



Pursue a broad programme of better regulation



“Only real results will boost confidence in the better regulation agenda”

BACKGROUND

Better regulation is central to strengthen competitiveness and support sustainable growth and employment. The better regulation project comprises simplification of existing Community legislation to ascertain that policy aims are achieved in a less burdensome and simpler way, and a system of impact assessments to evaluate economic, social and environmental impacts of legislative proposals.

A priority under simplification is the reduction of administrative burdens of existing legislation. The annual costs of administrative burdens is estimated to amount to 3.5% of the EU GDP, or € 470 billion, 30% of which originates at EU level, 70% at national level. The Commission and the Member States jointly agreed to measure administrative costs of Community and national legislation and reduce administrative burdens associated with information obligations in Community legislation by 25% by 2012.

Make better progress on simplification

Progress on simplification is too slow due to the complicated legislative procedure. Simplification proposals have to be approved by the Council and European Parliament similarly to other legislative proposals. There is a real danger that amendments by these institutions will undermine the simplification objective. Inter-institutional working arrangements should be improved to ensure that simplification proposals are dealt with rapidly without creating new burdens.

Measure and reduce all costs

The target of reducing administrative burdens by 25% by 2012 is an important step in the right direction of delivering concrete results for European companies. Member States should act decisively to reach this objective. However, the Commission and the Member States should not only look at the administrative costs, which are narrowly linked to information obligations, but also to the wider spectrum of compliance and enforcement requirements to cover all costs of complying with legislation. And lastly, they should make sure that new legislation does not undermine the reduction target.

Assess the impact of amendments

The 2003 Inter-Institutional Agreement and the 2005 follow-up Common Approach to Impact Assessment set out that the Council and European Parliament should carry out impact assessments on their substantive amendments to Commission proposals since these can significantly alter the scope and consequences of the original proposal. The Council and Parliament should be more systematic in making impact assessments on substantive amendments.

Ensure independence in the process

Independence in the process of impact assessments and administrative burden reduction is important to ensure that the right decisions for growth and jobs are taken. The review carried out by the Impact Assessment Board has contributed to better quality assessments but stakeholders should be better involved. Given the importance of critical oversight, an independent agency for quality control should be set up, in accordance with the conclusions of the 2007 Spring European Council and European Parliament resolutions.

Increase transparency and involve stakeholders earlier in the process

Impact assessments and corresponding opinions by the Impact Assessment Board are only published once the legislative proposal is adopted by the Commission. Stakeholders should be involved earlier in the process, taking into consideration their representativeness. They should have the opportunity to comment on an impact assessment before it is finalised and before the legislative proposal is adopted in order to address shortcomings in the assessment directly to the Impact Assessment Board.

Report and compare progress on better regulation at national level

All Member States should set national targets for the reduction of administrative burdens generated by national legislation and refrain from gold-plating European directives. They should also carry out effective impact assessments on national initiatives. In order to monitor progress on better regulation at national level, the Commission should report on national developments and compare progress. In addition, the Commission should offer assistance and support when necessary.