



Council of the
European Union

Brussels, 18 November 2022
(OR. en)

14973/22
ADD 3

Interinstitutional File:
2022/0379(COD)

TELECOM 474
DIGIT 214
CYBER 375
CODEC 1778
IA 193

COVER NOTE

From:	Secretary-General of the European Commission, signed by Ms Martine DEPREZ, Director
date of receipt:	18 November 2022
To:	Ms Thérèse BLANCHET, Secretary-General of the Council of the European Union
No. Cion doc.:	SWD(2022) 722 final
Subject:	COMMISSION STAFF WORKING DOCUMENT EXECUTIVE SUMMARY OF THE IMPACT ASSESSMENT REPORT Accompanying the document Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL laying down measures for a high level of public sector interoperability across the Union (Interoperable Europe Act)

Delegations will find attached document SWD(2022) 722 final.

Encl.: SWD(2022) 722 final



EUROPEAN
COMMISSION

Brussels, 18.11.2022
SWD(2022) 722 final

COMMISSION STAFF WORKING DOCUMENT

EXECUTIVE SUMMARY OF THE IMPACT ASSESSMENT REPORT

Accompanying the document

**Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE
COUNCIL**

**laying down measures for a high level of public sector interoperability across the Union
(Interoperable Europe Act)**

{COM(2022) 720 final} - {SEC(2022) 720 final} - {SWD(2022) 720 final} -
{SWD(2022) 721 final}

This report presents the back-to-back evaluation of the European Interoperability Framework (EIF) and impact assessment for a reinforced European Governments Interoperability policy.

1. POLICY FOCUS AND NEED TO ACT

Interoperability is not an aim in itself. It is an instrument, one that has become a central aspect of digitally enabled policy making and implementation. Interoperability allows organisations to interact, share information and knowledge at all levels in a seamless manner through their IT systems. It goes beyond technical means, it needs agreements between different organisations, agreed data descriptions, laws that facilitate data exchanges and a culture of cooperation.

Interoperability is essential for Europe's increasingly digitalising single market. It plays a role *within* sectoral policies, in particular those with a strong public sector connection, such as justice and home affairs, taxation and customs, transport or health, as well as in business and industry regulation. Interoperability is a recurrent theme within the Trans-European Networks and across digital and data policies. A dedicated *horizontal* EU policy for interoperability exists for more than 15 years, with a specific focus on the public sector. The Commission runs interoperability support programmes since 1995, now part of the Digital Europe Programme. An EIF was first formulated in 2004 and updated in 2010 and 2017. The EIF stresses the importance of considering all relevant aspects and layers – technical, semantic, organisational and legal – as well as taking an integrated governance approach.

Today the EIF is *the* commonly accepted conceptual framework for interoperability in the EU, and beyond. However, it remains entirely voluntary and for this reason, as the evaluation of the EIF demonstrates, it considerably underexploits its potential to reduce administrative burden and improve policy implementation¹. Against this background, and with digital transformation gaining pace, Member States' public sector transformation ministers and chief information officers (CIOs) increasingly call for strengthening European interoperability cooperation. Already before COVID-19 they insisted in generalising its application². This demand was reinforced due to the need to improve digital cross border and cross sector interaction during the crisis-response.

The Commission recognised the need to act³ and committed to presenting a reinforced interoperability policy by summer 2022⁴.

2. PROBLEM AND POLICY OBJECTIVES

The results of the EIF evaluation and the impact assessment show that the current informal interoperability policy setup, based solely on voluntary measures, is not sufficient to help

¹ See results of the final evaluation of the EIF, SWD(2022) 720 final.

² For instance the ministerial declarations signed in 2017 in Tallinn (<https://www.mkm.ee/en/objectives-activities/information-society/tallinn-declaration>) and 2020 in Berlin (<https://www.bmi.bund.de/SharedDocs/pressemitteilungen/EN/2020/12/berlin-declaration-digitalization.html>) and the recommendations from the members of the Commission expert group on interoperability of public services (<https://ec.europa.eu/transparency/expert-groups-register/screen/expert-groups/consult?lang=en&groupID=3714>).

³ Communication from the Commission Shaping's Europe Digital Future of February 2020, COM(2020)/67 (https://ec.europa.eu/info/sites/default/files/communication-shaping-europes-digital-future-feb2020_en_4.pdf).

⁴ Commission Work Programme 2022, COM(2021) 645 (https://eur-lex.europa.eu/resource.html?uri=cellar%3A9fb5131e-30e9-11ec-bd8e-01aa75ed71a1.0001.02/DOC_2&format=PDF), page 7.

remove cross-border and cross-sector barriers for the EU public sector. Limited interoperability of services and data of public administrations in the EU leads to limited digital public services, incapable of reaching their full potential and deliver on European goal of having a Digital Single Market. It increases costs and reduces efficiencies at all levels of public administrations in the European Union, adds administrative burdens on citizens, businesses and administrations themselves, delays the implementation of European policies by the Member States and the accomplishment of the Digital Single Market, limits the potential to innovate and hinders the EU's digital sovereignty. The impact assessment identifies the following problem drivers:

- Inefficient governance of interoperability efforts between EU policies, the European Commission and Member States for all administrative levels (national, regional, local) and sectors;
- Lack of common minimum interoperability specifications, shared solutions, standards; and
- Lack of an 'interoperability by default' approach in the design and implementation of EU policies

The new regulatory framework and the accompanying communication aims to strengthen interoperability to ensure digital public services work across borders for all in Europe, by fostering a coherent, human-centric approach to interoperability built in by design from policymaking to policy implementation all over Europe, establishing a clear governance and an ecosystem of solutions and specifications.

Not acting to improve interoperability would not only make the EU forego the opportunity to considerably reduce administrative burden, it would also negatively affect the resilience of public administrations and their capacity to innovate. The current policy framework of voluntary interoperability cooperation around the EIF is not fit for reinforcing cross-border interoperability. It lacks a systemic interoperability-by-design approach in policymaking, common implementation resources, and shared ownership.

3. POLICY OPTIONS, EXPECTED IMPACT AND PREFERRED OPTION

This impact assessment compares three options, in addition to the baseline of not acting. Baseline and option 1 continue the current voluntary approach, with option 1 seeking gradual continued development of the EIF. Options 2 and 3 propose legislative action, with option 2 focusing on establishing a structured cooperation mechanism with a clear mandate to ensure continuous development and maintenance of agreed common interoperability resources, as well as deciding on common experimentation and focused policy support projects. The furthest reaching option 3 focuses on establishing directly applicable European interoperability minimum requirements in law, updated by implementing decisions.

The assessment of expected impacts shows that the baseline and option 1 will not adequately address the weaknesses identified by the EIF evaluation, mainly because of limited cooperation incentives. In addition, neither would meet the political and operational expectations of Member States⁵. Option 3 is expected to be effective, albeit over time only and with very considerable implementation effort and cost. It is expected to be less effective in ensuring a flexible and future-proof response to fast evolving technological and policy needs. Option 3 is also likely to receive less political support because of its far-reaching nature and being very subsidiarity-sensitive (e.g., as regards Member States legacy systems).

⁵ As for instance in the first chapter of the expert group recommendations.

Option 2 is the preferred option. The choice of establishing a structured cooperation mechanism is expected to give the stability and (legal) certainty requested by Member States while ensuring the necessary flexibility for continuous development of common interoperability resources, in response to evolving policy needs. Instead of specifying (minimum) interoperability requirements directly in law (as would do option 3), option 2 focuses on establishing process requirements, more appropriate to rapid technological change and more proportional considering the impact on legacy systems. A common EU interoperability governance is expected to ensure bottom-up cooperation and top-down co-ownership by key stakeholders in Member States, building an ecosystem of shared interoperability solutions. This facilitates early-stage engagement in policy design and identification of co-investment needs and improves policy implementation. For these reasons, option 2 is not a threat but an enabler for subsidiarity, reinforcing resilience of public administrations and digital sovereignty.

Given its enabling nature for policies, the direct impact of interoperability is difficult to quantify. A study from the Commission's Joint Research Centre (JRC)⁶ estimates a remarkable savings potential, or cost of not acting: citizens could save up to 24 million hours per year due to improved interoperability, representing EUR 543 million; businesses could save 30 billion hours or EUR 568 billion annually. The estimated cost-savings credited to cross-border interoperability range between EUR 5.5 and 6.3 million for citizens, and between EUR 5.7 and 19.2 billion for businesses.

4. EVALUATION AND IMPACT ASSESSMENT PROCESS

This back-to-back evaluation and impact assessment report builds on the evaluations of the EIF and of the ISA² interoperability support programme⁷ carried out between September 2020 and September 2021. It draws on analysis undertaken by an independent external contractor⁸ and international sources such as the OECD. An additional important source for the report is the JRC study mentioned under point 3, on quantifying the impact on interoperability, based on its long-standing work on location interoperability.

Given the subsidiarity sensitivity of designing a reinforced EU government interoperability policy, the Commission has been co-designing policy options and co-creating elements of a possible legislative action with Member States CIO offices throughout 2020 and 2021. The recommendations adopted in October 2021 by the Commission's expert group of Member State experts (CIOs and digital transformation departments) give therefore a detailed insight into core stakeholder expectations, as do the ministerial declarations signed in Tallinn in 2017 and in Berlin in 2020.

⁶ Ulrich, P., Duch Brown, N., Kotsev, A., Minghini, M., Hernandez Quiros, L., Boguslawski, R. and Pignatelli, F., Quantifying the Benefits of Location Interoperability in the European Union, EUR 31004 EN, Publications Office of the European Union, Luxembourg, 2022, ISBN 978-92-76-48846-0, doi:10.2760/72064, JRC127330.

⁷ See EIF final evaluation, SWD(2022) 720 final, and ISA² programme final evaluation, COM/2021/965 final, SWD/2021/965 final.

⁸ See, for example, CEPS (2021): Study supporting the evaluation of the implementation of the EIF, European Commission. DOI: 10.2799/58201 and CEPS (2021): Study supporting the final evaluation of the programme on interoperability solutions for European public administrations, businesses and citizens (ISA²), European Commission. DOI: 10.2799/94683.