

## Scrutiny of recent Inception Impact Assessments December 2019 - January 2020

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The Impact Assessment Institute conducts regular analysis on Inception Impact Assessments (IIAs) adopted by the European Commission.

In the period December 2019-January 2020, four Inception Impact Assessments were published on the European Commission’s website (<https://ec.europa.eu/info/law/better-regulation/initiatives>). Two relate to financial services, one to gender equality, one to non-financial company reporting.

Our scrutiny of these, evaluating the text according to Better Regulation principles, has identified good practice alongside a number of concerns in the assessment of evidence (see table below). These concerns relate mainly to the assessments of expected impacts, which may prejudice the upcoming full Impact Assessments or lack balance in their analysis.

Key: **Xx** = no material issues identified; **Yy** = issues identified; **Zz** = significant issues identified

	<u>European framework for markets in crypto assets</u>	<u>Digital Operational Resilience for the Financial Sectors</u>	<u>Gender pay gap – transparency on pay for men and women</u>	<u>Revision of the Non-Financial Reporting Directive</u>
<i>Context and problem definition</i>	Generally balanced and comprehensive	Full description but includes premature references to solutions	Concept and extent of “pay transparency” not fully explained	Generally balanced and comprehensive
<i>Objective(s) and policy options</i>	Appear to cover full range of measures and clearly presented	Level of detail not commensurate with context/problem definition	Objectives not specified, options not clearly explained	Appear to cover full range of measures and clearly presented
<i>Assessment of expected impacts</i>	Impacts on traditional financial markets not addressed	Predictions too concrete for early stage assessment, no consideration of potential negative impacts	Economic impacts not substantiated, social impacts not sufficiently examined	Intentions presented as likely impacts

<i>Background data and sources</i>	Apparently comprehensive and well-referenced	Apparently comprehensive and well-referenced	Apparently comprehensive and well-referenced	Apparently comprehensive and well-referenced
<i>Timeline (respect of Better Regulation rules)</i>	Timing of proposal in 2020 not specified	Timing of proposal in 2020 not specified	Aligned	Aligned