



The effectiveness of the EU's impact assessment and consultation mechanisms

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26 October 2019

This project has received funding from the European Union's Horizon 2020 research and innovation programme under grant agreement no. 770680 (RESPECT).

Outline

- Part of RESPECT work package 5 (deliverable 5.3)
- Work in initial stage (final version for end December 2019)
- Expected output: policy brief

- This presentation:
 - ① Overview of objective and methodology
 - ② Preliminary results from SIA survey
 - ③ Other components of the analysis
 - ④ Discussion

Objectives and components

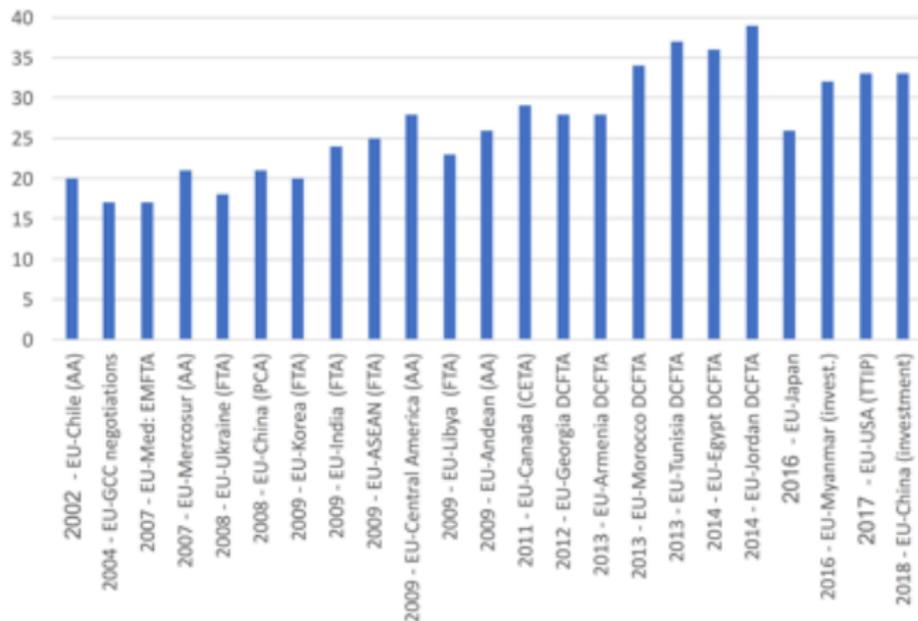
- Objective:
 - Analyse the effectiveness and inclusiveness of the EU's sustainability impact assessment (SIA) and consultation mechanisms
 - Generate a policy brief that stresses the normative part of the study, and maybe complement with a more technical working paper / report.
- Main components of the analysis:
 - ① Survey regarding evolution of the coverage and methodology of SIAs topics:
 - We already did such a survey for the non-trade topics in the main economic analysis of the SIA
 - Complement with an in-depth analysis of the topics covered and the methodology/processes used in the consultation mechanism.
 - ② Survey literature on impact assessments regarding evaluations of the methodology, with special attention to effectiveness and inclusiveness
 - ③ Supplement with information from the RESPECT Survey Instrument (EUI) and possibly additional interviews
 - ④ Analyse links and feedbacks between SIA and PTA topic coverage

SIA survey on main economic analysis

- Deliverable 3.1: Working Paper (EUI) and published as book chapter
- Summarised the evolution of the coverage and methodological approaches to analyse non-trade policy objectives in the EUs SIAs.
- Methodological changes
 - We revised the EU's two SIA handbooks
 - Literature survey on impact assessments
- Evolution of thematic coverage:
 - Thorough revision of all the SIA final reports that the European Commissions has done to date (29 SIAs)
 - Focus on non-trade policy objectives (NTPOs) as classified by Lechner (2016), also used in the rest of the RESPECT project

Non-trade policy objectives (NTPOs): total

Figure 1: Total number of NTPO issues covered in each SIA report

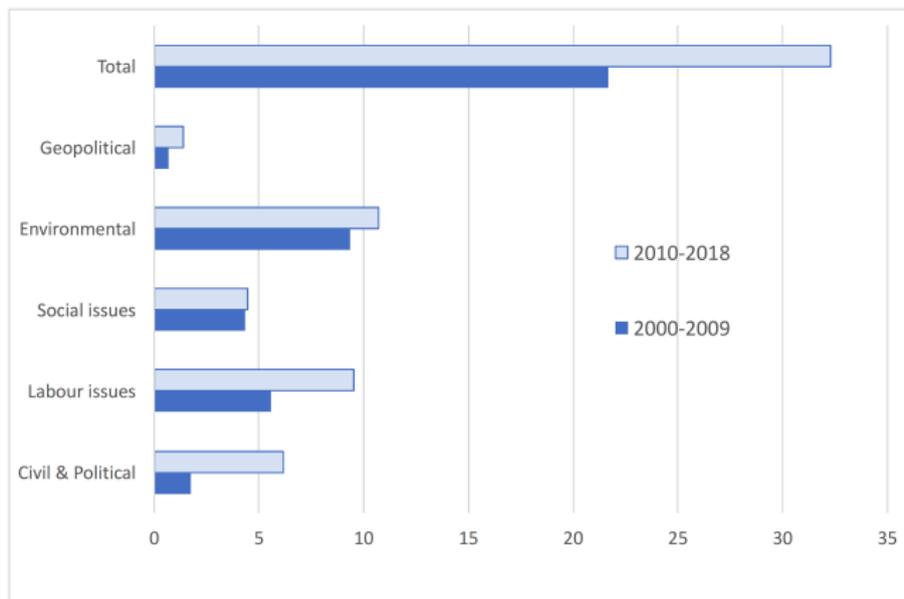


Notes: By year in which the Final Report of the SIA was delivered. Source: Final SIA reports downloaded from DG-Trade



Non-trade policy objectives (NTPOs): average

Figure 2: Average number of NTPO, by main categories covered in SIAs



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Main findings

- Thematic coverage:
 - ① has steadily increased over time (from an average of 21 non-trade topics before 2009, to 32 after)
 - ② in particular: labour-related and human rights topics
- Methodology:
 - ① Methodology has been formalised with the ECs SIA handbooks
 - ② Consultation process has been improved and expanded
 - ③ CGE models are the core of the quantitative (direct) analysis
 - ④ But most topics are only covered using indirect qualitative analysis
 - ⑤ Only around 13% of the topics have a direct analysis (primary coverage)
 - ⑥ This can be improved with:
 - environment/energy-focused CGEs
 - linking the CGE models with household level micro-data (poverty and equity issues)
 - using endogenous labour market modules within the CGE

SIA survey on consultation mechanism

- Use a similar approach to the previous SIA survey
- We already found that the consultation process has also been broadened and improved
- This generated a rich feedback, which can also explain the expanded thematic coverage of the most recent trade SIAs
- We shift the focus to the consultation process and its interactions with the rest of the SIA process
- If time and adequate information, we can also look at trade issues and not only NTPOs

Focus of the new SIA survey

- Non-trade issues:
 - Thematic (NTPO) coverage in the consultation process
 - Number of consultation rounds/meetings (three)
 - Who participated and which issues were raised?
 - Number and background from the participants (NGOs, SMEs, larger firms and MNEs, local and national governments, within and outside of the EU)
 - Pay special attention to feedback between consultation, main analysis and negotiations
- Trade related issues:
 - Which economic sectors were covered/discussed
 - Which topics: subsidies, anti-dumping, agriculture
 - In which EU countries
 - By which stakeholders
 - Check the participants attending and the transparency register

Literature review

- Revisit previous papers analysed for first SIA survey
- Focus on: what are the characteristics and results of the EU's consultation process
- Are there and what are the findings regarding the consultation processes in other IA's
- Summarise main findings and recommendations

EUI Survey

- Use results on the design of PTAs
- Question 2: "The design of trade agreements is efficiently informed by consultation of stakeholders."
- In addition, coordinating with EUI, do interviews with policy makers, consultants and stakeholders that were involved with SIAs
- This can provide additional insights that can also feed into recommendations.

EUI Survey

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Normative linkage

- Try to identify linkages and feedback loops between consultation, main economic analysis, negotiations and final PTA text
- Normative discussion on the impact (or not) of the SIA (in general) and the consultation process (in particular) on the design of PTAs
- Identify possible lobbying for protection if we have enough data on the trade-related issues of the consultation process: e.g. subsidies (Japan), anti-dumping regimes (China)
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Discussion

- Thank you for your attention!

- Any recommendations, comments and/or suggestions?