

December 2018

Executive summary

Impact Assessment of the Inland TDG Risk Management Platform

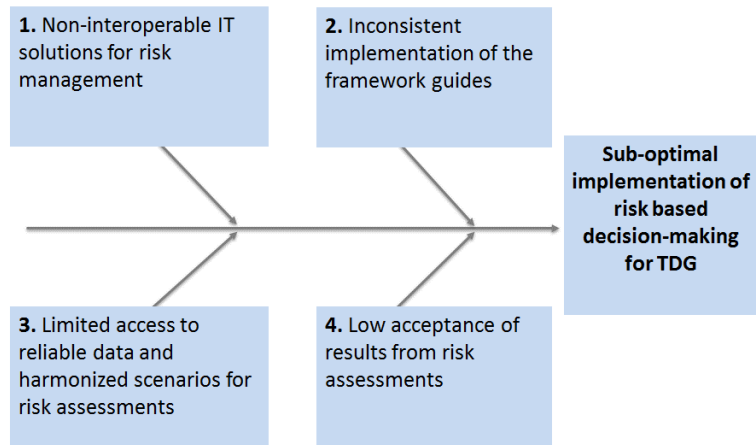
The development of the Inland TDG risk management framework project started on the basis of the conclusions of the workshop organised by the European Commission in February 2014 concerning “the feasibility to harmonise the approach to inland TDG risk management”. At this workshop States representatives and professional associations considered that, due to the big disparities in existing Inland TDG risk management practices and legal framework, the best instrument to standardise the approach and level the legislative playing field would be the adoption of a harmonised multimodal legal framework for Inland TDG risk management, possibly in the form of a EU Directive. However, it was also considered that the potential development of such a Directive could only take place after a first phase of voluntary technical harmonisation which may be used to pave the way for potential future legislative changes. It was decided that this technical harmonisation should take the form of guides. Subsequently, the need for a Directive could be reassessed after a certain period using voluntary arrangements only.

The context of the voluntary technical harmonisation through the implementation of the framework guides is shaped by the following assumptions / boundary conditions:

- › *The Expert Users and Development Group (EUDG) is responsible for the maintenance and development of the framework*
- › *The Commission (DG MOVE) and the Agency supervise policy and technical effectiveness of the framework*
- › *Overarching policy objectives can be achieved by ensuring that the framework guides are set in the right environment such that potential users have incentives to implement and apply these*
- › *Different legal environment for the three inland modes of transport*

A key focal point is the extent to which the development and implementation of an IT Risk Management Platform could be a decisive factor for ensuring an optimal level of implementation of risk based decision making for TDG aligned with the framework guides. This issue has been examined by an Agency impact assessment.

The impact assessment identifies the overarching problem (sub-optimal implementation) as well as the key problem drivers as follows:



Overall, a broad range of stakeholders could potentially be affected by this problem while also scoring high in terms of the importance of the problem. In particular, stakeholders concerned include inland TDG transport operators, other companies involved in TDG, national competent authorities, regional and local authorities as well as European and international organisations. Obviously, the importance of the problem may vary within stakeholder groups, e.g. linked to particular country contexts.

The following options are examined in the impact assessment in terms of possible solutions to the identified problem:

- › **Option 0** (do-nothing / baseline scenario) –the situation as present with the set of framework guides but without an IT Risk Management (RM) Platform in place to support users
- › **Option 1**: - IT RM Platform to support harmonized implementation and application of framework guides without future legislative changes inland TDG risk management
- › **Option 2**: - IT RM Platform to support harmonized implementation and application of framework guides with future legislative changes inland TDG risk management (harmonised multimodal legal framework for Inland TDG risk management)

A qualitative assessment of the impacts of the three options (incl. the Baseline) is undertaken in terms of positive and negative aspects per stakeholder. Overall, the focus is on the implications of complementing the framework guides with an IT Risk Management Platform taking into account the legal context for harmonisation on inland TDG risk management. The focus of this impact assessment is on the qualitative analysis of the options, while detailed quantitative analysis has not been undertaken. From a high level perspective the main costs linked to the introduction and operation of an IT Risk Management Platform would concern:

- › One-off costs incurred by the Agency in relation to the implementation of the platform (likely to involve approx. 0,75 – 1 M€ (in accordance with experience from other IT systems within the Agency)
- › On-going costs (notably maintenance and development of Platform) is likely to amount to about 10% of the initial costs, so roughly 80-100 K€

These costs should be contrasted to the possible benefits in relation to complementing the framework guides with an IT Risk Management Platform, notably:

- › *Reduced investment (and maintenance) costs in recognized national tools*
- › *Enhanced quality and reliability of implementation and application of framework guides*
- › *Reduced costs associated with risk assessment studies*
- › *Reduced national barriers for transport of dangerous goods*
- › *Reduced resources for decision-making*
- › *Easier and better justified decisions*
- › *Reduced time for access to market*

Given the relative low costs involved (incurred by the Agency) it is likely that the above listed benefits would outweigh the cost resulting in overall net-benefits.

Considering that:

- › *the IT Risk Management Platform is likely to generate net-benefits for the identified stakeholders by facilitating in a cost-efficient way the realization of the benefits associated with harmonized implementation and application of risk based decision-making;*
- › *the potential development of any legislative changes for mandating harmonisation of inland TDG risk management can only take place after a first phase of voluntary technical harmonisation (as agreed in 2014); and*
- › *if an efficient and effective voluntary framework is sufficient to capture the full benefits of harmonisation in this field then legislation is not required (in line with the Commission's Better Regulation initiative)*

Accordingly, the preferred option would be **Option 1** involving the introduction of an IT Risk Management Platform to facilitate use of the framework guides on a voluntary basis.

Therefore, it is advisable to develop the IT Risk Management Platform described in this impact assessment as soon as the corresponding resources can be made available for its development.