

February 2016

Action Plan on Building a Capital Markets Union: Prospectus Regulation

Impact Assessment (SWD (2015) 255, SWD (2015) 256 (summary)) of a Commission proposal for a Regulation of the European Parliament and of the Council on the prospectus to be published when securities are offered to the public or admitted to trading (COM (2015) 583)

Background

This briefing seeks to provide an initial analysis of the strengths and weaknesses of the European Commission's Impact Assessment (IA) accompanying its proposal for a Prospectus Regulation, adopted on 30 November 2015 and referred to Parliament's **Committee on Economic and Monetary Affairs** on 18 January 2016. This is the second IA to accompany legislative proposals resulting from the Commission's Action Plan on Building a Capital Markets Union, the first being the one on the [EU securitisation framework](#) published last September. A prospectus is a legally required document aiming to provide investors with information on the basis of which they can decide whether to invest in securities issued by a company. The European Parliament's [resolution](#) of 9 July 2015 on Building a Capital Markets Union welcomed the Commission's announcement of a review of the Prospectus Directive stressing in particular the need to reduce administrative burden, especially for SMEs (point 32). An Implementation Appraisal by the European Parliamentary Research Service (EPRS), providing background information on experience with the existing Prospectus Directive, is available [here](#). A broader EPRS legislative briefing on the new proposal will follow.

From a methodological point of view, this particular impact assessment makes it possible to scrutinise how Better Regulation principles have been applied at the Commission in relation to a specific area of legislation throughout the different stages of the policy cycle. Already in 2009, the Commission had carried out an IA in advance of the adoption of the existing prospectus legislation, using the same guidance which was to a large extent used for the IA under review, i.e. the Impact Assessment Guidelines from 2009¹. Moreover, this IA reproduces in an annex an ex-post evaluation of that legislation, which the Commission was obliged to submit to the Parliament and the Council by 1 January 2016. Finally, the new proposal marks the beginning of a new cycle, which encompasses also the adoption of new implementing measures.

Problem definition

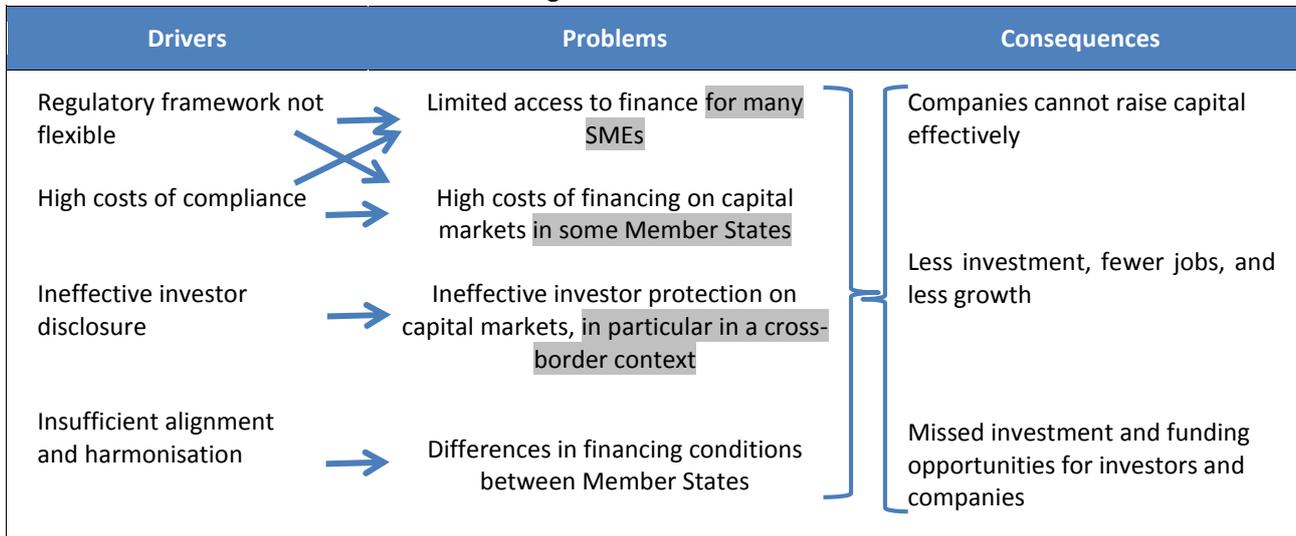
The IA identifies a number of problems in need of possible EU action with regard to legislation on prospectuses. The IA summarises these in a problem tree (see figure 1 below). In 2014, approximately 4 000 prospectuses were approved in the European Economic Area, one quarter of which concerned equity securities and three quarters non-equity securities². The Commission states that prospectuses cost an average of EUR 0.7 million to EUR 1.3 million for non-equity securities and an average of approximately EUR 50 000 to EUR 0.5 million for non-equity (IA, pp. 8-9). As a result of these compliance costs and other issues, companies, and SMEs in particular, cannot raise capital effectively. The problem for investors is probably best summarised in the words of the evaluation report on the existing Directive: 'it seems that retail investors are hardly able to understand the prospectus or its summary and hardly ever read them'

¹ The new Better Regulation Guidelines entered into force on 19 May 2015, but the new Regulatory Scrutiny Board made a 'pragmatic assessment' in relation to the new requirements for a transitional period until the end of 2015. 'Communication Better regulation for better results - An EU agenda' (COM (2015) 215, p. 6, footnote 6).

² European Securities and Markets Authority (ESMA), [EEA prospectus activity in 2014](#), 23 July 2015.

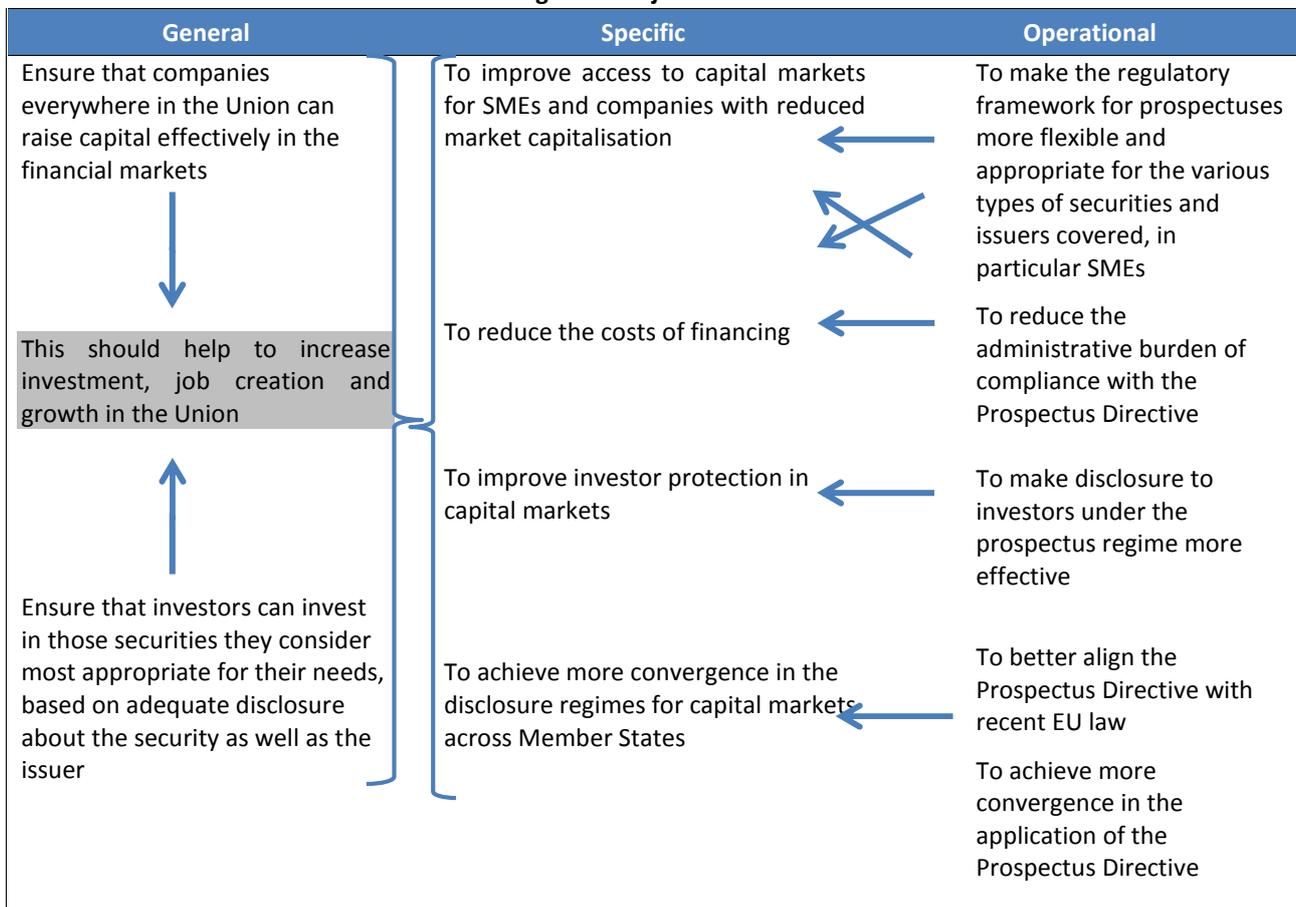
(IA, Annex 5, p. 27). Therefore, they cannot be protected. A third problem, according to the Commission's analysis, is that Member States have considerable discretion in the implementation and application of the Directive, both because of the nature of the current legislative instrument - a directive - and because of specific provisions. Finally, the lack of coherence between the Prospectus Directive and other pieces of law, such as the Packaged Retail and Insurance-based Investment Products (PRIIPs) Regulation and MiFID (Markets in Financial Instruments Directive) II are presented as problematic issues. The IA lists a number of regulatory and market failures, generally linked with specific Articles in the Prospectus Directive. These failures are further analysed in the Options section below.

Figure 1: Problem tree



Source: Commission IA, p. 13 (highlights added)

Figure 2: Objectives tree



Source: Commission IA, pp. 15-16; author

Objectives of the legislative proposal

The IA lists a number of objectives, which, for the purposes of this appraisal, have been re-arranged in Figure 2 to mirror the problem tree. The comparison between the two figures allows one to draw the following conclusions. Firstly, the objectives broadly correspond to the problems identified. There are, however, some shifts in the wording, highlighted in grey, which may point to some areas for further analysis, particularly with regard to territorial distributional impacts. While problems are described as relating to *many* SMEs, in *some* Member States, particularly cross-border, the stated aims, as presented in the IA, are more far-reaching and seemingly extend to SMEs in *all* Member States. The cross-border angle is also more vague in the objectives. Secondly, it is clearer from the objectives than it is from the problem definition that the increase in investment, job creation and growth in the Union is more of an indirect than a direct consequence of action. Finally, the high number of objectives, while coherent with the Commission's internal guidelines, may give less prominence to some essential trade-offs, which are presented elsewhere. According to this analysis, prospectus legislation aims firstly to strike the right balance between ensuring investor protection, on the one hand, and limiting administrative burden for issuers on the other; secondly, it aims to find an appropriate compromise between fostering the internal market for capital, on the one hand, and preserving sufficient flexibility for national and local markets on the other (IA, p. 16). Interestingly, when the IA seeks to justify limitations to fundamental rights, it introduces an additional objective, which does not appear explicitly among the stated aims: 'the general interest objective which justifies certain limitations of fundamental rights is the objective of ensuring the market integrity and financial stability' (IA, p. 16).

Range of options considered

Presenting all reasonable options for addressing such a range of complex issues was bound to be extremely challenging. One might nevertheless have expected to see a broader choice of options than the ones summarised in Table 1 below. The Option 1 column presents the status quo, including references to relevant articles in the existing Directive and, for one issue, in the corresponding Implementing Regulation. The column next to it lists the alternative options considered in the IA, highlighting the ones preferred by the Commission, and then links these up with the corresponding Articles in the new proposal, using the correlation table presented in its Annex 4. As one can see, there is usually just one alternative option to the status quo. While acknowledging the challenges of the subject matter, this way of defining options does not seem to respect the spirit of the aim to present political decision-makers with a choice of alternative strategic options.

To summarise, the analysis of the options for solving the detailed problems is organised around six building blocks:

- i. Some of the **exemption thresholds** - For offers between EUR 100 000 and EUR 5 million, Member States are currently free to apply national rules. The table on page 19 of the IA presents the thresholds above which each Member State requires an EU prospectus to be drawn up. Two groups of Member States are highlighted: those which extend the obligation below EUR 5 million (17 Member States) and those which do not (9 Member States).
- ii. **Secondary issuances** - These are public offers made by companies already admitted to trading on a regulated market or Multilateral Trading Facility. 70% of all equity prospectuses correspond to secondary issuances (2013-14 data, IA, p. 26). An over-arching objective here is to achieve coherence with the Market Abuse Regulation and the Transparency Directive.
- iii. Offer of **debt securities in high denomination** - The prospectus needed for the admission to trading on regulated markets of debt securities with a denomination per unit of at least EUR 100 000 is less burdensome than the one required below such threshold. About 70% of bonds listed in the EU are in such high denominations (IA, p. 29). The IA argues that this price protection mechanism for non-professional investors has had the unintended consequence of reducing liquidity in the market (IA, p. 29).
- iv. The **proportionate disclosure regime for SMEs** - This regime established in 2010 is seen as burdensome and was only used for less than 2% of prospectuses (2013-14 data, IA, p. 35).
- v. The prospectus **summary** - The current summary is presented as not fit for purpose: too lengthy, technical, and partly duplicating the key information document (KID) under the PRIIPs Regulation.
- vi. The **electronic publication system** - Here, the link with precise Articles in the Directive is looser, as the problem is presented mainly as the lack of a database on prospectuses that can be easily searched.

Table 1: author's synoptic view of the options considered in the IA; corresponding articles in the Prospectus Directive and in the new proposal

Issue	Dir.	Option 1 - Do nothing	Other options	New
1. Exemption threshold	1(2)(h)	Directive shall not apply to securities included in an offer where the total consideration for the offer in the Union is less than EUR 5 million...	Raise the upper threshold under Article 1(2)(h) from EUR 5 million to EUR 10 million	3(2)
	3(2)(e)	Obligation to publish a prospectus shall not apply to an offer of securities with a total consideration in the Union of less than EUR 100 000...	Raise the lower threshold under Article 3(2)(e) from EUR 100 000 to EUR 500 000	1(3)(d)
	3(2)(b)	Obligation to publish a prospectus shall not apply to an offer of securities addressed to fewer than 150 non-qualified investors...	Raise the number of non-qualified investors to 300	
2. Secondary issuances	4(2)(a)	Obligation to publish a prospectus shall not apply to the admission to trading on a regulated market of shares representing less than 10% of the number of shares of the same class already admitted to trading on the same regulated market...	Abolish the admission prospectus when securities are already listed on a regulated market Extend exemption of admission prospectus of Article 4(2)(a) to all fungible securities and raise dilution threshold from 10% to 20%	1(4)(a)
	7(2)(g)	Proportionate disclosure regime shall apply to offers of shares by companies whose shares of the same class are admitted to trading on a regulated market or a MTF, subject to appropriate ongoing disclosure requirements and rules on market abuse...	Extend scope of 'proportionate disclosure regime' to all secondary issuances of securities Fast-track approval for frequent issuers filing a universal registration document every year and drawing up a tripartite prospectus	14
3. High denomination per unit	3(2)(d)	Obligation to publish a prospectus shall not apply to an offer of securities whose denomination per unit amounts to at least EUR 100 000...	Lower the threshold to the level in place before the amending Directive was adopted in 2010	
	7(2)(b)	For the elaboration of the various models of prospectuses, account shall be taken of the various types and characteristics of offers and admissions to trading on a regulated market of non-equity securities . The information required in a prospectus shall be appropriate from the point of view of the investors concerned for non-equity securities having a denomination per unit of at least € 100 000...	Remove the prospectus exemption under Art. 3(2)(d) for denominations of EUR 100 000 or more and unify the disclosure regime for retail and wholesale non-equity securities admitted to trading on a regulated market	13(2) subpar. 2, point (b)
4. Disclosure regime for SMEs	7(2)(e)	For the elaboration of the various models of prospectuses, account shall be taken of companies with reduced market capitalisation and SMEs. For such companies the information shall be adapted to their size and, where appropriate, to their shorter track record...	New SME proportionate disclosure regime available to all unquoted SMEs and SMEs traded on MTFs, including SME growth markets, but not to companies listed on a regulated market, based on the content of admission documents required by multilateral trading facilities catering for SMEs	15
			Alternative optional format as a template containing standardised language (questionnaire type)	
5. Prospectus summary	Implementing Reg. Art. 24(1)	A prospectus summary shall not exceed 7% of the length of the prospectus or 15 pages , whichever is the longer. It shall contain the key information items set out in Annex XXII...	Shorter summary - Lower ceilings to e.g. 5% and 10 pages, or replace 'whichever is the longer' with 'whichever is the shorter'	
			Free form summary addressing key headings, presenting information in a fair, balanced and understandable way	
			Redesign the Summary with user-friendly headings, taking as an inspiration the Key Information Document under the Packaged Retail and Insurance-based Investment Products and limiting length to 6 pages of A4-sized paper .	7
6. Electronic publication system	13 and 5(4) sub. 3	Lack of an efficient and effective manner to search for prospectuses.	Single national electronic access points: prospectuses accessed easily and for free in electronic form on the website of the competent authority of the home Member State	
			European single electronic access point: online access and search system, free of charge for users to be set up at ESMA, which would receive meta-data on prospectuses from national competent authorities	19, 8(4) and 24(4)

Scope of the Impact Assessment

The IA assesses the options for their economic impacts. In doing so, it provides a theoretical description of the expected effects, as well as some quantification based on available data from national and European sources and a number of assumptions, which are transparently acknowledged. Within the economic sphere, most attention is devoted to market efficiency, impact on SMEs and administrative burden. The impact on competition is an area where more analysis might have been expected.

The IA manages to analyse environmental and social impacts in a single line: 'No environmental or social impacts are to be expected from these measures' (IA, p. 48). While this may well be the case as far as the direct environmental dimension is concerned, certainly with regard to the social pillar, the impact on employment, which is one of the stated objectives, is a relevant expected effect and would perhaps have deserved more attention. The impact on investor protection, which is to some extent a social as well as an economic impact, is at least mentioned. Similarly, the IA also states: 'As the number of companies concerned by the prospectus regime is very limited, no distributional impacts on sectorial or regional level are to be expected' (IA, p. 48). Again, this analysis appears to be rather limited. Some more detailed information is provided, for instance concerning the quoted thresholds fixed by Member States, or the alleviations for SMEs granted in three multilateral trading facilities (IA, Annexes, pp. 67-68). However, a reader of the IA has no way of establishing whether, for example, Luxembourg approves more prospectuses than Estonia, or of finding basic data on the number of passports approved in the EU broken down by Member State. Such data, which is readily available from ESMA statistics (see map below), might have provided a relevant starting point for the analysis of territorial impacts.

Subsidiarity / proportionality

The IA checks the regulatory option in the light of the principles of subsidiarity. In so doing, it refers to the passporting regime and to the content of the prospectuses being harmonised at European level by the Prospectus Regulation (EC) No 809/2004, stating for instance that the prospectus regime is 'therefore European in nature and its improvement can only be tackled at EU level' (IA, p. 15). As far as proportionality is concerned, there are some general statements referring, for instance, to the flexibility enjoyed by Member States due to the proposed exemption threshold and to the fact that financial markets would not face unnecessary disruption. The subsidiarity deadline is 16 February 2016. At the time of writing, no national parliaments had issued a Reasoned Opinion raising subsidiarity concerns or publicly shared important information relevant for the follow-up to the Commission's IA.

Budgetary or public finance implications

The analysis of the estimated financial impact may be found in the IA itself and in the legislative financial statement annexed to the proposal. The Commission view, in brief, is that simplification benefits for national authorities would offset costs (IA Executive Summary, p. 3). The analysis qualifies this statement by adding that the European Single Electronic Access point would entail 'some costs' for ESMA and national competent authorities, particularly those which would have to make some investments to upgrade their systems. It also warns that these costs might be shifted to issuers (IA, p. 43). The legislative financial statement quantifies overall costs for the EU budget at slightly less than EUR 3.9 million between 2016 and 2019. Technical IT costs are estimated at approximately EUR 1.3 million. Overall, human resources costs to hire contract agents represent close to EUR 2.6 million (Annex to the Prospectus Regulation proposal, pp. 86 and 96). Costs for national authorities are not quantified.

SME test / Competitiveness

The IA describes the problems encountered by SMEs in making use of prospectuses under the current legislation and analyses the expected impacts of the proposed changes in the regime. The feedback from the public consultation is particularly useful in this respect and is clearly presented (IA, Annexes, pp. 41 to 43). Among the quantified conclusions drawn, it is worth pointing out that some of the proposed measures for secondary issuances are expected to generate average savings of around EUR 200 000 per prospectus (IA, p. 26) and that simplifications for SMEs are expected to generate savings of around EUR 140 000 per prospectus (IA, p. 36).

Simplification and other regulatory implications

The coherence with other pieces of legislation is analysed. This applies to the Market Abuse Regulation, the Transparency Directive, the Packaged Retail and Insurance-based Investment Products Regulation and the Market in

Financial Instruments Directive. The current implementing legislation is not really analysed at this stage, beyond some references concerning a couple of issues. It is reasonable to expect that the Commission will produce a thorough impact assessment to accompany any future review of such legislation.

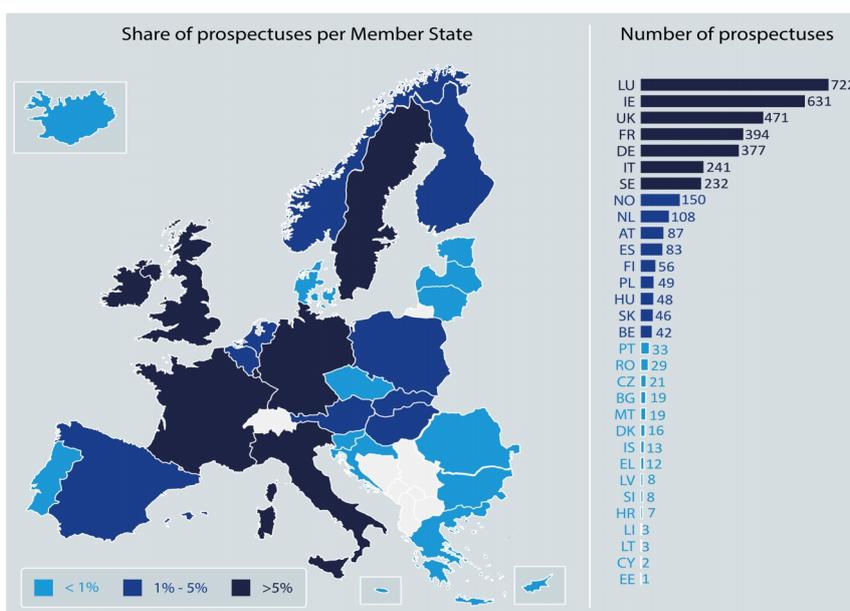
Relations with third countries

The IA states concisely that the achievement of the stated objectives of the initiative 'could result in the re-location of some offers which are currently placed in third countries, notably the United States, to trading venues in the Union. However, in view of the size of those foreign markets no significant impact on third countries is to be expected.' (IA, p. 47) A more thorough analysis could have been expected in this regard.

Quality of data, research and analysis

The assessments are based on a considerable body of research that cannot be under-estimated. This includes relevant data from international, European and national organisations, as well as academic research. The main methodological flaw relates to the nature of the ex-post evaluation. This is a well-thought out and well-written, 20 page document which answers concrete questions and provides a relevant, theoretical underpinning to the analysis (Annexes, pp. 10 to 31). The Commission, however, openly acknowledges that it has not performed 'a fully-fledged evaluation' of the 2010 Directive, arguing, amongst other things, that an evaluation had already been published in 2008 (IA, Annexes, p. 10). This does not appear entirely convincing. Secondly, this evaluation - to be read in conjunction with the IA - is supposed to answer some specific points listed in Article 4 of the Prospectus Directive II (2010/73/EU). After an initial screening, the analysis appears satisfactory for a number of important issues, such as the summary with key information; the proportionate disclosure regimes for SMEs and for offers of shares; the electronic publication of prospectuses, and, at least partially, liability. The following aspects seem to be outside the scope of the analysis: the impact of the exemption on the protection of employees; the limitation on the determination of the home Member State for issues of non-equity securities with a denomination below EUR 1 000; the definition of the term 'public offer', and the need to define the terms 'primary market' and 'secondary market'. More generally speaking, it seems that some additional data could have been provided which would have been useful for policy-makers from all institutions. For instance, the map below - which is not in the IA - presents a breakdown of prospectuses approved by Member States in the European Economic Area in 2014, based on the latest available [ESMA annual report](#). Member States are split into three groups, depending on the share of prospectuses approved (above 5% of the total; between 1% and 5%; and less than 1%). As the map shows, the top seven Member States approved close to 80% of prospectuses in 2014. Luxembourg and Ireland alone accounted for one third. Outside the EU, Norway is a sizeable market (4%).

Map: Share of prospectuses approved in the European Economic Area (2014)



Source: European Securities and Markets Authority (ESMA), [EEA prospectus activity in 2014](#), 23 July 2015, p. 6.

Graphic: EPRS

Finally, some of the assessments made raise some questions. Firstly, although the IA concludes that raising the upper threshold from EUR 5 million to EUR 10 million is part of the preferred option (IA, p. 22), this conclusion does not seem to follow entirely from the analysis presented (IA, pp. 18-22; Annexes, pp. 32-35). To start with, the relationship between the uncertainties identified and the firm conclusion drawn is problematic. The IA acknowledges the uncertainties and states that 'the effectiveness of [this option] would largely depend on how each Member State would compensate for the absence of EU disclosure requirement under the new threshold' (IA, p. 22). It then goes on to make some assumptions about their future actions, without clarifying how sound those assumptions are. Elsewhere, the IA states that this option 'would to some extent run counter [to] the stated objective to achieve more convergence in the disclosure regimes for capital markets across Member States' (IA, p. 19). Maintaining the status quo for the EUR 5 million threshold was supported by the majority of stakeholders consulted 'because it already strikes an appropriate balance between investor protection and alleviating the administrative burden on small issuers and small offers' (IA, Annexes, p. 32). Secondly, as the proportionate disclosure regime is defined as being open to companies traded on a multilateral trading facility, but not to the ones listed on a regulated exchange, one would expect an analysis of its impact on competition between trading venues, which is not there. Similarly, with regard to the prospectus summary, the definition of an option that requires coherence with packaged retail and insurance-based investment products would, in principle, merit some clarifications concerning the number of securities to which both the PRIIPs Regulation and the Prospectus Directive apply.

Stakeholder consultation

Stakeholders had the possibility to contribute, amongst others, to an open consultation running from February to May 2015. This elicited 182 responses, almost 150 of whom agreed to be published. The feedback provided is extensively analysed (Annexes, pp. 32-63). An initial comparison with the public consultation run in 2009 on the prospectus legislation then in force, reveals some interesting findings. Firstly, the highest level of continuity among respondents is achieved by public authorities. Almost all public authorities who replied in 2015 had already responded in 2009. However, there seems to have been a different mix of participants in the two consultations. In 2015, only one response out of eight came from a public authority or an international organisation, whereas in 2009 the corresponding share was almost double, i.e. one in four. Companies and private individuals, therefore, seem to have been more able to make their voice heard in 2015, at least if one focuses on the public consultation, which is often a first introductory advocacy venue. Moreover, the group made up of non-public entities saw a large turn-over in participants. Among the new entries, one can notice a handful of crowd-funding entities³. Finally, there is continuity also in the Commission's own analysis of the input provided. In 2009, the IA could state that the 'majority of the contributors welcomed the changes suggested by the European Commission' (2009 IA, p. 51). In 2015, the Commission equally states: 'Stakeholders are supportive of the review and the proposed options' (Executive Summary, p. 2). Stakeholders had the possibility to provide [feedback](#) on the impact assessment until 15 February 2016.

Monitoring and evaluation

The IA lists a number of indicators for monitoring and evaluation (IA, pp. 49 and 50). Moreover, Article 45 of the proposal contains useful details of the indicators to be used by ESMA in its yearly reports. Additional relevant parameters which could be used in a future ex-post evaluation are those identified by the IA but which are not currently available at ESMA, such as the average length of prospectuses and their summaries; and the number of offers of securities to the public which became 'prospectus exempt' (IA, Annexes, p. 16). There does not seem to be any provision in the proposal to ensure that this data is forthcoming. Finally, according to the proposal, ESMA would be obliged to: organise and conduct at least one peer review of the scrutiny and approval procedures, publishing a report within three years of application of the Regulation (Article 19(12) of the proposal); and review the application of the Regulation, publishing a report within five years after the entry into force (Article 46 of the proposal).

Regulatory Scrutiny Board

The Commission's Regulatory Scrutiny Board (RSB) met the lead department for this IA, DG FISMA, on 16 September 2015 and issued a [negative opinion](#) on the IA 'given the lack of evidence as to why the 2010 revision did not achieve its objectives and why the new initiative is expected to do so'. A revised version of the IA was submitted just one week later, on 24 September 2015, on which the Board issued a [positive opinion](#). Despite the improvements noted by the Board, one is under the impression that some of the recommendations made for methodological improvement are

³ Data taken from the IA, Annexes, p. 51; own analysis of the 2009 consultation, available at http://ec.europa.eu/internal_market/consultations/2009/prospectus_en.htm

still relevant. These include the requests to expand on market reactions to the proposed regulatory regime; the risk of excessive and inflated costs charged by lawyers and auditors in the process of approving a prospectus, and the costs of the electronic publication and its potential market effects. The request to improve presentation by providing 'overview tables presenting the main features of the prospectus markets, of regulated markets, multilateral trading facilities (MTFs) and of Member States' seems to have been only partially met.

Coherence between the Commission's legislative proposal and IA

The legislative proposal of the Commission generally follows the recommendations expressed in the IA. There is, however, a fundamental issue of scope - that is to say, a mismatch between the broad legislative overhaul apparently intended and the specifically targeted analysis carried out in the IA. On the one hand, the Commission, in its [fact sheet](#) for this proposal, states that the proposed Regulation 'once adopted, will replace Directive 2003/71/EC which will be repealed, along with its corresponding implementing measures (including Commission Regulation (EC) No 809/2004). New implementing measures will be adopted to set out the minimum information contents of prospectuses. The proposed Regulation will enter into application only after such implementing measures are adopted.' The IA, on the other hand, focuses on a select number of important issues relating mainly to Directive 2003/71/EC only. Useful exceptions are the prospectus summary issue, or the proportionate disclosure regime for SMEs (IA, p. 67), where the implementing Regulation 809/2004 is explicitly mentioned. A clearer acknowledgement that the final impact will depend on the concrete choices made for the review of the implementing Regulation should perhaps have been included in the overall conclusions. In any case, it would certainly seem appropriate for the Commission to provide a thorough IA prior to its adoption of new implementing measures.

Conclusions

Overall, this appraisal considers whether the quality of research and analysis presented in the Commission's IA is fit for purpose – that is to say, whether the IA serves what should be one of its fundamental aims, which is to facilitate better-informed decision-making throughout the legislative process. After an initial screening, it concludes that the Impact Assessment does indeed provide some essential elements to assist decision-makers in understanding the rationale of the choices made by the Commission. However, it has a number of weaknesses which somewhat compromise its quality. Firstly, there seems to be a mismatch between the intended broad legislative overhaul, repealing the existing Directive and its Implementing Regulation, and the deliberately targeted analysis of the IA, which - focusing largely on six important issues - is bound to leave some other areas unexplored. Secondly, the Commission's decision not to carry out a fully-fledged evaluation is debatable and leaves some gaps in the analysis. While acknowledging the extreme complexity of the subject matter, a wider selection of options than the one presented in the IA might reasonably have been expected. Finally, some impacts, such as the anticipated effects on main groups of Member States, impacts on employment and on third countries, could have been better developed.

This note, prepared by the Ex-Ante Impact Assessment Unit for the European Parliament's Committee on Economic and Monetary Affairs (ECON) of the European Parliament, analyses whether the principal criteria laid down in the Commission's own Impact Assessment Guidelines, as well as additional factors identified by the Parliament in its Impact Assessment Handbook, appear to be met by the IA. It does not attempt to deal with the substance of the proposal. It is drafted for informational and background purposes to assist the relevant parliamentary committee(s) and Members more widely in their work.

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