



Ms Marilena Raouna

Deputy Minister for European Affairs of
Cyprus
Chair of the EU General Affairs Council

10 June 2026

Dear Deputy Minister,

Key messages on regulatory simplification to EU General Affairs Council of 16 June 2026

BusinessEurope welcomes that, alongside preparations of the upcoming European Council, the General Affairs Council will also discuss a progress report on the omnibus simplification legislative packages. Therefore, the European business community would like to contribute to this debate by providing its views on this specific matter.

The better regulation and regulatory burden reduction agenda presents a major political priority in this Commission's and European Parliament's mandate. BusinessEurope, the largest European business organisation representing 42 national business federations from 36 countries in the EU, European Economic Area and EU's neighbourhood, fully supports the Council's ambitions to keep it high on the political agenda, as outlined in the European Council Conclusions of 19 March 2026.

Simplification agenda.

BusinessEurope welcomes the Commission's intention to take further action in this area and keep up its regulatory simplification efforts.¹ However, it needs to be underlined that the pressing competitiveness concerns, as raised in the Draghi report, are not yet sufficiently addressed.² Moreover, the business community is extremely concerned by developments in the Council, going against the simplification objective, for example in the instances of Omnibus IV or Omnibus VII (part on GDPR).

This reflects a broader mismatch between the European Council's call of 19 March to ambitiously simplify rules and reduce administrative burdens and the actual outcomes of negotiations by the European Parliament and the Council.

¹ European Commission (2026), [Communication](#) "A Simpler, Clearer and better Enforced EU Rulebook"

² A very minor fraction of regulatory burdens, as identified in BusinessEurope's [Omnibook](#), have been addressed so far, while social and employment policy has been largely overlooked.



BusinessEurope calls on the Council to consistently uphold simplification objectives in its negotiations on the proposed omnibus packages or other simplification measures, including during interinstitutional negotiations, and to conclude those on the outstanding omnibus proposals by the end of 2026. Moreover, guided by a long-term objective to lower overall compliance costs for businesses, the Council is urged to prevent new burdens ex-ante, potentially coming with new EU initiatives.

Costs stemming from the incoming EU legislation, and the Inter-Institutional Agreement on Better Law-Making.

The 2025 non-paper by the Danish EU Council Presidency highlighted significant additional costs expected from legislation in the pipeline, estimating €124.2 billion in new compliance costs, including €85.9 billion annually for businesses. This year's updated overview by the Cypriot EU Council Presidency estimates that new proposals will, in addition to one-off costs, add new recurrent administrative costs of around €1.5-1.6 billion and recurrent adjustment costs of roughly €16.9-25.7 billion for European businesses.

We acknowledge a positive trend from the Commission towards a reduction of estimated compliance costs for businesses stemming from newly proposed EU legislation. However, **new legislation continues to impose additional costs on businesses rather than reducing them**, suggesting that the intended regulatory discipline has yet to deliver its desired effect. The incoming costs may easily cancel the planned simplification gains declared by the Commission and the commitment at the European Council level. If Europe is to remain competitive, it must address both the existing regulatory burden and the substantial wave of forthcoming legislation. The simplification and burden reduction initiatives and the recent assessment of potential new burdens highlight the need to improve the EU's policy and law-making processes from the outset to prevent regulatory shortcomings, and only regulate where necessary to address a specific problem or societal need, while thoroughly consider alternative non-legislative solutions.³

Therefore, BusinessEurope welcomes the Council discussion on this updated non-paper which should trigger a follow-up action and calls on the Council to:

- **apply an immediate moratorium on new regulatory burden** including stemming from secondary (delegated) legislation,
- monitor the **impact of new and incoming EU legislation** on the European economy,

³ The Regulatory Scrutiny Board [Annual report 2025](#) shows that on average, the problem definition, the design of policy options, their impacts and their comparison were the weakest quality elements of the impact assessments submitted by the Commission in 2025.



- ensure that forthcoming EU legislation **does not undermine ongoing simplification** efforts,
- **fully adhere to better regulation principles** and tools and ensure their effective implementation throughout all stages of the legislative process,
- update and **reinforce the commitments set out in the Interinstitutional Agreement on Better Law-Making (IIA) and its governance**, among others mandating impact assessments on substantive amendments by the co-legislators, establishing stable fast-track procedures for any burden reduction initiatives as corrective measures to past regulatory shortcomings, and increasing transparency of informal trilogues.

We urge Member States to fully commit to the regulatory burden reduction agenda and better regulation principles, as well as strengthen the governance of their implementation. BusinessEurope stands ready to discuss these issues with the Council further.

Yours sincerely,

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Director General of BusinessEurope