the 'use of energy from renewable sources' and on the 'sustainable finance initiative'. In the last case, however, the two negative opinions were exceptionally followed by a third positive opinion with reservations (see RSB Annual Report 2018, footnote 2, p. 10).

¹⁵ Proposal for a Regulation of the European Parliament and of the Council establishing the conditions for accessing the other EU information systems and amending Regulation (EU) 2018/1862 and Regulation (EU) yyyy/xxx [ECRIS-TCN] (COM(2019) 3 final); Proposal for a Regulation of the European Parliament and of the Council establishing the conditions for accessing other EU information systems for ETIAS purposes and amending Regulation (EU) 2018/1240, Regulation (EC) No. 767/2008, Regulation (EU) 2017/2226 and Regulation (EU) 2018/1861 (COM(2019) 4 final).

This assessment concludes, inter alia, that the Commission package expands the scope of the European criminal record information system for third-country nationals (ECRIS-TCN) beyond the purposes stated in the ECRIS-TCN Regulation. This expansion constitutes serious interference with the rights to respect for private life and to protection of personal data. The necessity of this interference is questioned due to the potential overlap between the Schengen information system (SIS) and ECRIS-TCN.

2) Temporary derogation from certain provisions of the e-Privacy Directive

Towards the end of 2020, the unit began work on a new request by the LIBE committee for a targeted substitute impact assessment on the Commission proposal on a temporary derogation from some provisions of the e-Privacy Directive for the purpose of fighting online child sexual abuse¹⁶, which was also presented by the Commission without an impact assessment. The committee had raised concerns over the potential human and fundamental rights impacts of this proposal. This impact assessment, commissioned externally and published in February 2021, was designed to feed into Parliament's position in the inter-institutional negotiations on this file.

Other impact assessment work

During the period under review, the Ex-Ante Impact Assessment Unit also continued to develop its strategy for the early identification and tracking of adopted and expected legislative files not accompanied by a Commission impact assessment and started informing parliamentary committees more systematically of this situation. Members of the European Parliament see the lack of impact assessments in an increasingly critical way and had already pointed to the fact that about one third of the new legislative proposals included in the joint declaration on the EU's legislative priorities for 2018-19 (11 out of 34) were not accompanied by an IA, despite the Commission's commitment in the IIA to provide one for initiatives included in the Commission work programme (CWP) or the joint declaration.

According to records kept by the Ex-Ante Impact Assessment Unit during the period under review, the Commission put forward 113 proposals¹⁷ under the

¹⁶ Proposal for a regulation for a temporary derogation from certain provisions of Directive 2002/58/EC (e-Privacy Directive) for the purpose of fighting online child sexual abuse (CSA) (COM(2020) 568 final).

¹⁷ These include three codifications and nine amended proposals of proposals originally published in previous years.

ordinary legislative procedure (OLP).¹⁸ Only 17 of these (15 %) were accompanied by an impact assessment.¹⁹ However, more than half of the proposals made during 2020 without an IA were urgent initiatives put forward in response to the coronavirus pandemic and not, of course, envisaged in the CWP. A significant number of others were proposals making adjustments rendered necessary by the United Kingdom ceasing to be an EU Member State.

The CWP for 2020, updated at the end of May due to delays in the original legislative schedule brought about by the coronavirus crisis, included 40 initiatives with a legislative element (some initiatives have both a legislative and a non-legislative element), in its Annexes I and II. Of these, the CWP indicated that 32 (80 %) would be accompanied by an impact assessment.²⁰ It is to be noted, however, that some legislative initiatives mentioned in the CWP consisted of more than one legislative proposal. For example, the 'New pact on migration and asylum and accompanying legal proposals', mentioned in Annex I of the 2020 CWP and adopted in September 2020, included five legislative proposals, none with an impact assessment. In contrast, the CWP for 2021 includes 82 legislative initiatives in its Annexes I and II, with 79 of them (96 %) expected to be accompanied by an impact assessment.²¹ This expected high coverage of impact assessments appears to indicate a renewed commitment by the European Commission to its stated ambitions and principles in this field.

The Ex-Ante Impact Assessment Unit has started to develop a digital database/platform, which should offer improved analytical and reporting tools to enable more in-depth and statistical analysis of the quality of the European Commission impact assessment work. This should further contribute to the value and robust nature of analysis in support of effective political decision-making and better EU law-making more generally.

¹⁸ A few of these proposals are mentioned in the relevant Commission work programmes, while the majority are not. It is important to note that the initiatives mentioned in Commission work programmes do not constitute an exhaustive or definitive list of planned Commission proposals for any specific year.

¹⁹ The Commission adopts hundreds of proposals each year under several legislative and non-legislative procedures, and there is no global overview of all Commission proposals. While every care has been taken to ensure the accuracy of this data, the statistical information produced in this report should not be considered as definitive or exhaustive, and is subject to updates and corrections.

²⁰ On the adjusted Commission work programme for 2020 see M. Bargiotti, I. Kiendl Kristo, S. Vettorazzi, [Adjusted European Commission work programme 2020](#), EPRS, European Parliament, July 2020.

²¹ On the Commission work programme for 2021 see N. Hahnkamper-Vandenbulcke; S. Vettorazzi, [European Commission work programme 2021](#), EPRS, European Parliament, November 2020.

During the period under review, the unit remained committed to raising awareness within Parliament of inter-institutional undertakings and best practice in the area of ex-ante impact assessment and to enhancing the visibility of its work. The unit's contacts with an increasing number of parliamentary committees, notably through its active participation in the five inter-directorate-general 'steering groups' within Parliament's administration, confirm a rising curve of interest across the institution in ex-ante impact assessment work.

Increased awareness of the value of ex-ante impact assessment as an aid to decision-making can also be gauged through the growing number of enquiries received from committee secretariats, political group staff and Members' offices, requesting advice on the existing possibilities and modalities for the performance of such work. In 2020, the unit responded to an increasing number of Member's requests for information on the lack of impact assessments, as well as on the quality and methodology of the impact assessments that were provided, including on the use of modelling in these analyses. The unit worked closely with the JRC in this area, namely in the context of the preparation of the Commission's Modelling Inventory and Knowledge Management System (MIDAS), which was opened to the public in December 2020.

As in previous years, the Ex-Ante Impact Assessment Unit maintained close contacts with other EU institutions, by exchanging information on best practice and methodologies relating to ex-ante impact assessment. This process included exchanges with the European Committee of the Regions to discuss territorial impacts in impact assessments and regular exchanges with the Commission's own impact assessment unit as well as with the RSB.

The unit also presented its activities to external stakeholders, for instance the Korean Legislation Research Institute in Seoul, the Odysseus Summer School of the Université Libre de Bruxelles, Maastricht University and KU Leuven. Furthermore, it made presentations at the Master Class at the European Week of Regions and Cities in Brussels and at the Portuguese Parliament in Lisbon, as well as to a regular flow of national parliamentary and/or other oversight or international institutions visiting Brussels, notably the OECD, the US Congressional Budget Office (CBO), US Government Accountability Office (GAO) and the US Office of Information and Regulatory Affairs (OIRA).

Publications

The following publications in the field of ex-ante impact assessment were produced between July 2019 and December 2020:

Initial appraisals of European Commission impact assessments (8)

- [Revision of the EU system to monitoring, reporting, and verifying CO2 emissions from ships](#), October 2019, PE 631.760
- [Payment service providers and the fight against e-commerce VAT fraud](#), October 2019, PE 642.800
- [European Institute of Innovation and Technology and its Strategic Innovation Agenda 2021-2027](#), December 2019, PE 642.805
- [Review of the Benchmark Regulation](#), October 2020, PE 654.181
- [Better cooperation against tax fraud and evasion](#), November 2020, PE 654.182
- [Protection of workers from exposure to carcinogens or mutagens: fourth proposal](#), November 2020, PE 654.188
- [Setting the 2030 GHG emissions reduction target](#), December 2020; PE 654.190
- [Strengthening the digital operational resilience in the financial sector](#), December 2020, PE 654.210.

Substitute impact assessments

- [The European Commission package of ETIAS consequential amendments](#), December 2019, PE 642.80.

Other publications

- [European Parliament, Appraising the quality of the European Commission's impact assessments Trends and developments from 2015 to 2018](#), European Parliamentary Research Service 2019 (IMPA quality study), December 2019, PE 642.807
- [EU rules on administrative procedure – state of play](#), February 2020, PE 642.833.

In collaboration with the Ex-Post Evaluation (EVAL) Unit:

- [Commission Work Programme 2020](#), February 2020, PE 613.767
- [Adjusted European Commission Work Programme 2020](#), July 2020, PE 642.846
- [European Commission Work Programme 2021](#), November 2020, PE 654.204.

Each of these publications can be accessed by clicking on the **hyperlinks** above (in the electronic version of this activity report) or on-line on the European Parliament's [Think Tank](#) website.

3) Work on European added value

The **European Added Value Unit** of the Directorate for Impact Assessment and European Added Value analyses the potential benefit of future action by the European Union. It provides European Parliament committees with three main services, drawing on external expertise if necessary:

- **European Added Value Assessments (EAVAs)** to evaluate the potential impacts of, and identify the advantages of, proposals made in **legislative own-initiative reports** by Parliament, based on Article 225 TFEU. These assessments are undertaken on an automatic basis once the drafting of a legislative initiative report by a parliamentary committee has been authorised by Parliament's Conference of Presidents. (They may also explain the legal and practical basis for EU policy actions, and consider any subsidiarity or proportionality issues);
- **Cost of Non-Europe Reports (CoNEs)** on policy areas where there is significant potential for greater efficiency and/or the realisation of a 'public good' through common action at EU level, and where such action is currently absent. These reports are normally drafted at the request of committees;
- **the 'European Added Value in Action'** series of publications on the added value of existing EU policies in practice.

During the period from July 2019 to December 2020, the European Added Value Unit supported parliamentary committees by producing 10 European Added Value Assessments, three Cost of Non-Europe Reports, and seven European Added Value in Action briefings or studies, as well as one briefing for the internal work of a committee but not intended for publication.

Contribution to European Parliament committee work

In specific support for parliamentary committees' work on legislative initiative reports, drawn-up under Article 225 TFEU, the European Added Value Unit completed **10 European Added Value Assessments (EAVAs)** during the period from July 2019 to December 2020. These were drafted at the request of the Committees on Legal Affairs (JURI), Internal Market and Consumer Protection (IMCO), Environment, Public Health and Food Safety (ENVI), Economic and

Monetary Affairs (ECON), and Civil Liberties, Justice and Home Affairs (LIBE). The 10 EAVAs can be summarised as follows:

- A European Added Value Assessment on **common minimum standards of civil procedure** presented the benefits that could potentially be generated by reducing fragmentation, simplifying and filling gaps in current EU procedural rules. The European added value was calculated as a percentage reduction of the total cost of civil procedure, which was estimated using data on the number of civil and commercial proceedings in the EU-28 and the cost of litigation in the Member States. Based on this analysis, the EAVA estimated that introducing EU common minimum standards of civil procedure could reduce annual costs for citizens and businesses within the Union by as much as €4.7 to 7.9 billion per year. Furthermore, EU common minimum standards would help to build mutual trust between the judicial authorities of the various Member States. Increasing trust has the potential to enhance legal certainty and stability for citizens and businesses, further reducing costs arising from uncertainty and delay.
- A European Added Value Assessment (initial briefing, followed by a study) on an **EU mechanism on democracy, the rule of law and fundamental rights** accompanied a legislative initiative report prepared by the Committee on Civil Liberties, Justice and Home Affairs (LIBE). It assessed the potential added value of an EU pact on democracy, the rule of law and fundamental rights covering all Member States as proposed by the European Parliament, comparing it with the European Commission's approach in its annual rule of law report, which only covers the rule of law and further integration requiring Treaty change. It concluded that the pact proposed by the Parliament would lead to significant benefits in terms of more effective monitoring and enforcement of EU values. An approximation of its potential positive effects on the EU economy indicated annual gains of €413 billion per year corresponding to 3.3 % of EU gross domestic product (GDP), far outweighing the costs of its development.
- A European Added Value Assessment on an **EU legal framework to halt and reverse EU-driven global deforestation** was produced for the Committee on Environment, Public Health and Food Safety (ENVI). It noted that deforestation caused by agricultural activity is continuing at an alarming rate, threatening irreplaceable tropical forests that, among

other things, are crucial for fighting climate change. To date, action has been taken at different levels to stop commodity-driven deforestation. Nevertheless, the impact on forest loss has been low, as deforestation continues and new 'hot spots' occur. This European Added Value Assessment accompanied Parliament's legislative own-initiative report calling on the European Commission to take legislative action on the matter. The EAVA looked at why EU action was needed and analysed four potential demand-side regulatory policy options at EU level. A quantitative analysis revealed that to varying extents, all options had the potential to reduce EU-driven deforestation and associated carbon emissions (with 76 % to 62 % less CO₂ emissions by 2030), while having a negligible impact on the EU economy (EU GDP growth would be 0.001 per cent lower in the 2020-30 period).

- A European Added Value Assessment on **digital finance and emerging risks in crypto-assets, regulatory and supervisory challenges in the area of financial services, institution and markets** was prepared for the Committee on Economic and Monetary Affairs (ECON). It investigated the rapid growth of digital finance and crypto-assets and raised questions about the appropriate regulatory perimeter and the ability of the existing regulatory architecture to adapt to changing conditions. The study evaluated the impact in terms of benefits and in terms of risk reduction that the adoption of an EU legislative initiative on a framework for crypto-assets, on cyber-resilience and on a data strategy would bring. The European added value identified was in the range of €27 and €55 billion per year by 2030.
- A European Added Value Assessment on a **civil liability regime for artificial intelligence** was prepared for the Committee on Legal Affairs (JURI). It suggested that the revision of the EU civil liability regime for artificial intelligence (AI) systems would likely generate substantial economic and social added value. The current preliminary analysis suggested that by 2030 EU action on liability could generate €54.8 billion per year in added value for the EU economy by stepping up the level of research and development in AI, and in the range of €498.3 billion per year if other broader impacts, including reductions in accidents, health and environmental impacts and user impacts, were also taken into account. A clear and coherent EU civil liability regime for AI had the potential to reduce risks and increase safety, decrease legal uncertainty and related legal and litigation costs, and enhance consumer rights and trust. Those elements together could facilitate the faster, and arguably

safer, uptake and diffusion of AI. As Member States have not yet adopted specific legislation relating to the regulation of liability for AI, timely action at EU level would reduce regulatory fragmentation and costs for producers of AI while also helping to secure high levels of protection for fundamental and consumer rights in the EU.

- A European Added Value Assessment on a **European framework of ethical aspects of artificial intelligence, robotics and related technologies** prepared for the Committee on Legal Affairs (JURI) explored how common EU legislative action on ethical aspects of AI could boost the internal market and establish an important strategic advantage for Europe. While numerous public and private actors around the globe have produced ethical guidelines in this field, there is currently no comprehensive legal framework. Building on the EU's economic and regulatory powers, common EU-level legislative action had great potential to provide European industry with a competitive edge. Furthermore, EU action could facilitate the adoption of EU standards globally and ensure that the development, uptake and diffusion of AI is based on the values, principles and rights shared and protected in the EU. Those benefits could not be achieved by the actions of individual Member States. The analysis suggested that a common EU framework on ethics had the potential to bring the European Union €294.9 billion per year in additional GDP and 4.6 million additional jobs by 2030.
- A European Added Value Assessment on the **digital services act** accompanied two European Parliament legislative own-initiative reports by the Legal Affairs Committee (JURI) and the Committee on the Internal Market and Consumer Protection (IMCO), asking the Commission to propose a digital services act. The analysis identified 22 main gaps and risks, which were clustered into four policy packages on consumer protection, content management and curation, facilitation of competition in online platforms eco-systems, and enhancement of enforcement and legal coherence. The analysis suggested that EU common action on consumer protection and e-commerce rules, as well as on a framework for content management and curation, could add up €76 billion per year to EU GDP between 2020 and 2030.
- A European Added Value Assessment on **corporate due diligence and corporate accountability** was prepared for the Committee on Legal Affairs (JURI). It noted that actions taken to promote responsible

business conduct suffer from several limitations, as they are either voluntary, sector-specific, or limited to reporting obligations. Based on EU competence to harmonise national company law to ensure the proper functioning of the single market, the study analysed the European added value of a potential measure requiring companies to carry out due diligence on possible social and environmental risks in their operations and supply chains. It concluded that while it was not possible to quantify each component of the added value of such action, it would be significant, as convergence of EU companies towards greater environmental and social accountability practices would contribute to improved performance and also help to strengthen victims' access to remedy. The impact could be substantial, depending on the quality of enforcement and on how the legal aspects were designed.

- A European Added Value Assessment on the **challenges facing sports event organisers in the digital environment** was prepared for the Committee on Legal Affairs (JURI). The study investigated whether the current EU legal regime provided sports events organisers and their licensees with an adequate level of protection against the risk of online sports events piracy. It also attempted to measure the scale of the European added value that could be achieved through a coordinated EU response. The analysis found that failure of the EU to take action could result in additional burdens on economic operators. Moreover, not addressing these barriers and the associated legal uncertainties hampered completion of the digital single market. The research identified gaps and barriers in the current legal framework and presented policy options, and their associated legislative tools, that could potentially tackle them. It concluded that illegal broadcasting had led to annual value added tax (VAT) avoidance of €113.5 million, as well as foregone revenue of €3.4 billion per year. In addition, the most cautious estimate suggested that each year up to 16 000 potential new jobs were lost as a result of online piracy of sports events broadcasts.

In parallel, **three Cost of Non-Europe Reports** (CoNEs) were undertaken during the period from July 2019 to December 2020. They covered a potential extension of EU geographical indication protection, international trade agreements, and the economic implications of the coronavirus pandemic. The three CoNEs can be summarised as follows:

- A Cost of Non-Europe Report on **geographical indications for non-agricultural products** was produced for the Committee on Legal Affairs (JURI) in support of the latter's resolution on a possible extension of EU GI protection to non-agricultural products. It underlined the overall positive effect on trade, employment and rural development that the introduction of EU GI protection for non-agricultural products would bring. At EU level, the absence of harmonised GI protection for non-agricultural products resulted in fragmentation that came at a cost to consumers, producers and Member States, affecting the EU economy and especially trade, employment and rural development. The study identified and quantified the cost of the absence of EU-level GI protection for non-agricultural products, by building on evidence collected for agricultural GIs, and showed that the introduction of such a scheme would have an overall positive effect on intra-EU trade. It estimated that such a protection scheme would yield an overall expected increase in intra-EU trade of about 4.9 to 6.6 per cent of current exports by 2030, corresponding to between €37.6 billion and €50 billion per year.
- A Cost of Non-Europe Report on the **potential impact of an EU-India trade agreement** provided an estimation of the potential effects of a free trade agreement (FTA) that partly liberalised trade in goods and services between the EU and India, measuring the effects for both welfare and trade volumes. The model used belongs to the group of new quantitative trade models, where the demand for goods and services is defined by a 'structural gravity equation' that links trade flows to country-specific characteristics and to bilateral trade costs between countries. The most relevant scenarios assumed a heterogeneous decrease in bilateral import tariffs (90 % in most sectors) and a homogeneous and symmetric reduction of non-tariff measures by 3 % for both goods and services. Under these scenarios, the gains from enhanced trade for the EU represent roughly a 0.03 % increase with respect to the baseline, meaning a potential gain of between €8 billion and €8.5 billion per year.
- A final Cost of Non-Europe Report attempted to quantify the actual or potential losses entailed if the economic downturn caused by the **coronavirus pandemic** were to result in the gradual dismantling of the EU project and/or a parallel failure to take advantage of the unexploited potential of collective public goods that might otherwise be created. It found that even cautious estimates suggested that dismantling the EU single market alone would cost the European economy between 3.0 and

8.7 % of GDP, or between €480 billion and €1 380 billion per year. If the potential long-term cost of non-Europe from failure to develop deeper common policies in 50 policy areas – already estimated by the European Added Value Unit at around €2.2 trillion or 14 % of EU GDP – were added in, the whole EU economy could end up between 17.0 and 22.7 % smaller than might otherwise have been the case – in addition to any contraction or permanent scarring of the European economy as a direct result of the coronavirus crisis itself.

'European Added Value in Action' series

European Added Value in Action briefings highlight the added value of existing EU policies in practice. Six such briefings were published in 2020, covering **free movement**, **short-time work schemes**, **Erasmus+**, **vaccination**, the **coronavirus** response, and **employee rights**. These briefings sought to identify the contribution to the economy and society, and benefits for citizens, of EU action in given policy areas, compared to what would otherwise have been the case if Member States had simply acted alone.

A further **European Added Value in Action study** explored the issue of **improving the quality of public spending in Europe** by looking at **budgetary 'waste rates' in EU Member States**. The study analysed whether an increase in the EU budget offset by a corresponding reduction in Member States' national budgets could save resources overall, through economies of scale, (greater efficiency and lower administrative costs) and positive spill-over effects. It looked at health, climate change, social insurance and defence, concluding that some €180 billion per year could be saved in this way in these areas.

Publications

The following publications in the field of European added value were produced between July 2019 and December 2020:

European Added Value Assessments (10)

- [Common minimum standards of civil procedure](#), November 2019, PE 642.804
- [European Added Value of an EU mechanism on democracy, the rule of law and fundamental rights - Preliminary Assessment](#), April 2020, PE 642.831

- [An EU legal framework to halt and reverse EU-driven global deforestation](#), September 2020, PE 654.174
- [Digital Finance: Emerging risks in crypto-assets - Regulatory and supervisory challenges in the area of financial services, institution and markets](#), September 2020, PE 654.177
- [Civil liability regime for artificial intelligence](#), September 2020, PE 654.178
- [European framework of ethical aspects of artificial intelligence, robotics and related technologies](#), September 2020, PE 654.179
- [An EU mechanism on democracy, the rule of law and fundamental rights](#), September 2020, PE 654.186
- [Digital Services Act](#), October 2020, PE 654.180
- [Corporate due diligence and corporate accountability](#), October 2020, PE 654.191
- [Challenges facing sports event organisers in the digital environment](#), December 2020, PE 654.205.

Cost of Non-Europe Reports (3)

- [Geographical indications for non-agricultural products](#), November 2019, PE 631.764
- [Coronavirus and the cost of non-Europe: An analysis of the economic benefits of common European action](#), May 2020, PE 642.837
- [Assessing the potential impact of an EU-India trade agreement](#), June 2020, PE 648.841.

European Added Value in Action (6)

- [The impact of the free movement of economically active citizens within the EU](#), December 2019, PE 631.742
- [EU-27 support for national short-time work schemes](#), April 2020, PE 642.826
- [Impact of the Erasmus+ programme](#), April 2020, PE 642.812
- [Towards a joint European approach on vaccination](#), April 2020, PE 642.828
- [Added value of a common EU response to the economic consequences of the coronavirus pandemic](#), April 2020, PE 642.829

- [The right to disconnect](#), July 2020, PE 642.847
- [Improving the quality of public spending in Europe: Budgetary 'waste rates' in EU Member States](#), October 2020, PE 654.197.

Other European added value work (2)

- [Improving the quality of public spending in Europe: Budgetary 'waste rates' in EU Member States](#), October 2020, PE 654.197
- European Works Councils (EWCs), July 2020 (internal paper).

Each of the publications can be accessed by clicking on the **hyperlinks** above (in the electronic version of this activity report) or on-line on the European Parliament's [Think Tank](#) website.

4) Work on ex-post evaluation

The **Ex-Post Evaluation Unit** of the Directorate for Impact Assessment and European Added Value helps to strengthen the European Parliament's capacity for oversight of the executive by serving as an information and analysis centre for all work in Parliament, the Commission and other EU bodies on the implementation, enforcement and effectiveness of EU law and policies in practice.

The Ex-Post Evaluation Unit provides products and services, including:

- a **central information and support service** on work being done by the European Parliament, European Commission and other bodies on the implementation and effectiveness of EU law and policies in practice, and on all phases of the EU policy cycle downstream of the adoption of EU law;
- horizontal '**rolling check-lists**' to provide key reference material, in an easily accessible form, to assist parliamentary committees in deciding what type of scrutiny of the Commission and EU policies to engage in, and when and how best to undertake it;
- short (four- to twelve-page) **implementation appraisals** of the operation of existing EU legislation in practice, whenever a new proposal to update such legislation is included in the Commission's annual work programme (CWP). These appraisals are delivered to the relevant parliamentary committee in advance of the latter's consideration of the new proposal in question;
- longer and more detailed **European implementation assessments** of how specific existing EU laws or policies operate in practice, drafted each time a parliamentary committee decides to draft an own-initiative implementation report on an existing EU policy or law, providing a detailed analysis of the experience to date; and
- any **other analyses or studies** on implementation issues as required.

The material generated on ex-post evaluation draws inter alia on input from the EU institutions, including the two advisory committees, the European Court of Auditors, national governments and parliaments, and other external consultation and outreach exercises.

Contribution to European Parliament committee work

From July 2019 to December 2020, the Ex-Post Evaluation Unit supported the work of parliamentary committees by producing **18 in-depth ex-post evaluations** of various kinds.

The unit provided nine parliamentary committees with **European Implementation Assessments** to underpin their own-initiative implementation reports in the following areas:

EU legislation

- Dublin Regulation on international protection applications (604/2013/EU);
- Return Directive (2008/115/EC);
- Roadworthiness Package on periodic vehicle inspections (Directive 2014/45/EU), vehicle registration documents (Directive 2014/46/EU) and roadside inspections of commercial vehicles (Directive 2014/47/EU);
- Trafficking in human beings: migration and gender issues - Directive 2011/36/EU (Anti-Trafficking Directive);
- EU Defence Package: Defence Procurement Directive (2009/81/EC) and Intra-Community Transfers Directive (2009/43/EC);
- Asylum procedures at the border: Article 43 of Directive 2013/32/EU on Common Procedures for granting and withdrawing international protection;
- Employment Equality Directive (2000/78/EC) in light of the UN CRPD.

EU association agreements

- Association Agreement between the EU and Georgia: European Implementation Assessment (update);
- Association Agreement between the EU and the Republic of Moldova European Implementation Assessment (update);
- Association Agreement between the EU and Ukraine European Implementation Assessment (update).

EU policies

- European Arrest Warrant (Part I);
- European Arrest Warrant (Part II);
- Framework for National Roma Integration Strategies up to 2020.

EU institutions/process

- Parliamentary scrutiny of the European Commission: implementation of Treaty provisions (up-date).

In addition, the unit produced **four other ex-post evaluations**, on:

- regulatory policy practices in national parliaments (examination of ex-ante impact assessment and ex-post evaluation practices in European national parliaments);
- the EU contribution to peace and security in the Sahel region (Normandy Peace Forum);
- detecting and protecting victims of trafficking in hotspots (evaluation of the application and effects of existing legislation in this area);
- protecting EU common values within the Member States: An overview of monitoring, prevention and enforcement mechanisms at EU level.²²

To these studies should be added **six 'Implementation in Action' briefings**: Three were generic – on 'Implementation appraisals following the **Commission Work Programmes**²³ – prepared jointly with the Ex-Ante Impact Assessment Unit. The three other Implementation in Action briefings were on:

- strategy of international cooperation in research and innovation (evaluation of the application and effects of existing legislation in this area);
- cultural heritage in the Horizon 2020 programme (an update of an earlier evaluation of the issue);
- EU-Africa academic cooperation (evaluation of the application and effects of existing legislation in this area).

These categories of publications resulted in nine presentations in different parliamentary committees, as well as other presentations in or to other EU institutions, the Brazilian Congress, and various think tanks and academic organisations.

The unit produced also **six implementation appraisals**, to assist five parliamentary committees in their work. They analysed the implementation,

²² In collaboration with Directorate A (Members' Research Service) of EPRS.

²³ Analysis of the Commission's 2020 work programme, the Commission's adjusted 2020 work programme, and an analysis of the Commission's 2021 work programme.

application and effectiveness of existing EU legislation that the Commission had announced would be subject to an amending proposal to update the current text. These appraisals covered:

- revision of the Batteries Directive;
- review of the Benchmark Regulation;
- revision of the Trans-European Energy Network (TEN-E) Regulation;
- revision of the Directive on security of network and information systems (NIS Directive);
- revision of Directive 2009/12/EC on airport charges; and
- revision of the Air Services Directive.

Due to the start of the new five-year legislative cycle (2019-24) and the impact of the pandemic, the European Commission only produced legislative proposals subject to implementation appraisals as of second half of 2020. As a result, no implementation appraisals were produced during the second half of 2019 or first half of 2020.

Publications

The following publications in the field of ex-post evaluation were produced between July 2019 and December 2020:

European Implementation Assessments (14)

- [Parliamentary scrutiny of the European Commission: Implementation of Treaty provisions](#); July 2019, PE 631.748
- [European arrest warrant](#) (I), February 2020, PE 642.814
- [Dublin Regulation on international protection applications](#), February 2020, PE 642.813
- [Association agreement between the EU and Georgia: European Implementation Assessment](#) (update), April 2020, PE 642.820
- [Framework for National Roma Integration Strategies up to 2020: European Implementation Assessment](#), April 2020, PE 642.827
- [Association agreement between the EU and the Republic of Moldova](#), May 2020, PE 642.834
- [European Arrest Warrant](#) (II), June 2020, PE 642.839
- [The Return Directive](#) 2008/115/EC, June 2020, PE 642.840
- [Association agreement between the EU and Ukraine](#), July 2020, PE 642.844

- [Implementation of the roadworthiness package: European implementation assessment](#), September 2020, PE 654.175
- [Implementation of Directive 2011/36/EU: Migration and gender issues](#), September 2020, PE 654.176
- [EU Defence Package: Defence Procurement and Intra-Community Transfers Directives](#), October 2020, PE 654.171
- [Asylum procedures at the border](#), November 2020, PE 654.201
- [Implementation of the Employment Equality Directive in light of the UN CRPD](#), December 2020, PE 654.206.

Implementation appraisals (6)

- [Batteries Directive](#), October 2020, PE 654.184
- [Review of the Benchmark Regulation](#), October 2020, PE 654.187
- [Revision of the TEN-E Regulation](#), October 2020; PE 654.196
- [Directive on security of network and information systems](#) (NIS Directive), November 2020, PE 654.198
- [Airport charges: Revision of Directive 2009/12/EC](#), November 2020, PE 654.202
- [Air services: Revision of Regulation \(EC\) No 1008/2008](#), December 2020, PE 654.211.

Other ex-post evaluations (3)

- [Detecting and protecting victims of trafficking in hotspots](#); July 2019, PE 631.757
- [Better Regulation practices in national parliaments](#), June 2020, PE 642.835
- [Peace and security in 2020: Evaluating the EU approach to tackling the Sahel conflicts](#), September 2020, PE 654.173.

Implementation in Action (6)

- [The EU strategy for international cooperation in research and innovation](#), October 2019, PE 631.771
- [Cultural heritage in EU discourse and in the Horizon 2020 programme](#), November 2019, PE 642.803
- [EU-Africa academic cooperation](#), December 2019, PE 642.810

- [European Commission Work Programme for 2020](#), February 2020, PE 631.767²⁴
- [Adjusted European Commission work programme 2020](#), July 2020, PE 642.846²⁵
- [European Commission work programme 2021](#), November 2020, PE 654.204.²⁶

Each of these publications can be accessed by clicking on the **hyperlinks** above (in the electronic version of this activity report) or on-line on the European Parliament's [Think Tank](#) website.

²⁴ Jointly with the Ex-Ante Impact Assessment Unit.

²⁵ Jointly with the Ex-Ante Impact Assessment Unit.

²⁶ Jointly with the Ex-Ante Impact Assessment Unit.

5) Wider horizontal support

In addition to the various specific products and services referred to above – which are provided by the Directorate for Impact Assessment and European Added Value to support parliamentary committees in their role in providing scrutiny and oversight of the executive – Members and committees can also draw upon a series of **horizontal analytical publications** prepared for use in Parliament as a whole.

Scrutiny throughout the policy cycle

In this context, the **Ex-Post Evaluation Unit** acts as a central information and analysis centre for work at all points in the policy cycle, and during the 2019-2020 period the unit produced a series of **rolling check-lists** that bring together in a simple and accessible form a large amount of otherwise disparate or complex material.

These rolling check-lists provide a simple reference tool for all existing EU legislation and international agreements that contain a provision for any kind of ex-post evaluation or review, for all ex-post evaluation or review work being undertaken by the European Commission, and for relevant recent analysis by the Court of Auditors in its special reports. More precisely, the following rolling check-lists were published between July 2019 and December 2020:

- [European Commission follow-up to European Parliament requests, 2017-2019](#): This check-list, now produced twice per legislature together with the Inter-institutional Relations Unit of DG Presidency (PRES), runs to over 1 500 pages and lists all requests made by Parliament to the Commission and whether the latter has followed up in any meaningful way.
- [Evaluation in the European Commission: Rolling check-list and state of play \(4th edition\)](#): This check-list provides an overview of planned, ongoing and recently-completed Commission ex-post evaluations of existing EU legislation and policy. Compiled from a range of sources in the public domain, it offers a single point of access to the Commission's evaluation planning and output up to 30 June 2020. It also explains how the evaluation process has evolved over time.
- [International Agreements – Review and Monitoring Clauses – A Rolling Check-List](#): This check-list provides an overview of review and monitoring clauses, sunset clauses, and management and implementation clauses included in international agreements concluded between the EU and third

countries. It analyses both multilateral and bilateral agreements concluded between the EU and other countries, and in force as of 1 September 2019.

In addition, a seventh edition of '**A rolling check-list of review clauses in EU legislation**' is planned for spring 2021. This provides an overview, by subject area and individual legislative act, of such clauses and the timelines for upcoming reviews and other reporting provisions in EU law.

Scrutiny of the European Council

In order to support Members and committees in their role of overseeing and scrutinising the executive, the **European Council Oversight Unit** (ECOS) monitors and analyses delivery by the European Council (EU Heads of State or Government) on commitments made in the conclusions of its summit meetings, as well as in respect to various responsibilities either in law or on the basis of intergovernmental agreements. The unit's publications include:

- **A rolling check-list of European Council conclusions:** Published quarterly since 2014, this publication is the core product of the unit. It lists policy pronouncements of EU Heads of State or Government by subject area since 2014, distinguishing between four types of European Council conclusions – commitments, reviews, endorsements and statements – indicating the follow-up given to calls for action and the degree of implementation thereof. It also offers an introductory analysis of each policy area, explaining the European Council's main orientations and the follow-up given to them, as well as challenges ahead. The check-list, which is now at its 20th edition, was restructured in 2020 to reflect the priorities set by the European Council in its Strategic Agenda for 2019-2024.
- **Outlook and outcome of European Council meetings:** The unit also produces briefing notes in advance of, and following, each European Council meeting. The outlook briefings are accompanied by an 'at-a-glance' note on the current membership of the European Council, including the political affiliation of EU Heads of State or Government at European level. Between July 2019 and December 2020, the unit produced 26 outlook or outcome briefings, regarding both regular quarterly meetings and special European Council meetings, such as the two summits dealing with the multiannual financial framework (MFF) in February and July 2020. Since the outbreak of the coronavirus crisis, the unit has been actively monitoring action taken by the European Council to respond to the pandemic. In addition to its reporting on all nine video-conferences of EU leaders aimed

at coordinating the European response to the crisis, the unit also produced a special briefing on 'The European Council as Covid-19 crisis manager: A comparison with previous crises'.

Institutional and subject-specific analysis: The unit also analyses the general activities and role of the European Council as an institution. In the second half of 2019, it undertook research on the European Council's role in the EU policy cycle, published as 'Origins of the 2019-24 EU Strategic Agenda', and prepared a special publication assessing the evolution of the European Council in the 10 years since it became a separate EU institution under the Lisbon Treaty. The latter publication was designed as a contribution to a December 2019 event with former MEPs marking the 10th anniversary of the Lisbon Treaty. In 2020, the unit notably looked at the role of the European Council in the 2021-2027 multiannual financial framework (MFF) process, at trade and competitiveness policies in the European Council's discussions, at Charles Michel's first 100 plus days as President of the European Council, and at the Twitter activities of EU Heads of State or Government on European issues. With a view to the Zagreb summit in May 2020, the unit also carried out an analysis of discussions regarding the Western Balkans within the European Council since the Lisbon Treaty.

In 2019, the unit also commissioned one piece of external research on the European Council from an outside expert, in the form of a study on 'The European Council in 2018: An overview of decisions and discussions'. This annual report shows that two issues preoccupied the European Council in 2018: Brexit and migration. Whereas Brexit was an issue on which leaders of the EU27 could agree, migration was extremely divisive. Other issues of concern to the European Council included economic and monetary union reform, relations with the United States, and possible EU enlargement in the western Balkans.

Events: In addition to its various publications, the unit periodically organises policy roundtables looking at the role of the European Council in various policy areas and in the institutional architecture of the European Union. An event organised jointly with the Former Members' Association (FMA) in December 2019, entitled 'EU institutional dynamics: Ten years after the Lisbon Treaty', brought together representatives from Parliament and Council, as well as academic experts, to reflect on the institutional developments of the EU over the last decade. While the event planned for the first half of 2020 had to be postponed because of the coronavirus crisis, on 24 November 2020, the unit organised a well-attended online policy hub on 'Strategic autonomy: The latest buzzword or more?'

Publications

European Council conclusions: Rolling check-lists of commitments to date (2)

- [European Council Conclusions: A Rolling Check-list of commitments to date](#) (4th edition), October 2019, PE 631.765
- [European Council Conclusions: A Rolling Check-list of commitments to date](#) (5th edition), March 2020, PE 642.816.

European Council in action (20)

- [The EUCO's role in the EU policy cycle](#), September 2019, PE 631.759
- [Origins of the 2019-24 EU Strategic Agenda: The Future of Europe debate and Sibiu European Council](#), October 2019, PE 631.762
- [Key issues in the European Council: State of play October 2019](#), October 2019, PE 631.766
- [Western Balkans: State of play in the European Council Overview of discussions since the Lisbon Treaty](#), October 2019, PE 631.770
- [The European Council in 2018: Overview of decisions and discussions](#), November 2019, PE 631.761
- [The European Council under the Lisbon Treaty: How has the institution evolved since 2009?](#), December 2019, PE 642.806
- [The European Council and the 2021-27 Multiannual Financial Framework](#), February 2020, PE 631.732
- [Trade and competitiveness policies in the European Council](#), March 2020, PE 621.812
- [The European Council as Covid-19 crisis manager: A comparison with previous crises](#), March 2020, PE 642.822
- [The European Council, health policy and pandemics](#), March 2020, PE 642.823
- [Charles Michel as President of the European Council: The first 100 plus days](#), March 2020, PE 642.821
- [Key issues in the European Council: State of play in March 2020](#), March 2020, PE 642.825

- [Western Balkans on the European Council agenda: Overview of discussions since the Lisbon Treaty](#), April 2020, PE 642.819
- [Outcome of the Zagreb EU-Western Balkans video-summit of 6 May 2020](#), May 2020, PE 642.863
- [Outcome of the EU-China video-summit of 22 June 2020](#), June 2020, PE 642.848
- [Key issues in the European Council: State of play in June 2020](#), June 2020, PE 642.842
- [European Council Leaders' Agenda 2020-21](#), October 2020, PE 654.192
- [Key issues in the European Council: State of play in October 2020](#), October 2020, PE 654.193
- [Key issues in the European Council: State of play in December 2020](#), December 2020, PE 654.207.

Pre-European Council briefings (13)

- Current membership of the European Council, October 2019, PE 608.781
- [Outlook for the meetings of EU leaders, 17-18 October 2019](#), October 2019, PE 631.769
- [Outlook for the European Council \(Article 50\) meeting on 17 October 2019](#), October 2019, PE 642.799
- [Outlook for the meetings of EU leaders on 12-13 December 2019](#), December 2019, PE 642.809
- Current membership of the European Council, February 2020, PE 608.781
- [Outlook for the European Council video-conference of 23 April 2020](#), April 2020, PE 642.830
- [Outlook for the European Council video-conference of 19 June 2020](#), June 2020, PE 642.843
- Current membership of the European Council, July 2020, PE 608.781
- [Outlook for the special European Council meeting on 17-18 July 2020](#), July 2020, PE 654.168
- [Outlook for the special European Council meeting on 1-2 October 2020](#), September 2020, PE 654.185

- [Outlook for the European Council meeting on 15-16 October 2020](#), October 2020, PE 654.194
- [Current membership of the European Council](#), October 2020, PE 608.781
- [Outlook for the meetings of EU leaders on 10-11 December 2020](#), December 2020, PE 654.208.

Post-European Council briefings (17)

- [Outcome of the special European Council meeting on 30 June-2 July](#), July 2019, PE 631.758
- [Outcome of the European Council on 17-18 October 2019](#), October 2019, PE 642.801
- [Outcome of the European Council \(Article 50\) meeting on 17 October 2019](#), October 2019, PE 642.802
- [Outcome of the meetings of EU leaders on 12-13 December 2019](#), December 2019, PE 642.811
- [Outcome of the special European Council on 20-21 February 2020](#), February 2020, PE 642.815
- [Outcome of the video-conference call of EU Heads of State or Government on 10 March 2020](#), March 2020, PE 642.817
- [Outcome of the video-conference of 27 EU Heads of State or Government on 17 March 2020](#), March 2020, PE 642.818
- [Outcome of European Council video-conference of 26 March 2020](#), March 2020, PE 642.824
- [Outcome of the European Council video-conference of 23 April 2020](#), April 2020, PE 642.832
- [Outcome of the European Council video-conference of 19 June 2020](#), June 2020, PE 642.845
- [Outcome of the European Council video-conference of 17-21 July 2020](#), July 2020, PE 654.169
- [Outcome of the European Council video-conference of 19 August 2020](#), August 2020, PE 654.172
- [Outcome of the special European Council meeting on 1-2 October 2020](#), October 2020, PE 654.189

- [Outcome of the European Council meeting on 15-16 October 2020](#),
October 2020, PE 654.195
- [Outcome of the European Council video-conference of 29 October 2020](#),
November 2020, PE 654.199
- [Outcome of the European Council video-conference of 19 November 2020](#),
November 2020, PE 654.203
- [Outcome of the meetings of EU leaders on 10 and 11 December 2020](#),
December 2020, PE 654.209

Each of these publications can be accessed by clicking on the **hyperlinks** above (in the electronic version of this activity report) or on-line on the European Parliament's [Think Tank](#) website.

6) Selected publications from July 2019 to December 2020

Ex-ante impact assessment

Appraising the quality of the European Commission's impact assessments

Trends and developments from 2015 to 2018

STUDY
EPRS | European Parliamentary Research Service

Author: Erika Zamboni
Date: Impact Assessment Unit
PE 442.001 | December 2019

The European Commission package of ETIAS consequential amendments

Substitute impact assessment

STUDY
EPRS | European Parliamentary Research Service

Author: Alexandra Vellios
Date: Impact Assessment Unit
PE 434.104 | September 2020

European Institute of Innovation and Technology and its Strategic Innovation Agenda, 2021-2027

BRIEFING
Initial Appraisal of a European Commission Impact Assessment

EPRS | European Parliamentary Research Service

Author: Laura Zamboni
Date: Impact Assessment Unit
PE 440.005 | December 2019

Protection of workers from exposure to carcinogens or mutagens: Fourth proposal

BRIEFING
Initial Appraisal of a European Commission Impact Assessment

EPRS | European Parliamentary Research Service

Author: Erika Zamboni
Date: Impact Assessment Unit
PE 444.001 | December 2020

Better cooperation against tax fraud and evasion

BRIEFING
Initial Appraisal of a European Commission Impact Assessment

EPRS | European Parliamentary Research Service

Author: Erika Zamboni and Barbara Tavares
Date: Impact Assessment Unit
PE 434.102 | November 2020

Payment service providers and the fight against e-commerce VAT fraud

BRIEFING
Initial Appraisal of a European Commission Impact Assessment

EPRS | European Parliamentary Research Service

Author: Erika Zamboni
Date: Impact Assessment Unit
PE 442.001 | October 2019

Setting the 2030 GHG emissions reduction target

BRIEFING
Initial Appraisal of a European Commission Impact Assessment

EPRS | European Parliamentary Research Service

Author: Erika Zamboni
Date: Impact Assessment Unit
PE 434.101 | September 2020

Strengthening digital operational resilience in the financial sector

BRIEFING
Initial Appraisal of a European Commission Impact Assessment

EPRS | European Parliamentary Research Service

Author: Erika Zamboni
Date: Impact Assessment Unit
PE 444.001 | December 2020

European added value

Coronavirus and the cost of non-Europe

An analysis of the economic benefits of common European action

IN-DEPTH ANALYSIS
EPRS | European Parliamentary Research Service

European Added Value Unit
PE 442.007 | May 2020

An EU legal framework to halt and reverse EU-driven global deforestation

European added value assessment

STUDY
EPRS | European Parliamentary Research Service

Author: Alexandra Vellios
Date: Impact Assessment Unit
PE 434.104 | September 2020

European framework on ethical aspects of artificial intelligence, robotics and related technologies

European added value assessment

STUDY
EPRS | European Parliamentary Research Service

Author: Erika Zamboni
Date: Impact Assessment Unit
PE 434.105 | September 2020

Challenges facing sports event organisers in the digital environment

European added value assessment

STUDY
EPRS | European Parliamentary Research Service

European Added Value Unit
PE 442.007 | December 2020

Annex:

EP Impact Assessment Handbook (as updated in September 2017)

12 September 2017

CONFERENCE OF COMMITTEE CHAIRS

Impact Assessment Handbook²⁷

Guidelines for Committees

I. Preliminary considerations

1. The European Parliament shares with the Council and Commission the determination to and responsibility for improving the quality of legislation applicable throughout the Union. The Interinstitutional Agreement on Better Law-Making²⁸, which enshrines that joint commitment, identifies impact assessment as one of the tools which can help the institutions reach well informed decisions and achieve the goal of high-quality, clear, simple and effective legislation.

For the purpose of this Handbook, impact assessments are deemed to be ex-ante analyses of the likely or foreseeable effects of draft EU legislation or policies proposed for adoption at European Union level, as defined in the Interinstitutional Agreement on Better Law-Making²⁹.

2. In that connection, Parliament has given two undertakings, reiterated in a number of resolutions³⁰ and enshrined in the Interinstitutional Agreement on Better Law-Making³¹:

- to take full account of the Commission's impact assessments;
- to carry out impact assessments on its own substantial amendments when it regards it as appropriate and necessary for the legislative process.

²⁷ The arrangements for the oversight and coordination of impact assessment work within the Parliament were defined by the Conference of Presidents on 15 November 2012 (PV CPG 15.11.2012 PE 499.457/CPG). Administrative support is provided by the Ex-Ante Impact Assessment Unit of the Directorate for Impact Assessment and European Added Value, which works in close cooperation with the Parliament's committee secretariats, policy departments and other horizontal services.

²⁸ Official Journal, 12:05:16 (2016/L 123).

²⁹ Article 12.

³⁰ Resolution on guaranteeing independent impact assessments (2010/2016(INI)) – Rapporteur: Angelika NIEBLER, 8 June 2011 and resolutions cited therein; Resolution on the 18th report on Better legislation - Application of the principles of subsidiarity and proportionality (2010) (2011/2276(INI)) - Rapporteur: Sajjad KARIM, 13 September 2012; Resolution on EU Regulatory Fitness and Subsidiarity and Proportionality - 19th report on Better Lawmaking covering the year 2011 (2013/2077(INI)) - Rapporteur: Sajjad KARIM, 4 February 2014; Resolution on the revision of the Commission's impact assessment guidelines and the role of the SME test (2014/2967(RSP)) - 27 November 2014; Resolution on the Annual reports 2012-2013 on subsidiarity and proportionality (2014/2252(INI)) - Rapporteur: Sajjad KARIM, 12 April 2016; Resolution on Regulatory Fitness and Performance Programme (REFIT): State of Play and Outlook (2014/2150(INI)) - Rapporteur: Sylvia-Yvonne KAUFMANN, 12 April 2016.

³¹ Articles 14 and 15.

3. In practical terms, the three institutions have included in the Interinstitutional agreement on Better Law-Making a specific section on impact assessment³², which clarifies their respective roles and lays down a number of basic rules to govern the conduct of their use of this tool

What is an ex-ante impact assessment?

Under the terms of the Interinstitutional Agreement, impact assessments 'should cover the existence, scale and consequences of a problem and the question whether or not Union action is needed. They should map out alternative solutions and, where possible, potential short and long-term costs and benefits, assessing the economic, environmental and social impacts in an integrated and balanced way and using both qualitative and quantitative analyses. The principles of subsidiarity and proportionality should be fully respected, as should fundamental rights. Impact assessments should also address, whenever possible, the "cost of non-Europe" and the impact on competitiveness and the administrative burdens of the different options, having particular regard to SMEs ("Think Small First"), digital aspects and territorial impact'³³.

The objective is to identify systematically the evidence which can be used to assess the potential impact of a series of political options with a view to comparing their respective advantages and drawbacks.

4. An impact assessment is a tool to aid decision and policy-making in the three institutions. It is in no sense a substitute for political decisions within the democratic decision-making process.

5. Impact assessments form an integral part of the process of shaping Union policies, without prejudice to the role conferred on each institution in the decision-making process and in keeping with their respective institutional roles and responsibilities.

6. Impact assessments must not lead to undue delays in the law-making process or prejudice the co-legislators' capacity to propose amendments.

Why is a practical guide to impact assessments needed?

The purpose of this guide is to help the parliamentary committees deal with impact assessments, in keeping with the undertakings given by Parliament. In that connection:

- it sets out the main principles governing impact assessments as also outlined in article 12 of the Interinstitutional Agreement on Better Law-Making³⁴;
- it brings together in one document details of the best practices tested in the

³² Articles 12 to 18 of the Interinstitutional Agreement on Better Law-Making

³³ Article 12.

³⁴ Reference may also be made to the Commission's Better Regulation Guidelines SWD (2017) 350 and the Council Guide to dealing with impact assessments Document 9790/16 of 9 June 2016.

committees and sets out some practical criteria so that the committees can enjoy the benefits of impact assessments in the context of negotiations under the ordinary legislative procedure;

- it seeks to improve the degree of consistency in the way that the parliamentary committees deal with impact assessments.

This Handbook is intended to be used flexibly by the committees.

II. Criteria for assessing and using Commission impact assessments

7. In keeping with its inter-institutional undertakings, Parliament, 'upon considering Commission legislative proposals, will take full account of the Commission's impact assessments'³⁵.

EP-Commission Framework Agreement

The EP-Commission Framework Agreement³⁶ commits the Commission to ensure that its impact assessments are conducted under its responsibility by means of a transparent procedure which guarantees an independent assessment. Impact assessments shall be published in due time, taking into consideration a number of different scenarios, including a 'do nothing' option, and shall in principle be presented to the relevant parliamentary committee during the phase of the provision of information to national parliaments under TFEU Protocols 1 and 2.

8. The parliamentary committees may draw on the assistance of the Parliament's Ex-Ante Impact Assessment Unit, with a view to assessing the quality, methodology and the independence of the impact assessments provided by the Commission and their relevance for Parliament's work.

9. The road-maps and inception impact assessments accompanying the Commission's Work Programme are screened by the Ex-Ante Impact Assessment Unit to check which legislative proposals will be accompanied by impact assessments. When a Commission proposal is referred to a parliamentary committee, the Unit checks whether it is duly accompanied by an impact assessment and routinely provides an initial appraisal of the strengths and weaknesses of the impact assessment in question. This initial appraisal provides an overview of the Commission's impact assessment and analyses whether the principal criteria laid down in the Commission's own Better Regulation Guidelines, as well as additional factors identified by the Parliament in this Handbook, appear to be met by the Commission impact assessment.

When should a proposal be accompanied by an impact assessment?

According to the Interinstitutional Agreement on Better Law-Making 'initiatives included in the Commission Work Programme or in the joint declaration³⁷ will, as a general rule, be accompanied by an impact assessment'.³⁸

³⁵ Article 14 of the Interinstitutional Agreement on Better Law-Making.

³⁶ OJ L 304, 20.11.2010, p. 47.

³⁷ The joint declaration referred to here is the joint declaration on interinstitutional programming mentioned in Article 7 of the Interinstitutional Agreement, which follows the adoption of the Commission Work Programme.

³⁸ The Commission's Better Regulation Guidelines require Commission impact assessments to be accompanied by a two-page executive summary translated into all the official languages.

The Commission's Better Regulation Guidelines³⁹ state that:

An IA is required for Commission initiatives that are likely to have significant economic, environmental or social impacts.

Provided that the above conditions are fulfilled, impact assessments should be carried out for:

- both legislative and non-legislative initiatives, as well as
- delegated acts and implementing measures, taking into account the principle of proportionate analysis.

10. If a proposal likely to have a substantial impact⁴⁰ is not accompanied by an impact assessment, the committee responsible, on the basis of a decision by the coordinators, may, with or without suspending consideration of the proposal in question:

- ask the Commission to provide an impact assessment, or,
- ask the Ex-Ante Impact Assessment Unit to carry out or commission the Parliament's own impact assessment of the proposal in question.

There must be broad political support for these decisions.

11. In keeping with Parliament's calls that all Commission proposals should be accompanied by an impact assessment, the impact assessment is considered with a view to assessing its relevance for the ongoing work in committee. With that aim in view, a committee, on the basis of a decision by the coordinators, may ask the Ex-Ante Impact Assessment Unit to:

- provide a detailed appraisal of the quality and independence of the Commission's impact assessment;
- assist the committee in organising a specific meeting, with the participation, where appropriate, of external experts, to ask the Commission to present its analysis and submit to it any requests for clarification.

If such a request is made by a committee other than a committee responsible, that request is to be made in agreement with the committee(s) responsible.

There must be broad political support for these decisions.

The appraisal mentioned above, in this point, are drawn up by the Ex-Ante Impact Assessment Unit or, where necessary, commissioned from external experts. The scope of the assignment is to be defined by the requesting committee itself.

12. The initial appraisal mentioned in point 9, and the detailed appraisal mentioned in point 11, must enable the committee to determine whether the impact assessment will facilitate consideration of the substance of the proposal in full knowledge of the facts and whether the impact assessment meets, firstly, the standards which the Commission has laid down in its

³⁹ Better Regulation Guidelines (SWD (2017) 350 final), p. 15. See also Tool 9 on when an impact assessment is necessary for more detail.

⁴⁰ For example, a proposal not included in the Commission Work Programme or a regulatory or implementing act.

internal guidelines (cf. Annex I), and, secondly, the quality criteria which Parliament has defined in its resolutions.

Parliamentary committees may invite the Commission to present its impact assessment in a full committee meeting (as foreseen in Paragraph 42 of the Framework Agreement between the European Parliament and the Commission⁴¹) or, where appropriate, in a separate meeting agreed by coordinators, in order to explain its analysis and methodology, and respond to any criticisms or apparent shortcomings so far identified.

Whenever the Commission is invited to present its impact assessment, the Ex-Ante Impact Assessment Unit may also be invited to present, where possible, its initial appraisal or other work it produced in relation to that impact assessment.

What quality criteria apply to impact assessments?

The Commission's proposals - and by definition the impact assessments accompanying them - must respect Treaty obligations in respect of (inter alia):

- fundamental rights, including the Charter of Fundamental Rights, non-discrimination and European citizenship (Article 6 TEU and Articles 10 and 18 TFEU);
- requirements of the MFF and budgetary procedures (Article 310(4) TFEU);
- the precautionary principle (Article 191(1) TFEU);
- the potential costs owing to the lack of action in the field of environmental policy (Article 191(3) TFEU);
- requirements linked to the promotion of a high level of employment, the guarantee of adequate social protection, the fight against social exclusion, and a high level of education, training and protection of human health (Article 9 TFEU);
- the conditions necessary for the competitiveness of the Union's industry (Article 173 TFEU);
- impact on developing countries (Article 208 TFEU).

Further requirements laid down by Parliament include:

- transparent and targeted public consultations, involving regional and local authorities;
- a rigorous, objective and exhaustive approach;
- an adequate choice of strategic scenarios and options (including the option of taking no action);
- proper justification of the options selected in the light of the principles of subsidiarity and proportionality;
- a balanced analysis of the impact on the economic, social and environmental pillars and on public health;
- more detailed consultations with stakeholders before impact assessments are prepared to offset any lack of methodology or data.
- consideration of other assessment criteria, such as:
- impacts outside the Union, including on international trade;

⁴¹ Official Journal, 20:11:10 (2010/ L 304)

- impact on the four freedoms of the internal market ('Single market test');
- impact on SMEs and micro-enterprises (SME test);
- regional and local impacts;
- impact in terms of administrative burdens,
- the objective of effective application in the Member States,
- as far as possible, qualitative criteria, such as the impact on vulnerable social groups (social benchmarking), gender equality;

13. If the Commission's methodology and reasoning fail to meet these criteria or reveal shortcomings, the committee responsible, on the basis of a decision by the coordinators, may ask the Commission to revise its original impact assessment with a view to analysing certain aspects or policy options in greater detail or complementing or updating the analysis of certain aspects⁴². There must be broad political support for this decision.

14. Alternatively or in parallel to the procedure in point 13, the committee(s) responsible, on the basis of a decision by the coordinators, may ask the Ex-Ante Impact Assessment Unit to undertake or commission the Parliament's own complementary or substitute impact assessment of the aspects dealt with inadequately or not at all in the Commission's original impact assessment. There must be broad political support for this decision. The terms of reference for such impact assessment work are defined, in each case, by the committee itself.

III. Criteria for analysing the impact of *substantial* Parliament amendments

15. When it regards it as appropriate and necessary to the legislative process, Parliament carries out impact assessments of its substantial amendments, without in any way undermining its ability to adopt such amendments. There must be broad political support for this decision.

What is the definition of a *substantial* amendment?

The Interinstitutional Agreement on Better Law-Making states in Article 15 that 'the definition of a 'substantial' amendment should be for the respective Institution to determine.' It is difficult to provide a definition of 'substantial' which is valid across the board - it is an assessment which must be made on a case-by- case basis.

16. It is up to the parliamentary committee(s) responsible to determine whether one or more of the amendments tabled during its consideration of a Commission proposal is 'substantial' and, if appropriate, whether it or they should be the subject of an impact assessment. The terms of reference for impact assessments on such amendments are defined, in each case, by the committee itself.

⁴² Article 16 of the IIA on Better Law-Making: 'The Commission may, on its own initiative or upon invitation of the European Parliament or the Council, complement its own impact assessment or undertake other analytical work it considers necessary'.

17. The committee responsible, on the basis of a decision by the coordinators, may request an impact assessment of one or more specific substantial amendments⁴³. There must be broad political support for that decision.

18. The associated committees involved, pursuant to the procedure under Rule 54, may, on the same basis, carry out impact assessments of the substantial amendments which fall within their spheres of responsibility, provided that this is compatible with the procedural timetable agreed with the committee responsible.

In the case of a procedure with Joint Committee Meetings, under Rule 55, decisions concerning the carrying out of impact assessments on substantial amendments are taken jointly by the committees concerned.

19. Impact assessments can be carried out at any stage of the legislative procedure, taking account of the time constraints specific to each reading, and provided that they do not unduly delay the legislative process.

20. As a rule, the committee responsible tries to identify substantial amendments likely to be the subject of an impact assessment before they are adopted in committee. However, it may regard it as more appropriate to carry out the impact assessment at a later date:

- prior to the vote in plenary, if that is possible, in particular in connection with a procedure with associated committees,
- after the vote in plenary.

There must be broad political support for this decision.

At what stage of the legislative procedure should an impact assessment of a substantial amendment be carried out?

The Inter-Institutional Agreement on Better Law-Making does not stipulate at which stage an impact assessment of a substantial amendment should be carried out. In practice, the parliamentary committees have had impact assessments of substantial amendments carried out at first reading, second reading and conciliation stage, and they may do so at any stage of an inter-institutional negotiation on a legislative proposal.

21. The task of carrying out impact assessments of substantial Parliament amendments is conferred on external experts.

22. The decision by the committee responsible to request an impact assessment on substantial amendments is forwarded to the Ex-Ante Impact Assessment Unit, which selects external experts, in keeping with the provisions of the Financial Regulation, EU law on public contracts and the Parliament's own internal procurement rules, in a way that ensures that the experts are as independent and objective as possible and the procedure for selecting them is as transparent as possible.

⁴³ Taking account of the deadlines and the procedures required to meet such requests.

23. In methodological terms, in accordance with Article 15 of the Interinstitutional Agreement on Better Law-Making, impact assessments of substantial amendments take, as a general rule, the Commission's impact assessment as their starting point. As far as possible, the impact assessment is structured in such a way as to facilitate comparisons with the Commission text, although without duplicating the Commission's work.

24. It follows from Article 17 of the Interinstitutional Agreement on Better Law-Making, that, in keeping with a spirit of sincere cooperation, the Commission is expected to assist Parliament in its work by making available to it details of any specific methodology used in preparing an impact assessment (economic modelling, cost-benefit and/or cost-effectiveness analysis) and forwarding the data employed.

25. Impact assessments of substantial Parliament amendments are made available in the language requested by the Committee. At the request of the coordinators, a summary may be translated into the language of the rapporteur and/or into no more than three working languages.

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26. Parliamentary committees should take account of the deadlines and procedures required to meet their requests for impact assessment work⁴⁴ and allow in their work timetable sufficient time for the completion of the requested impact assessment work and for its due consideration by the requesting committee.

27. Parliamentary committees which ask for impact assessment work to be drawn up should inform any other committees to which the performance and results of the analyses requested might be of interest.

28. The Ex-Ante Impact Assessment Unit is responsible for monitoring and ensuring that impact assessment-related work performed by external experts is consistent with Parliament's quality criteria.

29. Impact assessment-related work referred to in this Handbook is published on Parliament's Internet site, in line with Article 18 of the Interinstitutional Agreement on Better Law-Making, unless a duly justified decision to the contrary is taken by the committee responsible.

30. In accordance with Article 17 of the Interinstitutional Agreement on Better Law-Making, the three institutions will, on a regular basis, cooperate by exchanging information on best practice and methodologies relating to impact assessments, enabling each Institution to

⁴⁴ Apart from impact assessment work referred to in this Handbook, parliamentary committees may ask the Ex-Ante Impact Assessment Unit to produce other work related to impact assessment according to specific needs. The modalities for the performance of such work are to be agreed on an ad hoc basis between the committee responsible and the Ex-Ante Impact Assessment Unit.

further improve its own methodology and procedures and the coherence of the overall impact assessment work.

31. Parliament endeavours to keep the Council and Commission informed, regularly and in good time, about on-going impact assessment work.

ANNEX

Assessment sheet concerning the key components of an impact assessment

The Commission⁴⁵ has developed a standard format for its impact assessments (hereinafter IA) which identifies the key stages in the procedure and the questions to which the IA must provide a clear, precise answer. This annex is based on it.

General requirements for the main IA report

- Is the main IA report a self-standing document written using non-technical language with non-expert readers in mind? Does the IA meet the benchmark length of 30-40 pages (excluding annexes but including tables and figures)?
- Are underlying data, statistics, information, expert contributions and stakeholder views all referenced, particularly where choices are made or conclusions are made based on them?
- Is consultation of interested parties integrated throughout the text of the IA? A compulsory annex on Stakeholder consultation must be included in the impact assessment report. Questions to be answered include:
 - o Have the Commission's relevant minimum standards⁴⁶ been observed? If not, why not?
 - o Which stakeholders have been consulted?
 - o How, at what stage in the IA process were they consulted (transparency, minimum deadline of 12 weeks for online public consultation, minimum time-limit for reply)?
 - o What are the main results of the consultations and how have they been taken into account?

Detailed structure and content of the main IA report

1. What is the problem and why is it a problem?

- What is the issue or problem that may require action? What is the size of the problem?
- Why is it a problem? What are the main drivers?
- Who is affected by the problem, in what ways, and to what extent? Whose behaviour would have to change to improve the situation?
- What is the EU dimension of the problem?
- How would the problem evolve, all things being equal?
- Has any fitness check/retrospective evaluation been carried out of the existing policy framework? What was concluded from the evaluation/fitness check?

2. Why should the EU act?

⁴⁵ SWD (2017)350. [Commission's Better Regulation Toolbox, tool 12 on the 'Format of the IA report'](#)

⁴⁶ General principles and minimum standards for consultation of interested parties (COM(2002)704), complemented by COM(2012) 746 and accompanying SWD(2012) 422 and by COM(2014) 368

- Does the EU have the right to act?
- Why could Member States not achieve the objectives of the proposed action sufficiently by themselves?
- What would be the added-value of action at EU-level?

3. What should be achieved?

- What are the general policy objectives? What are the more specific objectives?
- How do they link to the problem? How do the objectives relate to each other, i.e. are there any synergies or trade-offs?
- Are these objectives consistent with other EU policies and with the Charter for fundamental rights?

4. What are the various options to achieve the objectives?

- What are the possible options for meeting the objectives and tackling the problem? Have all possible options been considered (including the option of changing nothing and a non-regulatory option, where appropriate)?
- Which options have been discarded at an early stage and why?
- Who would be targeted by the different policy options? Have different digital solutions been considered?
- Has the Think Small Principle been applied? Are micro-SMEs a priori exempted from new regulations unless appropriately justified? Are "lighter" regimes considered for SMEs generally?

5. What are the impacts of the different policy options and who will be affected?

- What are the likely economic, social and environmental impacts of each of the short-listed options?
- Are all impacts (positive and negative, direct and indirect, intended and unintended, including those outside the EU) listed?
- Are impacts on SMEs assessed, as far as possible including quantitative estimates of administrative and compliance costs?
- Are impacts on competitiveness assessed, in particular on the most affected businesses sectors?
- Who would be affected (e.g. businesses, citizens, workers, consumers, public administrations, regions, third country actors) and how? Which actions/measures would those affected by the measure need to take to comply with the requirements (see also Annex 3)? Are uncertainties specified? In particular, how the estimated impact may be affected by changes in parameters?
- Which impacts are likely to change over time and how?
- What are the potential obstacles that might be encountered for an effective implementation of the option and compliance by Member States and targeted entities?

6. How do the options compare?

- How do options compare, with regard to:
 - o The extent to which they would achieve the objectives (effectiveness)?
 - o Their respective key economic, social and environmental impacts and

benefit/cost ratio, cost-effectiveness (efficiency), other means of ranking options such as multi-criteria analysis? And

- The coherence of each option with other EU policy objectives, including the Charter for fundamental rights, and with other policy initiatives and instruments (coherence)?
- What are the trade-offs and synergies associated with each option?
- What is the likely uncertainty in the key findings and conclusions? How these might affect the choice of preferred option?
- Which policy option is preferred and why? Alternatively, why no preferred option is presented?
- How do the options, and in particular the preferred one, conform to the principles of subsidiarity and proportionality, given the size and nature of the identified problem?

7. How would actual impacts be monitored and evaluated?

- What should be monitored and evaluated and when? In particular:
 - What are the core monitoring indicators for the main policy objectives? What are the corresponding benchmarks against which progress will be evaluated?
 - Are monitoring arrangements in place from the outset? Are evaluations designed and scheduled in a way whereby the results can be used as input for future impact assessments?
 - For the preferred policy option:
 - Are operational objectives and the corresponding monitoring indicators identified?
 - What would be monitored and evaluated, by whom, and how will the results be used?

Annexes that must be included in the impact assessment report

Annex 1: Procedural information

Annex 2: Stakeholder consultation

Annex 3: Who is affected by the initiative and how

Annex 4: Analytical models used in preparing the impact assessment

This activity report summarises and explains the work undertaken by the European Parliament in the fields of impact assessment and European added value during the first 18 months of the current 2019-24 EU institutional cycle. It details the support given by the Directorate for Impact Assessment and European Added Value within the European Parliamentary Research Service (EPRS) to assist parliamentary committees in their oversight and scrutiny of the executive in the fields of ex-ante impact assessment, European added value, and ex-post evaluation of EU law and policy in practice. It also details wider horizontal support provided in the respect of the policy cycle to the institution as a whole. During the 18 months under review, 116 substantive pieces of work were published by the Directorate, all of which can be accessed by hyperlinks in this report.

This is a publication of the Directorate for Impact Assessment and European Added Value
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