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**COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN
PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL
COMMITTEE AND THE COMMITTEE OF THE REGIONS**

**"Global Monitoring for Environment and Security (GMES):
we Care for a safer planet"**

SUMMARY OF THE IMPACT ASSESSMENT

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EXECUTIVE SUMMARY

This Impact Assessment has been prepared by the Commission services to support the Communication entitled " Global Monitoring for Environment and Security (GMES): we Care for a safer Planet.

Substantial R&D effort has been invested on Earth observation by the EU, the European Space Agency (ESA) and their respective Member States to develop infrastructure and pre-operational services. It is now time to guarantee their sustainability, to bring together actors from different institutional nature, to ensure proper representation of the EU Member States and to associate other countries involved.

To achieve this goal, the initiative for Global Monitoring for Environment and Security (GMES) should be implemented operationally through the establishment of an EU-led programme, GMES. The objective of GMES is to provide services allowing access to accurate environmental and security data and information, tailored to the needs of a wide range of users.

An extensive stakeholder consultation, which started with the 2005 Communication "From concept to reality", has indicated that the following major problems are hindering the progress towards the realisation of the political and operational goals of GMES:

- despite the user-driven character of GMES and the establishment of expert groups (known as service implementation groups), there is currently no formal process to involve the users in the definition of the scope and architecture of the services;

- equally, there is no process to consolidate the contributions of the various partners in the development of GMES, which could result in a duplication of efforts in Europe. In this context, it should be remembered that the Member States and intergovernmental organisations, in particular ESA, have been investing significant sums in earth monitoring activities. Nevertheless, a common approach is still missing among co-existing frameworks at EC, intergovernmental and national level which all have separate decision and financing mechanisms;

- GMES is currently a set of research projects financed by the EU, ESA and Member States budgets. These projects aim at developing services and infrastructure, but cannot ensure a continuous and sustainable flow of information in an operational environment.

This baseline would undermine users' and industrial confidence in GMES. GMES would continue in the form of research projects, without an overarching governance framework for the coordination of the contributions from different GMES partners.

The main objectives of the 2008 Communication are therefore to

- make proposals for the overall programmatic approach and the governance of GMES as a whole and of its service and infrastructure components; and

- indicate the willingness of the Commission to propose a Basic Act establishing the EU GMES programme, without prejudging future financial decisions.

This two step approach, consisting of a Communication published in 2008 and a proposal for a basic legal act published in 2009, is considered of paramount importance for the success of GMES for strategic reasons, as it is essential to use the current momentum created by the French presidency to convey the political messages contained in the Communication already in 2008, with a view towards a providing the (political) grounds for a comprehensive legal act for the initiative in 2009. Further, the Communication will constitute a decisive input for ESA Ministers that will have to make their decision concerning the continuation of GMES space infrastructure development in November 2008.

The specific objectives of the Communication are to:

(1)   define a transparent and sustainable governance framework that contains a clear division of the roles of the *partners* in the GMES partnership, based on the principle that GMES should use to the largest extent possible existing capacities;

(2)   guarantee user uptake, in particular through constant involvement of users so that GMES remains *user driven;*

(3)   *reassure stakeholders* about the EU commitment to GMES in the sensitive phase of demonstration which precedes the move to operation;

(4)   outline how the governance and financing framework can be *implemented in a reasonable timeframe*.

In addition to the baseline described above, the Impact Assessment defines the following options concerning the sustainability of financing (S) of service provision and contribution to infrastructure development and operations beyond research:

• No action, S0-option: The EU continues to limit its financial contribution to GMES to research funds;

• Option S1: same as the previous option until 2013, but a programme is proposed in the context of the preparation of the next financial framework. A gap is left between the preparatory action (2008-2010) and 2014;

• Option S2: a Community programme is proposed in due time to bridge the gap between 2011 and 2014.

Concerning the roles and responsibilities of different actors (governance scheme- G), policy options at hand are:

• No action G0 option: No specific governance structure is maintained within the Commission in addition to the structures for the management of research funds.

• Option G1: The Commission takes strong political and managerial control and is in charge of the management of the GMES programme, a formal process for the compilation of user requirements and of the coordination of the contributions of various GMES partners which continue to act according to their mandate and own governance scheme.

• Option G2: The Commission could propose to create a new external entity (e.g. a Community agency, or to extend the mandate of an existing Community entity) to manage the programme on its behalf.

- Option G3: A single governance body managing all GMES elements and representing all stakeholders is established.

- Option G4. The responsibility for overall programme management is delegated to the ESA.

The baseline scenario described above would correspond to a combination of the no change S0-G0 options. It serves as the benchmark for the impacts of the other scenarios. The combination of options on Sustainable funding and Governance can be summarised as follows and leads to the further analysis of four scenarios.

	G0	G1	G2	G3	G4
S0	Base line	Discarded	Discarded	Discarded	Discarded
S1	Discarded	Scenario 1	Scenario 2	Discarded	Discarded
S2	Discarded	Scenario 3	Scenario 4	Discarded	Discarded

All combinations involving options S0 and G0 are discarded because they correspond to a large extent to the baseline described above. Finally, all combinations involving option G4 have been discarded for two main reasons. First, the governance framework must respect the role of the Commission as defined in the EC Treaty and the jurisprudence of the European Court of Justice concerning the institutional balance within the EC. Consequently, it is not possible that the Commission delegates the political responsibility for coordinating and managing the GMES programme to an external entity, such as ESA. Additionally, the implementation of GMES extends beyond the technical capacity and mandate of ESA. In particular, although ESA is assigned a key coordination role for the space component, for political, practical and legal reasons, it cannot be delegated the management of the in situ and service components.

The combination of options that are not discarded are analysed in the light of the specific objectives of the Communication as set out in the table below.

Objectives				
	Transparent and sustainable governance framework	Users buy-in	Stabilisation of industrial base (upstream and downstream)	Feasibility in needed timeframe
Scenario 1	+	+	-	+
Scenario 2	+	+	-	--
Scenario 3	++	++	++	+
Scenario 4	+	++	++	--

The timely submission of a proposal for a Community programme to ensure continuity after the preparatory actions, as foreseen in Scenario 3, seems to best fit the Communication objectives and best respond to stakeholders' concerns expressed so far. Its combination with an internal Commission management structure would minimise implementation obstacles.