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COMMISSION STAFF WORKING DOCUMENT
EXECUTIVE SUMMARY OF THE IMPACT ASSESSMENT

Accompanying the document

**COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN
PARLIAMENT AND THE COUNCIL**
**Better situational awareness by enhanced cooperation across maritime surveillance
authorities: next steps within the Common Information Sharing Environment for the
EU maritime domain**

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**Better situational awareness by enhanced cooperation across maritime surveillance
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Disclaimer: This executive summary commits only the Commission's services involved in its preparation and does not prejudge the final form of any decision to be taken by the Commission.

1. PROBLEM DEFINITION

The purpose of this impact assessment is to examine to what extent further EU action is necessary to further develop a common information sharing environment for the EU maritime domain. The relevant sectorial functions for which this sharing environment is relevant are (1) maritime safety (including search and rescue), maritime security and prevention of pollution caused by ships, (2) fisheries control, (3) marine pollution preparedness and response, marine environment protection (4) customs, (5) border control, (6) general law enforcement and (7) defence.

The increasing threats and risks that the EU maritime domain is exposed to is putting additional burdens on the maritime surveillance authorities of the EU Member States to ensure the safety and security of the EU and its population. The additional workload that these authorities are confronted with is not matched with additional resources, which in turn forces them to become more resource and cost efficient.

The current information exchange between maritime surveillance authorities is suboptimal and can lead to efficiency losses, duplication of data collection efforts and unnecessary operational costs. In many cases, information exchange does not take place because (1) maritime surveillance authorities do not know that the information is available somewhere; (2) maritime surveillance authorities do not know that they have information of interest for others and (3) it is considered too complex to do.

A link that would require further development, building on existing solutions and developments, relates to common standards which would allow for the interoperability of sectorial systems and machine readable information services. This would further enhance the possibilities for these authorities to have access to all the information necessary for their operative work, with the indirect effect that these authorities would be able to increase their performance and efficiency in carrying out their operative tasks. This goes beyond simple exchange of raw data (e.g. ship positions) into the further development of information services (e.g. situational maritime picture, intelligence report, list of suspicious vessels, risk analysis, anomalies detection, extended info on major accidents, response capacities, collaborative tools) across sectors and borders easing the tasks of national surveillance authorities in their daily duties.

Although improvements towards better information sharing has occurred more and more sectors are starting to share information with each other, not all sectors involved in maritime surveillance activities have provided for the sharing of such information services to the other sectors/functions. A particular area where information exchange remains suboptimal is the exchange between civilian and military authorities.

Three main causes for this suboptimal situation have been identified:

Cause 1: Real or perceived legal limitations and legal uncertainty to information exchange between the relevant maritime surveillance sectors.

Cause 2: absence of an appropriate IT environment which ensures the interconnectivity of existing and future systems.

Cause 3: Cultural and administrative barriers against proper information exchange are persisting.

The stakeholders affected are around 400 authorities dealing with maritime surveillance information in any form. These are essentially EU and EEA Member State authorities, but include also a number of EU Agencies (such as EFCA, FRONTEX, EMSA and EDA).

Public intervention is necessary to ensure better interoperability between existing systems with common standards for machine readable exchange of information services, which will be capable to meet new challenges and address the problems identified. The result of non-intervention would be that increased threats and risks would not be dealt with in the most effective manner, that potential conflicts between central EU policy objectives would persist and that duplication of data collection efforts will continue to exist.

2. ANALYSIS OF SUBSIDIARITY

The preferred options in the impact assessment are non-binding options (Communication and guidance document) which does not require the definition of the legal base.

The added value of EU action has been widely recognised already in stakeholder consultations in other various events and consultations; there is a strong demand from national authorities to carry this project forward. Moreover, rules and conditions for transnational sharing of information mainly between authorities of a same sector are already regulated at EU level. In addition, a number of EU Agencies are involved in maritime surveillance activities.

The principle of subsidiarity is at the same time very relevant in this case. Although targeted EU action is necessary to ensure the interoperability of the current systems, the operational aspects of any future common information sharing environment needs to be decentralised. The role of the EU should therefore essentially be to act as a facilitator and should focus on transnational aspects without getting involved in national organisational matters.

3. OBJECTIVES

The general objective of this policy initiative is to ensure that maritime surveillance information and services collected by one maritime sector and considered necessary and useful for the activities of other maritime sectors can be efficiently shared with those sectors.

The point of departure will be current achievements and already existing standards for information exchange and work should focus on ensuring the interoperability of information exchanges regulated at EU level, with a particular view to provide Member States with interoperability solutions that they may apply at national level. A particular objective would be to enhance information exchange between civilian and military authorities.

Enhanced information exchange between sectors is expected to contribute to a better overview of the maritime domain awareness for the maritime surveillance authorities at national and EU level and enhanced consistency between sector policies in line with the Integrated Maritime Policy of the EU.

The foreseen exchange of information between sectors will have to respect the same rules and principles as for data exchanges within sectors, in particular the relevant

provisions of the EU Charter of Fundamental Rights, the EU legal framework on the protection of personal data, and the national legislation implementing this EU law, as well as the relevant provisions for the protection of commercially sensitive data.

The first specific objective is to identify and address real or perceived legal limitations between sectors to justified exchange of maritime surveillance information and services.

The second specific objective is to ensure interoperability between relevant IT solutions used by maritime surveillance actors through the use of common standards and specifications.

The third specific objective is to build confidence in order to bring maritime surveillance authorities of different sectors together and seek for better co-operation inter alia through joint missions, common operational procedures and training and best practices sharing.

4. POLICY OPTIONS

The question to be answered in this impact assessment is how an enhanced information exchange between maritime surveillance authorities can be achieved. A whole spectrum of possible options to ensure an optimum exchange of maritime surveillance information within and between sectors was envisaged.

Retained policy options were divided into three different categories

- No further EU action;
- Voluntary measures; and
- Legally binding measures.

Three different sub-options for voluntary measures were assessed:

Establishment of a Communication:

The purpose of this instrument would essentially be to provide a roadmap to further develop a common information sharing environment.

Establishment of soft policy initiatives such as a guidance document and best practices

The purpose of this document would be to provide recommendations, guidelines and best practices on information sharing and encourage increased cooperation among EU Member State authorities to address cultural barriers.

Establishment of a joint undertaking pursuant to Article 187 of the TFEU

The purpose of such undertaking would be to provide a framework for cooperation and research of all various stakeholder's to develop a new generation of maritime surveillance information services as well as to foster civil-military cooperation to increase the performance and cost efficiency of maritime surveillance.

Three different sub-options for binding measures were assessed:

Establishment of a policy package within the existing legislative framework

The purpose of such an initiative would be to envisage amendments, if necessary, of existing sector EU rules regulating information exchange of maritime surveillance

related information. It does not envisage the adoption of a new instrument at EU level, nor address legal limitations at national level.

Establishment of a cross sector legislative framework for information sharing (Regulation)

The purpose of this Regulation would be to put in place a legally binding legislative framework which would not only seek to address the legal limitations and introduce technical interoperability standards of the previous sub-option, but also put in place other building blocks of the CISE in a binding fashion.

Establishment of a cross sector legislative framework for the technical aspects

The purpose of this technical Regulation would be to put in place the necessary interoperability standards for EU wide exchange of information services.

5. ASSESSMENT OF IMPACTS

The assessment of the different policy options has been made in the following four steps:

- A qualitative assessment of each policy option.
- A quantitative assessment of the potential added value of each policy option and of the implementation of the full potential of a Common Information Sharing Environment as such.
- An assessment of the impacts of these options on fundamental rights.
- An assessment of costs.

The qualitative assessment concluded that voluntary options of a Communication and a guidance document with best practices constitutes the best options in to ensure the effectiveness, coherence achieving the objective, in particular ensuring enhanced co-operation between civilian and military authorities.

Among binding options, amendment of sector legislation seems to be the efficient option to address legal limitations at EU level. A fully fledged Regulation has limited support among stakeholders and seems to be too complex for the intended purpose and therefore disproportionate.

The quantitative assessment first concludes that the overall full impact potential of CISE is estimated in a range of between 1.6 billion € and 4.2 billion € over ten years.

A risk analysis conducted as regards challenges, risks, threats and vulnerabilities on the world wide maritime areas of interest to Europe (including the Baltic, the North Celtic Sea, Biscay/Iberia, Black Sea, Mediterranean, Arctic ocean, Overseas and High Seas) concluded that enhancing knowledge and improving maritime situational awareness could potentially lead to the reduction of threats and risks by 30% on average, while this effect will of course not be uniform over the type of risk and the different maritime areas of European interest.

The assessment on the fundamental rights concluded that none of the options have any significant impacts on fundamental rights. Should however legislative measures

be taken at a later stage, the impact on fundamental rights will have to be assessed further at that stage.

The cost assessment concluded that the total cost over 10 years for the preferred option is estimated at 133M€ EU central cost amounts to 26 M€and Member States level cost amounts to 107 M€over 10 years.

The cost to further develop CISE depends to a large extent on how each Member State may want to organise itself internally to connect to the environment, on the number of information services that will be provided in the environment and on the large variety of existing and planned IT systems.

6. COMPARISON OF OPTIONS

| | | Short Term Effectiveness in achieving the objectives | Short Term Economic, social and environmental benefits | Long Term Effectiveness in achieving the objectives | Long Term Economic, social and environmental benefits* | Cost |
|-----------------|---|--|--|---|--|----------|
| Option 1 | Baseline scenario | 0 | 0 | 0 | 0 | 0 |
| Option 2 | Communication | +++ | +++ | +++ | +++ | € |
| | Guidance document through a recommendation | +++ | +++ | +++ | +++ | €€ |
| | Joint undertaking | ++ | + | +++ | +++ | €€€ |
| Option 3 | Amendments of sector legislation | ++ | + | ++ | ++ | €€ |
| | Cross sector Regulation | + | + | +++ | +++ | €€ |
| | Technical Regulation | ++ | ++ | ++ | ++ | €€ |

0: no change compared to baseline scenario; +: limited increase compared to baseline scenario; ++: moderate increase compared to the baseline scenario; +++: high increase compared to the baseline scenario

Conclusion

The impact assessment concluded that it will not be possible to achieve the defined objective through one policy option. Legally binding options can address legal and technical limitations but not for all seven sectorial functions and can further not capture cultural barriers. In particular, enhanced information exchanges between civilian and military authorities cannot be addressed through this option. Non-binding options are best suited to address cultural barriers (which seem to be the biggest hurdle to information exchange at least in the short terms) and can be considerably helpful in finding practical solutions which could involve all seven

functions and thus enhance information exchange between civilian and military authorities. Those options do however fall short in addressing any legal limitations and technical barriers.

The best solution therefore seems to be to strive for a combination of several options in the short, medium and long term.

It seems that the best way to implement this work in the short term is to consider publishing a Communication which provide an implementation roadmap and identify in concrete terms the work needed related to a corresponding timeframe.

Such action should be followed in the short-term with a guidance document to address first and foremost the cultural barriers and to establish best practices for information sharing.

The sub-option on addressing legal and technical limitation through amendments of existing legislation over time seems to be the most proportionate and acceptable to stakeholders in order to avoid excessive EU action.

A technical regulation may be a solution in the long term to deploy a standard in a coherent manner.

The preferred option would therefore be a mix of options, 2.1, 2.2, possibly coupled with, 3.1, and 3.3 if such action is deemed necessary.

As a consequence, it is estimated that, compared to the baseline, this policy mix may realise 80 % of the full potential of the CISE project, while incurring 133 M€TCO realising 151 M€cost savings, 460 M€beneficial impact and may thus realise at least a progressive cumulated positive impact of 611 M€over the first ten years during which CISE is being progressively set up.

Overall CISE is estimated to bring a beneficial impact within a range of 160 million €/per year and 420 million €/per year over the following ten years.

7. MONITORING AND EVALUATION

The initiative would have to be monitored and evaluated at regular intervals, using indicators to measure the relative increase of data flows and increased efficiency of maritime surveillance operations.