

Impact Assessment and European Added Value work during the eighth legislative term, 2014-2019

Better law-making is at the same time both a policy objective and a process. As a methodology, its purpose is to design and to decide on regulation that is fit for purpose.

This is achieved through a set of measures applied at all stages of the policy cycle, starting from agenda-setting, policy design and consultation, through to the actual moment of decision-making by the co-period of

legislators, and finally to ex-post evaluation, when, after a transposition and implementation, the laws and regulations are evaluated to determine whether they have fulfilled their purpose or if they require adaptations to better meet evolving needs.



The responsibility for better law-making is shared between the European Union (EU) institutions. At European level, this was confirmed by the entry into force of the current Interinstitutional Agreement on Better Law-Making in April 2016, which has provided a new impetus to the joint efforts of the EU institutions to boost evidence-based policy-making at the various stages of the legislative and policy cycles. The aim is to generate European legislation of the highest possible quality for the benefit of European citizens.

Parliamentary structures and support

The European Commission began to accompany many of its various legislative proposals with ex-ante impact assessments as early as 2002. Parliament continuously supported and encouraged this through annual reports on better law-making and other initiatives. A milestone in this regard was the adoption in 2011 of an own-initiative report (Niebler Report) on 'guaranteeing independent impact assessment'. This 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-post basis – from the design of legislation through to its implementation, evaluation and possible revision. 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'.

Parliament consequently developed substantial administrative capacity to support parliamentary committees at the various stages of the policy cycle, encompassing agenda-setting, the legislative phase, and ex-post scrutiny. A dedicated Directorate for Impact Assessment and European Added

Value was thus created, which today is an integral part of the European Parliament's Directorate-General for Parliamentary Research Service (EPRS).

During the 2014-2019 legislative term, the directorate developed a targeted but comprehensive portfolio of impact assessment activities to support committees in this respect. The following three units assume impact assessment related tasks:

- The Ex-ante Impact Assessment Unit (IMPA) routinely appraises all impact assessments the Commission puts forward to underpin legislative proposals; moreover, it undertakes Parliament's own ex-ante impact assessments upon request by committees, e.g. on substantial amendments.
- The Ex-post Evaluation Unit (EVAL) automatically draws up background studies in support of Parliament's implementation reports and, in addition, carries out other ex-post evaluations if requested by committees.
- The European Added Value Unit (EAVA) provides Cost of Non-Europe Reports and European Added Value Assessments, for example to support Parliament's legislative initiative reports, analysing policy areas where action at EU level could bring greater efficiency and public good for European citizens.

The role of these three units is 1) to scrutinise the European Commission's impact assessment work; and 2) to conduct their own impact assessments and evaluations, in support of parliamentary committees' activities (e.g. legislative own initiative reports, implementation reports). The units' publications are either drafted in-house or commissioned from external experts. These publications range from short briefing notes to in-depth studies.

At administrative level, the directorate works very closely with the Directorates-General for Internal Policies (IPOL) and External Policies (EXPO) within the Parliament's administration. At political level, Governance and oversight is provided by the Conference of Committee Chairs (CCC), which is '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'.

Overall, during the eighth legislative period, these three units produced a total of 453 publications of various kinds (all publicly available on the [EPRS Think Tank](#) website). Work was undertaken for practically all parliamentary committees, with findings presented orally in full committee or to coordinators on a regular and more frequent basis every year. The [Annual Report on Impact Assessment and European Added Value](#) provides the latest figures on the units' activities.

Ex-ante impact assessment

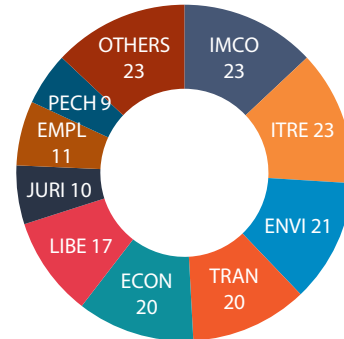
IMPA provides targeted, timely and specialised support to parliamentary committees in their work on ex-ante impact assessment, covering all policy areas and available at any stage in the law-making process. [The Impact Assessment Handbook](#) of the European Parliament's Conference of Committee Chairs provides a framework for the provision of these products and services.

In the five years of the last legislative period, between July 2014 and June 2019, the Ex-ante Impact Assessment Unit produced 188 impact assessment related products. This is an exponential increase in comparison with the eight years between 2005 and 2012 (when the European Parliament had developed some impact assessment capacity but had not yet set up the specialised Ex-ante Impact Assessment Unit) and during which the European Parliament produced 30 impact assessment related products.

Routine products – Initial appraisals of European Commission impact assessments

The support begins with the systematic provision by the unit of initial appraisals of Commission impact assessments. These appraisals are short briefings, transmitted to the committees responsible and the committees for opinion, providing a critical overview and analysis of the quality of European Commission impact assessments (IAs) accompanying the latter's legislative proposals. The European Parliament is committed (in accordance with the 2016 EU Interinstitutional Agreement on Better Law-Making) to take full account of the Commission's impact assessments when considering the latter's legislative proposals. In this context the initial appraisals of the Commission's impact assessments seek to support the informed and effective consideration of legislative proposals at committee stage by providing a focused and timely input, geared at promoting evidence-based policy-making.

Initial appraisals per committee



They check that certain quality criteria have been met and identify the basic methodological strengths and weaknesses of the Commission's impact assessment, in the light of the latter's own [Better Regulation Guidelines](#) and relevant European Parliament resolutions.

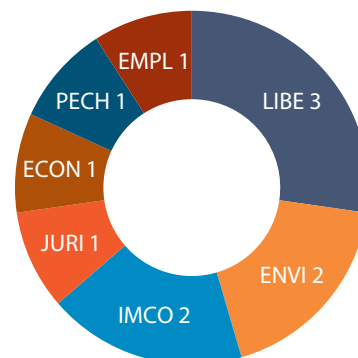
Experience suggests that initial appraisals make a constructive and practical contribution to the consideration of the legislative proposal at committee stage, with their findings regularly being taken up or referred to in the explanatory statements of committee reports. They flag up particular issues which Members may wish to investigate further and they prompt committees to invite the Commission to explain its analysis and methodology and respond to any criticisms or shortcomings identified. They may also lead committees to request further impact assessment related work from the Ex-ante Impact Assessment Unit, addressing any concerns with weaknesses or omissions in the Commission's texts. As a result, initial appraisals help to empower the Parliament in its role of scrutinising the work of the executive, and as co-legislator to ensure greater consistency and quality of EU legislation, in line with the general objective of better law-making.

In the last legislative period the unit produced 177 initial appraisals of Commission impact assessments, with the Environment, Public Health & Food Safety (ENVI), Transport and Tourism (TRAN), Internal Market and Consumer Protection (IMCO), Civil Liberties, Justice and Home Affairs (LIBE), Economic & Monetary Affairs (ECON) and Industry, Research and Energy (ITRE) committees being the most frequent addressees of these products.

Products on request

Other Ex-ante Impact Assessment Unit publications are produced at the request of individual parliamentary committees on the basis of a decision gathering broad political support among the committee coordinators. The EP Impact Assessment Handbook provides that the parliamentary committees responsible for a legislative file may request (i) more **detailed appraisals** of the quality of Commission impact assessments focusing on one or more specific aspects; (ii) **complementary or substitute impact**

Products on request per committee



assessments on aspects of a legislative proposal not dealt with adequately (or at all) by the Commission in its impact assessment; and (iii) **impact assessments of substantial amendments** to a Commission proposal.¹

The Commission proposal for a recast of the **Return Directive** (COM(2018) 634), published in September 2018, was not accompanied by a Commission impact assessment. The LIBE committee therefore asked the Ex-ante Impact Assessment Unit to conduct a targeted substitute impact assessment of the Commission proposal.

At a committee meeting on 29 January 2019, the Chair of the LIBE committee, Claude Moraes, stated, after the presentation of the impact assessment, 'we were very happy with the impact assessment commissioning this and the quality of work. So, I'd very much like to thank the team and I'm sure this is shared by our very experienced shadow rapporteurs and I really do encourage our colleagues to use this information to get a good quality result (...)'.¹

Shadow Rapporteur Barbara Spinelli stated, 'What I mostly want to do is to express my thanks for the very good impact assessment (...)'.²

A number of [amendments](#) tabled to the draft report in committee made reference to the substitute impact assessment and were clearly inspired by it.

To ensure topical pertinence, the scope/terms of reference of each request is defined by the requesting committee with the assistance of the Ex-ante Impact Assessment Unit. The drafting of the requested publication is however an independent process, in line with the EPRS policy of strict impartiality for its studies. In methodological terms, in accordance with Article 15 of the Interinstitutional Agreement on Better Law-making, as a general rule, impact assessments of substantial amendments take 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. In general, Parliament's impact assessment studies broadly follow the criteria of the Commission's Better Regulation Guidelines.

It should be stressed that impact assessment is a tool to aid decision and policy-making but is in no sense a substitute for political

decisions within the democratic decision-making process. Therefore, committees are not bound to take the study findings into account, they merely serve to help inform the political decision.

Impact assessment of substantial amendments – an aid to decision-making

The importance of Members of the European Parliament taking advantage of the resources offered by the Ex-ante Impact Assessment Unit in assessing substantial European Parliament amendments were highlighted by one of the rapporteurs, Pascal Arimont (EPP, Belgium), during the joint IMCO and Legal Affairs (JURI) committee meeting of 28 September 2017, discussing the impact assessment of proposed substantial **amendments introducing a commercial lifespan guarantee to the 2015 Commission proposals for an online sales directive and a digital content directive**:

'I think it is important that whenever such important and deep-seated changes are made in a text, that in Parliament we do conduct the necessary studies and get the data to ensure that what we are doing makes sense and will not ultimately result in any negative consequences in the real world. Evidence-based knowledge is of course called for in order to ensure that the legislative procedure is carried out in a sound way.'¹

In the 2016 [Interinstitutional Agreement](#) on Better Law-making, the European Parliament committed itself to assess the impacts of its amendments when it considers it appropriate and

¹ Under the provisions of the Parliament's Impact Assessment Handbook, impact assessments of substantial amendments are always carried out by external experts.

necessary for the legislative process. Based on the experience so far, impact assessments of Parliament's substantial amendments generally lead to one of three outcomes:

- they can strengthen and confirm the evidence-base for the amendments, providing analysis to defend the adoption of the amendments in committee or plenary;
- they can lead to reconsideration as to whether to maintain or support the amendments in question; or
- they can help to focus and progress the discussion, and possibly lead to the adoption of a compromise.

The work of the Ex-ante Impact Assessment Unit in the process leading to the adoption of the **Directive on Contracts for the Sale of Goods** is a clear example of how the legislative process can be influenced by impact assessment work done or commissioned by the Unit.

In 2015, the Commission adopted a proposal on online and other distance sales of goods (COM(2015) 635). The Ex-ante Impact Assessment Unit's initial appraisal of the Commission's impact assessment questioned the fact that the Commission had not waited for the evaluation of all the relevant existing legislation before adopting its proposal, as this could have led to the proposal having a wider scope.

The Internal Market and Consumer Protection Committee (IMCO) decided to explore the possibility of extension of scope by requesting an impact assessment of two amendments to the proposal. The amendments aimed to extend the scope of the proposal also to offline sales and repeal Directive 1999/44/EC (on consumer sales and guarantees). The findings of the impact assessment commissioned by the Ex-ante Impact Assessment Unit clearly indicated the need to ensure a common set of rules between online and offline sales, supporting the Rapporteur's position in favour of an extension of the scope of the Directive to cover offline sales. The IA found that the harmonisation of rules across Member States and sales channels would reduce the fragmentation of the legal framework and enhance the clarity and transparency of applicable rules to the benefit of both consumers and businesses. The impact assessment was presented in the IMCO committee on 22 June 2017 and published in July 2017, and its conclusions were welcomed by the rapporteur Pascal Arimont (EPP, Belgium), who pronounced it 'excellent work' that constitutes a 'great contribution to the data' that had already been collected.

In October 2017 the Commission published an amended proposal (COM (2017) 0637) on the sale of goods, extending the scope of the original proposal to also cover face-to-face sales. The explanatory memorandum of the proposal leaves no doubt as to the contribution of the EPRS impact assessment in this development:

'By presenting this amended proposal which extends the scope of its original proposal to face-to-face sales, the Commission responds to ... developments in the inter-institutional negotiations, taking into account ... the impact assessment conducted by the European Parliamentary Research Service, as presented in detail in the Staff Working Document accompanying the amended proposal.' (pages 2-3).

European added value

The European Added Value Unit provides unique expertise for the Parliament by analysing potential costs and benefits of future EU action, which could result in greater efficiency and public good for European citizens.

Between 2014 and 2019, over half of the EP committees explicitly requested EAVA unit products or triggered European added value assessments through legislative initiative reports (INL). In total, the unit prepared over 70 analytical publications for the parliamentary community.

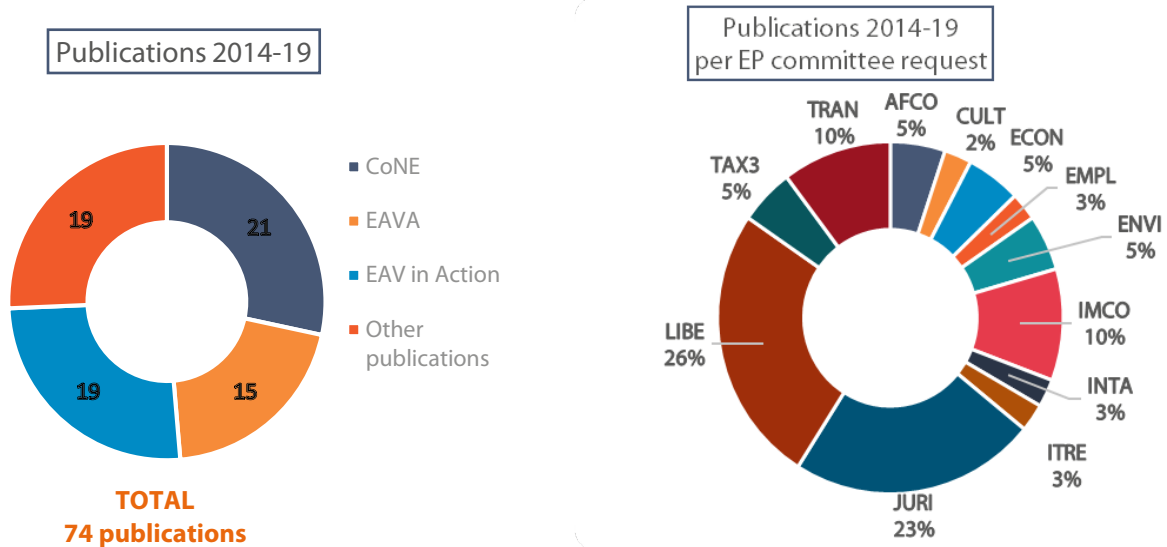
Publications

The three main types of EAVA unit publication are:

- **European added value assessments (EAVA)** – automatically accompanying all INL reports authorised by the EP Conference of Presidents and tabled by committees under Article 225 TFEU. This article allows the Parliament to provide the European Commission with solid arguments on topics where it deems it appropriate to have European

legislation, giving a unique opportunity to parliamentary committees to set the political agenda and move from reacting to pro-actively setting the legislative process in motion. These EAVA publications evaluate potential impacts, and identify the costs and benefits, of proposals made in INL reports.

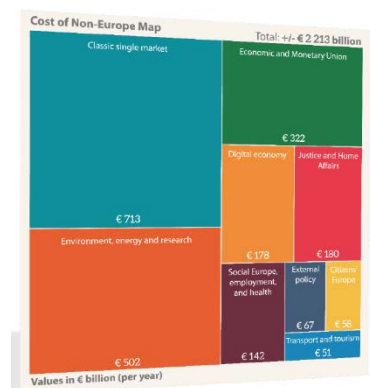
- **Cost of non-Europe reports (CoNE)** – identify policy areas where there is significant potential for greater efficiency and/or the realisation of a 'public good' through common action at EU level, and where such action is currently absent. These reports are predominantly drafted at the request of committees.
- **European added value briefings (EAV in Action)** – analyse the benefit of existing EU policies in practice and are drafted both following committee requests and spontaneously by the unit.



One of the major projects of the unit was carried out following a request from the LIBE committee and included a series of studies on the main policy areas covered by the EU area of freedom, security and justice (AFSJ). They assessed the cost of non-Europe and European added value in a range of policy areas including, but not limited to, [legal migration](#), [asylum policy](#), the [fight against terrorism](#), [organised crime and corruption](#), [equality and the fight against racism and xenophobia](#). The overall project aimed to evaluate impacts in the area of freedom, security and justice and chart options for further action at EU level that could address existing gaps and barriers.

During Parliament's eighth legislature, the unit also provided EP committees with **ad-hoc studies and briefings**, which mainly assessed the economic impacts of EU inaction or future potential action. For example, a study about citizenship by investment and residency by investment schemes in the EU and a study on shell companies in the EU both contributed to drafting of the EP resolution of 26 March 2019 on financial crimes, tax evasion and tax avoidance.

One of the unit's flagship publications is a recurrent study **'Mapping the cost of non-Europe'**, which is regularly updated and whose fifth edition – ['Europe's two trillion euro dividend'](#) – was published ahead of the 2019 European elections. This publication brings together the unit's work since 2012 on a long-term project to identify and analyse the cost of non-Europe in a number of policy fields. It quantifies the potential efficiency gains in today's European economy through pursuing a series of policy initiatives recently advocated by the Parliament, either by deepening existing EU action or by undertaking new action.



Moreover, the unit has conducted three **public and stakeholder consultations** to support the work of parliamentary committees. They were all carried out for the JURI committee and related to research on robotics, social- and solidarity-based enterprises and EU administrative law.

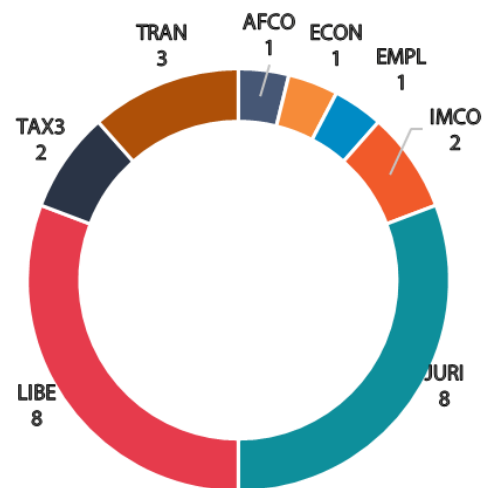
Presentation of the research results

The unit has presented 26 of its studies to Members in committee meetings as well as during 'policy hubs' organised by the committees, in European Commission meetings (such as workshops and stakeholder platforms), and at conferences organised by other institutions (e.g. the [Cost of non-Europe report on the sharing economy](#) was presented at a European Economic and Social Committee conference).

Outreach

Parliamentary resolutions have systematically quoted EAVA unit studies, but the outreach of this research was even broader. It included quotes in Members' public speeches, their tweets and press releases. Other EU institutions, mainly the European Commission, have also widely quoted the studies' results and often use them as arguments for the need for further EU action.

Presentations in EP Committees 2014-19



Julian King, EU Commissioner for the Security Union said, at the [structured dialogue](#) with the European Parliament's LIBE committee on 6 September 2018: 'I am the first to recognise there remains much to be done in the coming months. I also recognise that **there are potentially still gaps and barriers in our policy work, as highlighted in the recent [Cost of non-Europe in the fight against terrorism report](#)** prepared by the European Parliament.'

Mady Delvaux (ALDE, Belgium), Vice-Chair of the JURI committee and Rapporteur for the flagship 2017 EP resolution on civil law rules on robotics,

supported participation in the [public consultations on the future of robotics and artificial intelligence](#) launched by EAVA in 2017. The consultation served to launch a debate on this issue and helped the EP to define potential next steps in this field.



Ismail Ertug (ALDE, Germany), Member of the TRAN committee and Rapporteur for the legislative initiative report on odometer manipulation in motor vehicles, tweeted on the economic costs estimated in the [EAVA unit report](#) due to 'clocking' mileage of second-hand cars traded across the EU. The EP report called on the European Commission for action in preventing mileage fraud.



A 2019 first-ever [European Commission report on investor citizenship and residence schemes in the European Union](#) acknowledged taking account of a [study on the matter co-authored by EAVA](#) together with the Ex-post Evaluation Unit (EVAL) at the request of the EP Special Committee on Financial Crimes, Tax Evasion and Tax Avoidance (TAX3). The Commission committed in its report to monitor the identified problems as well as to setting up a group of experts from Member States to work on it.



BUDG Committee Press @EP_Budgets · Apr 21
 The EU saves its members a lot of €€€! New study: Europe's two trillion euro dividend - Mapping the Cost of Non-Europe, 2019-24 europarl.europa.eu/thinktank/en/d... #EUBudget



One of the most recent EAVA publications, **'Mapping the cost of non-Europe 2019-2024'**, has only just begun to reach out. Amongst the first to comment on Twitter was the EP Committee on Budgets.

Ex-post evaluation

An ex-post angle to the EP's impact assessment facility was added in February 2014, to strengthen committees' oversight capacities regarding the implementation of EU law and policies. Gradually, the Ex-post Evaluation Unit (EVAL) has developed to become Parliament's competence centre on all aspects of policy evaluation. Its targeted range of products assists committees in their ex-post scrutiny work.

European implementation assessments underpinning implementation reports

First and foremost, this unit contributes to evidence-based policy-making in the European Parliament by preparing impartial, factual studies that are meant to inform Parliament's implementation reports. This specific type of own-initiative report scrutinises the implementation and enforcement of the Treaties and EU legislation, soft law instruments and international agreements. Its purpose is to 'allow the plenary to draw conclusions and to make recommendations for concrete actions to be taken'.

The underpinning EPRS studies – known as 'European implementation assessments' (EIA) – seek to establish in detail how a law/policy has performed in comparison with its intended objectives, mainly in terms of effectiveness and efficiency. From a methodological point of view, the studies broadly follow the evaluation criteria of the Commission's Better Regulation Guidelines. In principle, they draw on publicly available data and information, but if needed, Parliament may complement existing data with primary data gathered through targeted consultations.

In the wake of the Lisbon Treaty and the EU's endeavours on better regulation, Parliament's committees have developed an apparent appetite for ex-post evaluation, and in particular for implementation reports, the EP's tool in this domain. During the 2014-2019 legislative term,

65 implementation reports were initiated. In 47 cases, EPRS prepared supporting evaluation studies. Committee acceptance of impartial research support from EPRS is high. To date, 13 (out of the 20 standing) committees have made use of EPRS upstream evaluation studies at least once. The frontrunner is the Employment & Social Affairs Committee (EMPL), with eight implementation reports, followed by the ENVI, Constitutional Affairs (AFCO), Foreign Affairs (AFET), JURI and Culture & Education (CULT) committees. Taken together, these six committees alone account for two thirds of all completed EIAs.



It should be emphasised that the upstream studies are defined as a technical aid to decision-making, therefore parliamentary committees are entirely free whether or not to take the study findings into account in their political work. Against this background, it is striking to see how receptive committees have been with regard to EPRS evaluation studies in general, and to what

extent they have effectively taken up EPRS research findings in their reports. This shows that committees perceive the studies as adding value to the debate. For instance, it has become a common practice that committees invite EPRS policy analysts to present the main findings of a 'European implementation assessment' in a committee meeting or a hearing, typically at an early stage of the process, so that the study can still inform the deliberations. In fact, presentations were made in almost three quarters of cases (34 out of 47), and were generally well received by the rapporteur and other Members.

'Thank you for that excellent presentation of this study that's been carried out. It was important to me to hear this today, because many of the conclusions that the study reached are the conclusions which I've put into my report. And I think that it is important that when we make recommendations here that we do so based on facts.'

Christel Schaldemose (S&D, Denmark), Rapporteur for the implementation report on food contact materials, following presentation of the EPRS study to the ENVI committee meeting of 23 May 2016.

Committee on the Environment, Food Safety

ENVI Committee meeting - 15:15 / 18:48 - 23-05-2016



Looking at the implementation reports, in almost all cases (90 %), typically in the report's explanatory statement or in the motion for resolution, they explicitly acknowledge the upstream EPRS study as providing input. Hence, sometimes substantial arguments draw on the EPRS study. In quite a few instances, the underpinning study is referred to as 'the basis' or 'the main source of information'. Similarly, resolutions on implementation reports commonly list the underpinning EPRS study in the form of a recital.

Improving market surveillance

This is the other major challenge facing EU codesign policy, if the aim is for products manufactured in accordance with codesign principles to become the norm and for manufacturers who comply with the rules not to be penalised. This was stressed repeatedly in an EPRS study which served as the basis for this implementation report and in which it was



European Protection Order

The joint LIBE/Women's Rights & Gender Equality (FEMM) Committee report on the **European Protection Order** acknowledges the EPRS study as one of the main information sources. In particular, the report refers to the quantitative information provided by the EPRS study, when addressing the scarcity of data on the use of the instrument. Moreover, it incorporates in detail the findings of the EPRS study, according to which the Directive 'has not led to a convergence/approximation of the diversity of national measures' and points to 'great deficiencies' with regard to information and awareness, raised in the EPRS study. The ensuing resolution, adopted on 19 April 2018, emphasises the modest use of the instrument, again attributing the quantitative data to the EPRS study, and bases its general recommendations relating to gender-based violence on the EPRS study ('Stresses that, in line with the assessment report drawn up by Parliament's EPRS...').

Other ex-post evaluation studies upon committee request

Committees may also turn to the services of the EPRS Ex-post Evaluation Unit to request evaluation studies outside the standard framework of implementation reports. Moreover, temporary committees can, and increasingly do, use this possibility: 8 out of the 15 'other ex-post evaluations' were drawn up for the Special Committee on Terrorism (2017-2018), the inquiry committee into money laundering, tax avoidance and tax evasion ('Panama Committee', 2016-2017) and the latter's successor, the Special Committee on Financial Crimes, Tax Evasion and Tax Avoidance ('TAX3', 2018-2019).

Resonance of EPRS evaluation studies in the work of the European Commission

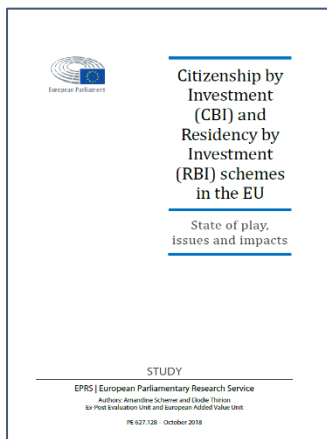
With a total of 62 evaluation studies completed since 2014, ex-post evaluation has truly encountered an institutionalisation within the European Parliament. As an oversight tool, the main purpose of Parliament's evaluation work is to hold the executive accountable for the implementation of EU legislation. The adopted resolution addresses observed implementation deficits, and typically calls on the executive – mostly the Commission – to remedy the issues. According to the rules in place, the Commission is required to respond within three months to Parliament, detailing its plans for a follow-up, or justifying any lack of action. Compared with a parliamentary resolution, the Commission has obviously no obligation to respond to issues addressed in an EPRS evaluation study. Empirical data show, however, that the Commission has, in quite a number of cases, taken into account not only Parliament's resolutions, but also the underpinning EPRS evaluation studies for its policy cycle work.

In at least three cases to date, EPRS ex-post evaluations informed the Commission's legislative proposals to amend existing legislation, as explicitly stated in the proposals listed here below:

- the European Citizens' Initiative (COM(2017) 482);
- Cross-border mergers and divisions (COM(2018) 241); and
- the proposal to amend the existing EU-wide summer-time arrangements, COM(2018) 639.

In addition to the aforementioned Commission proposals, EPRS evaluation studies have fed into quite a number of other Commission documents, in particular ex-ante impact assessments, Commission evaluations and fitness checks, and monitoring reports, as well as external Commission studies. In one case, research work drafted for a temporary committee, on the issue of 'Golden visas' and 'Golden passports', eventually informed a chapter of a pre-legislative Commission communication on a topic not yet regulated at EU level. Finally, in the case of 'Food contact materials', the EP's resolution on the implementation report and the underpinning EPRS study have given impetus to the first fully-fledged topical Commission evaluation, which is ongoing at the time of writing.

The above-mentioned cases demonstrate that the European Parliament's evaluations – resolutions and research papers alike – have in a number of cases effectively influenced, or at least informed, the Commission's legislative policy-cycle work.



'Golden visas'

The TAX3 special committee tasked EPRS to prepare a study on citizenship by investment (CBI) and residency by investment (RBI) schemes (commonly known as '**golden passports**' and '**golden visas**'), which exist in a number of EU Member States. EPRS was required to provide a risk assessment of these schemes and to look into their economic and social impacts. The in-house study was published in October 2018 and its key findings were presented at a TAX3 committee meeting the same month. The findings fed into the committee report, adopted in May 2019. Based on the EPRS findings, the committee concluded that the potential economic benefits of CBI and RBI schemes do not offset the serious risks they present and called on Member States to phase out their existing schemes.

Beyond Parliament, the EPRS study also informed a January 2019 Commission communication on CBI/RBI schemes (COM(2019) 12), which specifically looked into risks associated with tax evasion. Partly based on the EPRS study findings, the Commission recognised that the schemes in question raise legitimate concerns, even if it eventually opted for a more cautious approach than Parliament had called for. Rather than urging a phasing out of the schemes, the Commission would monitor steps taken by Member States and establish an expert group to address transparency, governance and security.

This Commission communication is the first policy document in an area not yet regulated at EU level. The fact that the TAX3 committee report and the EPRS study served as a key reference for the Commission communication shows that European Parliament evaluations can also have an agenda-setting function.

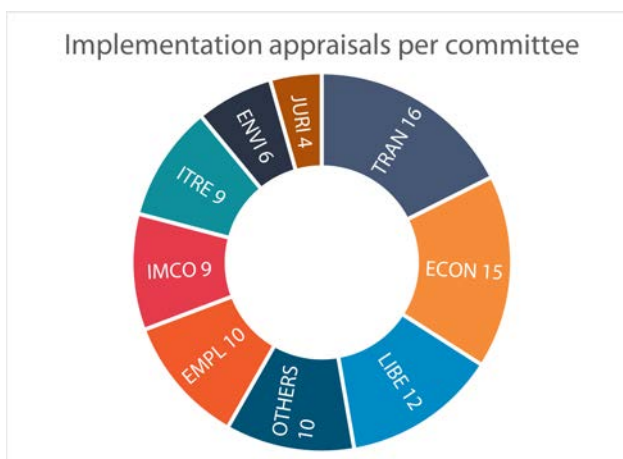
Implementation appraisals on legislation coming up for revision

Apart from the in-depth studies carried out in the framework of implementation reports or otherwise mandated by committees, the Ex-post Evaluation Unit of EPRS routinely provides a further type of analysis to committees, known as 'implementation appraisals'. These are succinct briefings on the legislative acts the European Commission has listed for revision in its annual work programme. Based on a comprehensive analysis of publicly available data and information, they review the state of implementation of the existing act (i.e. how it is operating on the ground) and flag any observed implementation shortcomings. If well timed – ideally immediately before the



Commission puts forward the amending proposal – an 'implementation appraisal' assists the committee in its scrutiny of the new proposal, as it helps to check whether the Commission addressed issues with regard to the implementation of the existing act.

To date, 91 implementation appraisals have been drafted for committees, most of them relating to topics within the realm of the TRAN, ECON, LIBE and EMPL committees. There is some evidence that usage of these briefings is not limited to EP committees, but goes beyond the 'Brussels bubble': particular appreciation of this product has been reported from national parliaments of EU Member States, which scrutinise Commission proposals for new (and amending) EU legislation in the framework of the Early Warning Mechanism.



The way forward: Better law-making in the future

To evaluate past experience of better law-making in practice, the European Commission undertook a comprehensive stock-taking exercise in early 2019, to find out what has worked well and what needs to be improved in this regard in the future. The European Parliament and its Directorate for Impact Assessment and European Added Value contributed to this exercise in various ways and have made their own reflections on the Parliament's work in this field. The exercise confirmed that the use of better regulation tools in the European law-making process are, by international comparison, well established and largely appreciated by stakeholders. Nevertheless, to improve its effectiveness and to achieve its objective of better laws for European citizens in future, work needs to continue at all levels. To this end, the Parliament's Directorate for Impact Assessment and European Added Value stands ready to support parliamentary committees in this process.

DISCLAIMER AND COPYRIGHT

This document is prepared for, and addressed to, the Members and staff of the European Parliament as background material to assist them in their parliamentary work. The content of the document is the sole responsibility of its author(s) and any opinions expressed herein should not be taken to represent an official position of the Parliament.

Reproduction and translation for non-commercial purposes are authorised, provided the source is acknowledged and the European Parliament is given prior notice and sent a copy.

© European Union, 2019.

ep@ep.europa.eu (contact)

www.eprs.ep.parl.union.eu (intranet)

www.europarl.europa.eu/thinktank (internet)

<http://epthinktank.eu> (blog)

