

## Vertical EU Industrial Policy Assessment Framework, in particular for participation in IPCEIs

<p><b>Industry Policy Assessment Framework</b></p>	<p>By briefly answering the questions below, we can determine for each area where an active vertical industrial policy initiative is needed and find out whether an IPCEI would also be desirable.</p>
<p><b>A.1. Is an active role of the government necessary?</b></p>	
<p>1) <b>Cause</b> What is the cause?</p>	<p><i>This section describes who wants to launch a European industrial policy initiative, and why. It also sets out why it is urgent and important for the Netherlands/the other Member State/Europe to look into this.</i></p>
<p>2) <b>How substantial is the problem?</b> What are the underlying problems/challenges behind the trigger? ['Paracetamol level' or 'life-threatening?']</p>	<p><i>This section describes the underlying problems and challenges in the (industrial) ecosystem, or that relate to the achievement of national and European policy objectives, and provides a basis for exploring the need for an active industrial policy initiative.</i></p>
<p>3) <b>How are we going to solve the problem?</b> What is the aim and scope of the present industrial policy initiative? How will it help solve the underlying problems?</p>	<p><i>This section sets out the policy objective(s) of the industrial policy initiative as presented by the European Commission or initiating Member State. What does the initiative intend to solve or contribute to, and what does it wish to focus on? It also describes the other policy objectives for this initiative in these policy areas.</i></p>
<p>4) <b>Should the government play an active role in this?</b> What is the justification for government intervention?</p>	<p><i>This section describes why active state intervention would be necessary and justified, wherein the public interest is identified that motivates the intervention and the market and/or transformation failure that needs to be addressed. It is important that the zero option is addressed: what happens if the government does not make new policies, what are the effects?</i></p>
<p>5) <b>Is it in line with previously established national priorities?</b></p>	<p><i>This section indicates whether the industrial policy initiative is in line with the Dutch and national priorities of other Member States (for NL, this is – for example – harmonization with climate policy, with the missions from the mission-driven innovation policy, with the key technology approach and/or the knowledge &amp; innovation agendas, or with other priorities, or with the Coalition Agreement).</i></p>
<p><b>A.2. Is European collaboration necessary?</b></p>	

<p>6) <b>What is the added value of Europe?</b> Subsidiarity: Is European collaboration necessary?</p>	<p><i>This section describes why European collaboration is the most effective way to achieve the intended objective/remove the bottlenecks.</i></p>
<p>7) <b>Is it in line with European priorities?</b> Is the industrial policy initiative in line with EU priorities, and is there commitment from EU Member States?</p>	<p><i>This section indicates whether the aim of the potential initiative contributes to one of the Union's objectives, such as the Commission priorities, such as climate neutrality, digital transitions and open strategic autonomy. Is there a common European interest? Is the industrial policy initiative in line with existing Commission strategies/roadmaps, such as the Green Deal?</i> <i>In this context, it must also be indicated whether there is strong (expressed) support among the EU Member States for the industrial policy/political initiative.</i></p>
<p><b>B.1. Is this initiative only possible through an IPCEI?</b></p>	
<p>8) <b>Is the solution highly innovative with a major European impact?</b> Is the industrial policy initiative an IPCEI? Is the scope of the IPCEI particularly innovative, and is it large quantitatively and/or qualitatively?</p>	<p><i>An IPCEI is only awarded to: 1) R&amp;D&amp;I projects that are particularly innovative; 2) projects with an industrial application that enable the development of a new product or service, have a strong R&amp;D component or enable the development of a fundamentally innovative production process; 3) environmental, energy or transport, health and digitalization projects that are of great importance to the Union; 4) projects within the abovementioned categories that are of great quantitative or qualitative importance (large in scale or scope, with a significant technological and financial risk). Please indicate here whether the proposed project falls within this scope.</i></p>
<p>9) <b>Is state aid a necessity?</b></p>	<p><i>This section must set out, with substantiation, whether state aid is the most effective way of achieving the intended objective/removing bottlenecks. In this context, it must be explained why state aid is required to achieve the objective and why the same objectives cannot be achieved more effectively by other means, such as legislation or regulation. Is there a demonstrable funding gap?</i></p>
<p>10) <b>Are there alternatives?</b> Is there no reasonable possibility for funding within existing EU state aid rules and policy programmes, and are there no more efficient instruments or programs than an IPCEI?</p>	<p><i>This section describes why the objective cannot be achieved with funding under the current EU state aid framework or with alternative instruments available at national or European level, such as industry alliances or programs like Horizon Europe. Is an IPCEI the best instrument? Are there no instruments that are more effective in achieving the objectives?</i></p>
<p><b>B.2. Is Dutch/national participation in the IPCEI desirable?</b></p>	

Our reference  
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<p>11) <b>What is the expected impact of the IPCEI?</b>                  Does participation in the IPCEI have significant enhancing effects on general prosperity, productivity or employment in the NL or the other Member State, or does it provide certain essential knowledge?</p>	<p><i>This section indicates whether the investments have a positive effect on productivity, will create new jobs or contribute significantly to knowledge/capabilities that NL/the other Member State would like to have, along with the consequences of participation for the general prosperity in NL/the other Member State.</i></p>
<p>12) <b>Are the Dutch business community and that of other Member States willing to invest?</b></p>	<p><i>In this section, it must be indicated whether there is interest to participate among the Dutch business community and/or that of other Member States.</i></p>
<p>13) <b>Do the advantages outweigh the disadvantages?</b>                  Do potential positive aspects of participation outweigh the costs and possible negative externalities of other public interests?</p>	<p><i>In this section, it must be indicated whether there are also negative effects of participating or not. Think of costs, complexity, expected long lead time, negative environmental impact, diplomatic consequences of not participating, such as: Can market distortions be avoided? Do the benefits of the IPCEI reach multiple and sufficient Member States? Is the multilateral order not unnecessarily burdened? Do the possible benefits of participation outweigh these possible costs or not?</i></p>
<p><b><u>In conclusion:</u></b>  <b>A. Is an active role of the government required?/Is European collaboration required?</b>  <b>B. Is this initiative only possible through an IPCEI?/Is NL or national participation in the IPCEI desirable?</b></p>	
<p>14) <b>Conclusion: Advice</b></p>	<p><i>In this section the final advice must be provided on whether or not the Netherlands should participate in a European industrial policy initiative and/or the IPCEI, and where the focus should be for the Netherlands or the other Member State.</i></p>