



Council of the
European Union

Brussels, 20 April 2018
(OR. en)

**Interinstitutional File:
2018/0104 (COD)**

8175/18
ADD 2

JAI 328
FRONT 96
VISA 83
FAUXDOC 28
CODEC 591
IA 104
FREMP 53

PROPOSAL

| | |
|------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| From: | Secretary-General of the European Commission, signed by Mr Jordi AYET PUIGARNAU, Director |
| date of receipt: | 18 April 2018 |
| To: | Mr Jeppe TRANHOLM-MIKKELSEN, Secretary-General of the Council of the European Union |
| No. Cion doc.: | SWD(2018) 111 final |
| Subject: | COMMISSION STAFF WORKING DOCUMENT EXECUTIVE SUMMARY OF THE IMPACT ASSESSMENT Accompanying the document Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on strengthening the security of identity cards of Union citizens and of residence documents issued to Union citizens and their family members exercising their right of free movement |

Delegations will find attached document SWD(2018) 111 final.

Encl.: SWD(2018) 111 final



Strasbourg, 17.4.2018
SWD(2018) 111 final

COMMISSION STAFF WORKING DOCUMENT
EXECUTIVE SUMMARY OF THE IMPACT ASSESSMENT

Accompanying the document

**Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE
COUNCIL on strengthening the security of identity cards of Union citizens and of
residence documents issued to Union citizens and their family members exercising their
right of free movement**

{COM(2018) 212 final} - {SWD(2018) 110 final}

Executive Summary Sheet

Impact assessment on a proposal for a Regulation of the European Parliament and of the Council on strengthening the security of identity cards of Union citizens and of residence documents issued to Union citizens and their family members exercising their right of free movement

A. Need for action

Why? What is the problem being addressed? Maximum 11 lines

The main problems addressed by the initiative, affecting free movement and internal security, are:

- insufficient security of national ID cards and residence documents issued to non-EU family members;
- insufficient acceptance by public and private entities of ID cards and residence documents;
- complexity in issuing, handling and administering these documents.

These problems are mainly driven by differences and inconsistency in the format, design and layout of ID cards and residence documents, and insufficient coordination of, awareness amongst and training for stakeholders involved in handling these documents. These problems make it more complicated to reliably identify the document holder and authenticate the documents and increase the risk of these being misused or wrongly rejected (e.g. at border crossings, in administrative registration, when accessing services). All this leads to considerable burden and cost for (a) EU citizens and their family members when travelling or exercising their right to free movement; (b) public authorities, such as border guards; and (c) public and private sector entities, such as social security services, banks and airlines.

What is this initiative expected to achieve? Maximum 8 lines

The general objective of the proposal is twofold:

- to improve security within the EU and at its borders;
- to facilitate EU citizens' right to move and reside freely in the EU.

The specific objectives of the proposal are:

- to improve acceptance and authentication of ID cards and residence documents and reduce document fraud;
- to improve identification of people based upon ID documents;
- to raise awareness about these documents and the rights linked to them, including through training;
- to simplify daily life for citizens, cut red tape and lower costs for all stakeholders.

What is the added value of action at EU level (subsidiarity) Maximum 7 lines

EU action is needed to promote the free movement of persons and increase the level of security within the EU, as both issues have a cross-border dimension and cannot be dealt with by individual Member States alone. Consistent and appropriate measures are needed to address the problems identified. This will require a common EU-wide approach to bring consistency to the new rules on the format and security features of ID and residence documents and promote cross-border cooperation. If national measures are not coordinated, they could create further problems (and consequently significant costs) for European citizens, national authorities or businesses/private sector.

B. Solutions

What legislative and non-legislative policy options have been considered? Is there a preferred choice or not? Why? Maximum 14 lines

The options are grouped: (a) ID cards, (b) residence documents and (c) process, to reflect the specific measures needed to address the problems of each group. They cannot be compared with each other.

Option 0: maintaining the *status quo*;

Options ID: format and security of ID cards

- **ID SOFT):** non-legislative measures related to ID cards (such as awareness-raising and training)
- **ID 1):** ID SOFT, plus setting minimum common requirements for ID format and security
- **ID 2):** ID SOFT, plus ID 1), with a common format for ID cards, including mandatory fingerprints
- **ID3):** ID SOFT with the possibility of issuing an EU ID card in addition to national ID cards

Options RES: format and security of residence documents

- **RES SOFT):** non-legislative measures related to residence documents

- **RES 1):** RES SOFT plus the harmonisation of a limited amount of residence document data
- **RES 2):** RES SOFT plus RES 1) with a common format for residence documents of non-EU family members
- **RES 3):** RES SOFT plus RES 1) with a common format for all residence documents,

Options PROCESS: process for issuing documents and sharing information between Member States

- **PROCESS SOFT):** promote more and better options for requesting and receiving documents
- **PROCESS 1):** PROCESS SOFT and the ability to issue ID cards through consular networks

The preferred options are ID 1), RES 2) and PROCESS SOFT).

Who supports which option? Maximum 7 lines

Council Conclusions stress the importance of the security of ID cards and residence documents. Many national authorities and NGOs support soft law measures for all types of documents (all SOFT options). Some national authorities dealing with the issue of free movement (AT, CZ, HR, DK, NL, MT and PL) do not see the need for legislation, while the introduction of minimum features for ID cards (ID 1) is favoured by others (BG, CY, DE, EE, EL, FI, IE, PT, RO, SI and SK). Several national authorities (CY, DK, EE, FR, EL and LU) favour at least harmonising residence cards for non-EU family members on the basis of the uniform format for residence permits (RES 2). A majority of EU citizens consulted support the wider EU harmonisation of national ID cards (ID 2), and are in favour of overall harmonised residence documents (RES 3).

C. Impacts of the preferred option

What are the benefits of the preferred option (if any, otherwise main ones)? Maximum 12 lines

The preferred options will bring direct benefits in many areas, though these are not easily quantifiable. The evidence available shows that improved acceptance of documents and enhanced document security will yield direct and recurrent cost savings and a reduced administrative burden for citizens and their family members, public administrations (e.g. border guards checking documents) and public and private service operators (e.g. airlines, health, banks and insurance and social security providers).

The indirect benefits of the preferred options will include a reduction in document fraud and identity theft and a generally improved level of security (reduction of crime, fraud and terrorism) within the EU and at its borders. Free movement of persons will also be facilitated, because improved documents will permit quicker, easier and more secure use of documents.

What are the costs of the preferred option (if any, otherwise main ones)? Maximum 12 lines

Soft law measures are adaptable to Member States' needs.

The (one-off) compliance cost of phasing in the upgraded documents will vary from Member State to Member State, depending on the quality of the documents currently issued. In most cases, costs will be minimised by aligning the phasing in with the natural replacement cycle of documents. For national ID cards and residence cards for non-EU family members, Member States can build on the existing infrastructure (card readers, document scanners, equipment to take and verify biometric data) and production processes for passports and residence permits. Significant additional administrative and regulatory costs are not expected.

To make quicker gains on security, the phasing out of weaker ID cards will create some cost in a number of Member States. The phasing out of non-compliant residence cards for non-EU family members will also lead to some additional (one-off) costs. These costs will be in proportion to the speed of the phasing out.

Whether compliance costs for new documents will be transferred to citizens will depend on the Member State administrations. The preferred option will have no significant cost impact on businesses.

How will businesses, SMEs and micro-enterprises be affected? Maximum 8 lines

The preferred option will allow businesses, including SMEs and micro-enterprises, to have more trust in the identification documents presented by potential clients from other Member States and therefore broaden their business opportunities. This is of particular interest to smaller enterprises that do not have the financial and personal means to develop processes, expertise and staff training to handle identification documents correctly. The improvement in consistency with regard to the various types of documents will also offer some opportunities for card producers.

Will there be significant impacts on national budgets and administrations? Maximum 4 lines

The financial impacts will vary from Member State to Member State, depending on the extent of the changes needed (compliance cost for phasing-in) and how quickly these improvements are implemented (compliance cost for phasing-out). Costs will be minimised as the replacements are expected to mostly be synchronised with the natural replacement cycle.

All national administrations will eventually benefit from time savings in administration and public services.

Will there be other significant impacts? Max 6 lines

The preferred option will impact on fundamental rights, and in particular in relation to Article 7 of the Charter on respect for private life and Art 8 on the right to the protection of personal data. The same approach will be followed as for the EU legislation on biometric passports and residence permits. Specific sensitivities regarding the collection of biometric data of minors will be taken into account. The preferred option will ensure safeguards and guarantee the data subject's right applicable under the General Data Protection Regulation including the right to effective remedy.

D. Follow up

When will the policy be reviewed? Maximum 4 lines

In addition to regular monitoring, it is proposed that the Commission will submit an implementation report to the European Parliament and the Council 3 years after the entry into application of the legislative measures.