

**KEY DOCUMENTS ON BETTER REGULATION**  
**(Council conclusions and selected Commission documents)**

<b>2005</b> .....	<b>2</b>
Presidency conclusions of the Brussels European Council (22 and 23 March 2005). P.9, pt 24 .....	2
COM(2005)97, 16.03.2005 Better regulation for growth and jobs .....	3
COM(2005)518, 21.10.2005 - Communication on an EU common methodology for assessing administrative costs imposed by legislation.....	4
Conclusions of the Economic and Financial Affairs Council (8 November 2005) 13678/05 (Presse 277).....	5
Presidency conclusions of the Brussels European Council (15/16 December 2005) .....	6
<b>2006</b> .....	<b>7</b>
Presidency conclusions of the Brussels European Council (23/24 March 2006) .....	7
Presidency conclusions of the Brussels European Council (15/16 June 2006) .....	8
Presidency conclusions of the Brussels European Council (14/15 December 2006) .....	8
<b>2007</b> .....	<b>8</b>
Presidency conclusions of the Brussels European Council (7/8 March 2007) .....	8
<b>2008</b> .....	<b>10</b>
Competitiveness Council (25 February 2008) .....	10
Key issues paper on competitiveness and innovation.....	10
Presidency conclusions of the Brussels European Council (13/14 March 2008) .....	11
Competitiveness Council (Brussels, 1 and 2 December 2008).....	13
Presidency conclusions of the Brussels European Council (11/12 December 2008) ...	14
<b>2009</b> .....	<b>15</b>
Key Issues Paper 2009 - contribution from the Competitiveness Council to the Spring European Council (21 January 2009) .....	15
Key Issues Paper agreed by the Ecofin Council on 10 March 2009 as a contribution to the Spring European Council.....	16
Council Economic and Financial Affairs Brussels, 10 March 2009.....	17
Competitiveness council (5-6 March 2009).....	18
Presidency conclusions of the Brussels European Council (19/20 March 2009) .....	19
Competitiveness Council (28 and 29 May 2009) .....	20
Mr Barroso’s Political Guidelines for the next Commission (Sept. 2009).....	20
Passion and responsibility: Strengthening Europe in a Time of Change – Speech by Pres. Barroso, European Parliament Plenary (15 Sept. 2009) .....	21
Introductory Statement at the press point with Edmund Stoiber, Chair of the High- Level Group of Independent Stakeholders on Administrative Burdens (18 Sept. 2009) .....	21
Council Conclusions on Better Regulation adopted at the 3-4 December 2009 Competitiveness Council .....	22

## 2005

### ***Presidency conclusions of the Brussels European Council (22 and 23 March 2005). P.9, pt 24***

« The European Council reiterates the importance it attaches to improving the regulatory environment and urges that work press ahead – as envisaged by, among other things, the initiative of the six Presidencies and the Operational Programme of the Council for 2005 – in preparation for an overall assessment at one of its forthcoming meetings. It notes the communication submitted by the Commission and stresses the need for firm action along these lines at both European and national level. The European Council requests the Commission and the Council to consider a common methodology for measuring administrative burdens with the aim of reaching an agreement by the end of 2005. That agreement should take advantage of the results of the Commission's pilot projects which are due in the course of 2005. It calls on the Commission to develop its impact-analysis system in accordance with its communication, to work together with the Council to ensure faster progress in the context of simplification and, lastly, to take initiatives to encourage the participation of all players directly concerned by this process. It stresses that initiatives taken in the context of improving the regulatory environment must not themselves turn into administrative burdens.”

« 24. Le Conseil européen rappelle l'importance qu'il attache à l'amélioration du cadre réglementaire et encourage la poursuite énergique des travaux telle que prévue entre autres par l'initiative des six présidences et le programme opérationnel du Conseil 2005 en vue d'un bilan global lors d'un prochain Conseil européen. Il prend note de la communication présentée par la Commission et insiste sur la nécessité de mener une action résolue dans ce sens à la fois au niveau européen et au niveau national. Le Conseil européen invite la Commission et le Conseil à examiner une méthodologie commune de mesurage des charges administratives avec comme objectif de parvenir à un accord avant la fin de 2005. Cet accord devrait tirer profit des résultats des projets pilotes de la Commission, attendus dans le courant de 2005. Le Conseil européen invite la Commission à développer son système d'analyse d'impact suivant sa communication, à travailler de concert avec le Conseil afin d'assurer des progrès plus rapides dans le cadre de la simplification, et enfin, à prendre des initiatives afin d'encourager la participation de tous les acteurs directement concernés par ce processus. Il souligne enfin que les initiatives prises dans le contexte de l'amélioration du cadre réglementaire ne devront pas elles-mêmes devenir des fardeaux administratifs.

25. Les petites et moyennes entreprises jouent un rôle clé pour la croissance et l'emploi et participent au développement du tissu industriel. Les États membres sont appelés en conséquence à poursuivre leur politique dans ce domaine par l'allègement des charges administratives, la mise en place de guichets uniques ainsi que l'accès aux crédits, microcrédits, autres modes de financement et services d'accompagnement. L'accès des PME aux programmes communautaires revêt également une importance majeure. Par ailleurs, la Commission et les États membres sont invités à tirer le meilleur parti des réseaux de soutien aux PME; à cet effet, il importe d'identifier rapidement avec les partenaires sociaux aux niveaux national et régional ainsi que, dans la mesure du

possible, avec les chambres de commerce les mesures nécessaires de rationalisation et de coopération. »

### **COM(2005)97, 16.03.2005 Better regulation for growth and jobs**

The Commission will explore how to better integrate the measurement of **administrative costs** in its integrated impact assessments as well as the possibility for developing a common approach to assessing administrative costs between EU institutions and Member States. The importance of measuring the administrative costs has been underlined by the ECOFIN and the European Council<sup>1</sup>. For this purpose, the Commission is launching a pilot phase<sup>2</sup>, aimed at testing methods for the quantitative assessment of such burdens associated with existing and proposed Community legislation. Initial results will be available in the autumn of 2005. After completion of the exploratory work, the Commission will determine whether and how to integrate this aspect more fully in its standard methodology.(p.5)

Enhancing the contribution of better regulation to growth and competitiveness also calls for an assessment of the continued relevance and proportionality of EU legislation and, in particular, the consideration of the real and cumulative impact in the Member States, once they implement and apply EU legislation. (p.7)

The Commission took the initiative in early 2005 to launch a pilot phase with a view to developing a common approach to measure **administrative costs**. The results of the pilot phase are expected by the end of 2005. Once the results of the pilot phase have been assessed, the Commission will decide on whether and how to best integrate the approach into the impact assessment method and examine how it could help in process of simplification of existing legislation. (p.13)

The Commission will explore how to better integrate the measurement of **administrative costs** in its integrated impact assessments as well as the possibility for developing a common approach to assessing administrative costs between EU institutions and Member States. The importance of measuring the administrative costs has been underlined by the ECOFIN and the European Council<sup>3</sup>. For this purpose, the Commission is launching a pilot phase<sup>4</sup>, aimed at testing methods for the quantitative assessment of such burdens associated with existing and proposed Community legislation. Initial results will be available in the autumn of 2005. After completion of the exploratory work, the Commission will determine whether and how to integrate this aspect more fully in its standard methodology.

---

<sup>1</sup> Ecofin Council of 21 October 2004 and European Council of 4-5 November 2004.

<sup>2</sup> See SEC(2005) 175. The pilot projects will include areas such as statistics and construction products.

<sup>3</sup> Ecofin Council of 21 October 2004 and European Council of 4-5 November 2004.

<sup>4</sup> See SEC(2005) 175. The pilot projects will include areas such as statistics and construction products.

**Communication on an EU common methodology for assessing administrative costs imposed by legislation, COM(2005)518, 21.10.2005**

“On the basis of the findings of the pilot phase and the study of quantification efforts at Member State level, and although considerable optimisation work remains to be done, notably at Member States' level, the Commission concludes that: [...]

- (6) an EU common methodology would ensure that national data can be easily added up in view of assessing individual acts and/or cumulative burden at sectoral level.” (p.6)

“EU institutions and Member States should remain free to introduce specific features in their methodology for assessing administrative burden imposed by legislation as long as the resulting figures (1) can be easily compared and (2) can be easily and reliably added up in view of assessment of cumulative burdens.” (p.6)

“For the short term, the Commission:

- (1) intends to include the methodological building blocks tentatively validated by the pilot phase (i.e. the common definition, the common core equation and the common reporting sheet), in the Commission’s impact assessment guidelines and evaluation guidelines, with actual implementation and use being subject to
  - (a) the principle of proportionate analysis, the Commission retaining responsibility for judging the costs of its proposals;
  - (b) the availability of sufficient, reliable and representative data, compatible with the EU common methodology. In this context Member States are invited to provide such data as appropriate;
  - (c) the availability of an adequate level of staffing and financial resources
- (2) invites the Member States, meeting within the Council, to reach an agreement with the Commission on a common methodology, building on the results of the Commission’s pilot phase;

For the longer term, the Commission proposes:

- (3) to examine, with the help of the high level group of national experts on better regulation, how to solve pending methodological issues;
- (4) drafting of an EU operational manual in consultation with Member States;
- (5) exploring, on a test basis, whether the EU common methodology can meaningfully be used to assess cumulative burden at sectoral level;” (p.7)

## **Conclusions of the Economic and Financial Affairs Council (8 November 2005) 13678/05 (Presse 277)**

### REDUCING THE ADMINISTRATIVE BURDEN ON BUSINESS

"The Council underlines the importance of better regulation to the Lisbon agenda and welcomes the commitment made by the Commission to place regulatory reform among the top priorities in its strategy for promoting jobs and growth. In this context, it notes with concern the burden imposed on European businesses by the administrative costs of national and EU regulation and calls for urgent action at the EU and national levels to control and reduce these burdens, while respecting the wider objectives and benefits of legislation and regulation.

The Council (ECOFIN) recalls its October 2004<sup>5</sup> conclusions<sup>1</sup> and the conclusions of the November 2004 European Council which supported the development of a common methodology for measuring the administrative burden of EU legislation, and invited the Commission to implement the methodology in impact assessments and in simplification of existing EU legislation as soon as possible in 2005, after completion of a pilot phase. The Council further recalls the March 2005 European Council conclusions<sup>6</sup> which called on the Commission and the Council, in the context of the re-launched Lisbon strategy, to develop a common methodology for measuring administrative burdens with the aim of reaching an agreement by the end of 2005.

The Council (ECOFIN) welcomes the successful conclusion of the Commission's pilot phase and the Commission's commitment to begin implementation with a view to securing improvements in the regulatory environment and promoting jobs and growth. Looking forward, the Council (ECOFIN):

- invites the Commission to start measuring administrative burdens, as validated by the pilot phase, on a consistent basis and in line with transparent criteria, as part of integrated impact assessments of new EU regulatory proposals from January 2006;
- reiterates its October 2004 commitment to assist the Commission in implementing the methodology. In this context Ministers agree : to provide, on request and in a proportionate manner, the information needed to carry out assessments of EU administrative burdens and ; that the methodology proposed by the Commission provides a common basis for the collection and exchange of data;
- notes that the measurement of administrative burdens at the EU level complements and reinforces the domestic initiatives of a number of Member States, which remain voluntary in nature;
- invites the Commission to explore how best to integrate the measurement of administrative burdens into its simplification work programme and to provide information to the Council on how this is being achieved during the first half of 2006;
- reiterates its October 2004 invitation to the Commission and the Member States to consider developing quantitative objectives for the reduction of the administrative burden on business in selected areas. In this context, the Council (ECOFIN) invites the Commission to explore options for establishing measurable targets for the reduction of

---

<sup>5</sup> 13017/04 Presse 284

<sup>6</sup> 7619/05

the administrative burden of EU regulation in specific sectors and to bring forward proposals on this issue by spring 2006;

- calls for continued and enhanced cooperation between the Commission and the Member States to review use of the methodology and invites the Commission to report on the progress made and lessons learned after an initial, twelve month, implementation phase, with a view to adapting, if necessary, the methodology, in order to maximise the contribution of administrative burden measurement to improving the regulatory environment in the EU; and
- notes that administrative procedures and complex regulatory requirements often impose the greatest burdens on SMEs and welcomes the intention of the Commission to address these burdens through its simplification and wider work programme while respecting the principles of subsidiarity and proportionality. In this context, the Council invites the Commission, building on its administrative burdens work, to present proposals for ensuring that SMEs are protected from disproportionate burdens imposed by new EU regulatory proposals." (pp.12-3)

### ***Presidency conclusions of the Brussels European Council (15/16 December 2005)***

“20. Taking due account of the principle of subsidiarity and proportionality and the importance of respecting the *acquis communautaire*, the European Council stresses that an improved regulatory framework in the European Union, at Community and Member States level, is key to delivering growth and jobs. Emphasis should be placed on implementing commitments already made by all institutions, including the provisions of the Interinstitutional Agreement on Better Law-Making of 16 December 2003. On that basis, the European Council welcomes the significant progress made since its last meeting and agrees on the importance of further work as set out in the attached annex covering i) reducing burdens on business and citizens through simplification and screening; ii) the revised impact assessment system and iii) EU common methodology for assessing the administrative costs of legislation.” (p.6)

#### Annex II – Better regulation

##### EU common methodology for assessing administrative costs imposed by legislation.

“The European Council welcomes the Commission Communication on an EU common methodology for assessing administrative costs imposed by legislation, and invites the Commission to start measuring administrative burdens, on a consistent basis and in line with transparent criteria, as part of integrated impact assessments launched as of January 2006. In this context it stresses the important contribution this methodology could play in identifying legislation in need of simplification and invites the Commission to explore options for establishing measurable targets in specific sectors for reducing administrative burdens. The European Council recognises the importance for Member States to provide, on request and in a proportionate manner, the information needed to assess administrative costs imposed by EU legislation.” (p.16)

**2006**

***Presidency conclusions of the Brussels European Council  
(23/24 March 2006)***

***(b) Unlocking business potential, especially of SMEs***

25. SMEs have a crucial role in creating growth and better jobs in Europe. There is a need to develop comprehensive supportive policies for SMEs of all types, as well as a regulatory environment that is simple, transparent and easy to apply. The principle of "think small first" must be applied systematically and become a guiding principle for all relevant legislation at Community and national levels. The European Council accordingly invites the Commission to bring forward specific provisions to encourage SME growth and development, such as longer transition periods, reduced fees, simplified reporting requirements and exemptions. The European Council also expects the Commission to further assist Member States in adapting their policies for SMEs and to further promote the dialogue with all stakeholders.

26. The Commission is invited to launch an exercise to measure administrative costs associated with EU rules in specific areas, giving particular attention to SMEs and to identifying which costs flow directly from EU legislation and which costs arise from Member States' differing transposition of EU rules. This exercise should be coordinated with ongoing national initiatives. On this basis, the Commission is invited to explore options for establishing measurable targets in specific sectors for reducing administrative burdens and report to Council on progress by the end of 2006.

**PART THREE - MAINTAINING MOMENTUM ACROSS THE BOARD**

***(b) Completing the internal market and promoting investment***

57. Taking due account of the principle of subsidiarity and proportionality and the importance of respecting the *acquis communautaire*, the European Council underlines the importance it attaches to Better Regulation at national and European level as a core element to achieving the goals of the Partnership for jobs and growth and urges all institutions and the Member States to implement their respective commitments, including using robust and balanced impact assessment with measurement of administrative costs, delivering the rolling programme of simplification for the priority sectors of waste, construction and the automotive industries. Unnecessary bureaucratic burdens hinder entrepreneurial dynamism and pose a significant barrier to a more innovative and knowledge-intensive economy. Such burdens particularly harm small and medium-sized enterprises, which account for two thirds of jobs in Europe.

58. The European Council welcomes the Commission's intention to table an analysis of the progress to date and of where further work is needed to continue to make progress in all areas of better regulation: simplification, impact assessment, repeals and withdrawals, codification, sectoral analysis, reduction in administrative burdens, business involvement, small and medium sized enterprises (SMEs). The European Council recalls that better regulation is also a matter for Member States to implement in their domestic law-making and in the transposition of Community law and reaffirms its commitment to making progress in all of these areas.

***Presidency conclusions of the Brussels European Council  
(15/16 June 2006)***

Progress has been made since its last meeting in all fields of Better Regulation and all institutions and Member States are urged to implement their respective commitments as set out in the 2003 Interinstitutional Agreement on Better Lawmaking. The European Council calls on the Member States to take initiatives at national level, including through their national reform programmes, in order to reduce administrative burdens on enterprises. It invites the Commission to report on the progress made at national and Community levels by early 2007.

The Spring European Council should draw conclusions on further steps to be taken. Priority should be given to reducing unnecessary administrative burdens, which pose a significant barrier to a more innovative and knowledge-intensive economy and are particularly detrimental to SMEs. Noting that some Member States have already set targets for reducing administrative burdens by 25%, the European Council is convinced that it should be possible to set similar targets at EU level and invites the Commission to make appropriate proposals by early 2007 in time for the Spring European Council.

***Presidency conclusions of the Brussels European Council  
(14/15 December 2006)***

-

**2007**

***Presidency conclusions of the Brussels European Council (7/8  
March 2007)***

pp.9-10

"II. Better Regulation

21. Better Regulation remains an important instrument contributing to the policy for strengthening competitiveness and supporting sustainable growth and employment. The European Council stresses that 2006 has seen good progress towards improving the regulatory environment and welcomes the Commission's Action Programme for Reducing Administrative Burdens in the EU. It underlines that further efforts are required in order to consolidate and build on achievements so far.

22. The European Council invites the Commission to regularly update its simplification programme. It stresses the importance of achieving concrete results in this field whilst not compromising the political aims of regulation and respecting the *acquis communautaire*, and asks the Council to pay particular attention to simplification proposals which it considers to be priorities.

23. Substantial progress has been achieved in the area of better legislation. The evaluation of the Commission's impact assessment system will help identify further improvements, including through the enhanced consideration of aspects relevant for external competitiveness as part of the economic impact pillar. With a view to further



improving the quality of the impact assessment system, the European Council sees the establishment of an "Impact Assessment Board" by the Commission as an important step. The European Council stresses the need for the Council and the European Parliament to make greater use of impact assessments. In spring 2008, the European Council will consider on the basis of a review by the Commission whether further action is needed, taking into account different options, including a group of independent experts to advise the institutions on their work towards Better Regulation.

24. The European Council underlines that reducing administrative burdens is an important measure for boosting Europe's economy, especially through its impact on SMEs. A strong joint effort significantly to reduce administrative burdens within the EU is necessary. The European Council therefore agrees that administrative burdens arising from EU legislation should be reduced by 25% by 2012. Taking into account the different starting points and traditions the European Council invites Member States to set their own national targets of comparable ambition within their spheres of competence by 2008.

25. The European Council accordingly invites the Commission to launch the Action Programme for Reducing Administrative Burdens with the assistance of the Member States, agrees that the measurement of administrative costs of Community legislation should begin in the priority areas proposed by the Commission, and calls on the Council and the European Parliament to give special priority to the measures for immediate action set out in the action programme, once the Commission has made the corresponding proposals, with a view to their adoption as soon as possible in 2007. It supports the intention of the Commission to set up, as a pilot project, an independent expert committee to assist the Commission and Member States with the implementation of the Action Plan on the Reduction of Administrative Burden.

26. The European Council asks the Council to review progress on all aspects of Better Regulation on a yearly basis.

Key Issues Paper by the Council (ECOFIN) to the Spring European Council 2007  
[6862/07](#)

Key Issues Paper (KIP) - Input from the Competitiveness Council to the 2007 Spring European Council  
[6560/07](#)

[http://www.consilium.europa.eu/ueDocs/cms\\_Data/docs/pressData/en/ec/93135.pdf](http://www.consilium.europa.eu/ueDocs/cms_Data/docs/pressData/en/ec/93135.pdf)

A strategic review of better regulation in the European Union  
[15510/06](#) [COM(2006) 689]

Action Programme for Reducing Administrative Burdens in EU  
5924/07 + ADD 1 + ADD 2 [COM(2007) 23]

Contribution of the Council (ECOFIN) to the Spring European Council 2007  
Council conclusions  
[6874/07](#)

## 2008

### ***Competitiveness Council (25 February 2008)***

“Key issues paper on competitiveness and innovation

The Council held an exchange of views on the Lisbon policy package for growth and jobs and adopted the key issues paper (6993/08) with a view to its submission to the 2008 Spring European”

### ***Key issues paper on competitiveness and innovation***

<http://register.consilium.europa.eu/pdf/en/08/st06/st06933.en08.pdf>

« B.2 Better Regulation

Better regulation has to be a joint endeavour between EU institutions and Member States. It continues to be a key component of the competitiveness agenda and should be considered a high priority by each Council formation in its regulatory work. Efforts need to be stepped up to ensure that the better regulation initiative delivers real and substantial economic benefits to EU businesses, in particular SMEs, to citizens and the whole economy. Efforts should be maintained to ensure that work on achieving the 25% administrative burden reduction target for EU legislation by 2012, in line with the conclusions of March 2007 European Council, remains on course, based on proportionate impact assessment for proposed measures. In particular, the Council gives high priority to fast-track actions as a means of delivering immediate benefits to business.

In addition:

The Council believes that more can be done to develop the capacity of the EU institutions on impact assessment. In this context, it welcomes the Commission’s proposals to strengthen its impact assessment framework, including through a revision of the Guidelines and an enhanced role for the independent Impact Assessment Board, and looks forward to these contributing to real improvements in the quality of impact assessments. It calls upon the Commission to continue to pay close attention to administrative burden in its impact assessments. It underlines the importance of impact assessments as early as possible in the decision-making process, as well as the importance of systematic external stakeholder consultation throughout the development of impact assessments, particularly with a view to improving quantification of economic, social and environmental impacts, of applying the Think Small First principle and making use of international comparisons and benchmarks. Closer inter-institutional collaboration on impact assessment can make an important contribution towards better regulation policy outcomes. Following the 2008 Spring European Council, the three institutions will jointly review the inter-institutional "Common Approach" to impact assessment. In that context, the Council will give further consideration as to how it will fulfil its commitment to undertake impact assessments on substantive amendments to Commission legislative proposals;

The Council calls for continued progress to implement the Action Programme on Reducing Administrative Burdens. The fast-track actions scheduled for 2007 should be finalised if possible by the 2008 Spring European Council. It welcomes the Commission’s intention to adopt a second tranche of Fast Track Actions, on the basis of proportionate impact assessment where appropriate, and underlines that these should be

agreed by all institutions as soon as possible. The Commission should continue to bring forward reduction proposals on an ongoing basis, as possibilities are identified in the 13 priority policy areas during the measurement phase. In this context the Council takes note of the progress already made on identifying administrative burdens in the area of company law and looks forward to proposals to address these. The Council welcomes the appointment of the High Level Group of independent stakeholders on administrative burdens ("Stoiber Group"). The Council expects the High Level Group of Independent Stakeholders on administrative burdens to make an important contribution to the Action Programme on Administrative Burdens. It will evaluate the progress made with the implementation of the Programme on the basis of the Commission's next "Strategic Evaluation of Better Regulation" in Spring 2009. In preparing proposals, close attention should also continue to be paid to the views of businesses, in particular SMEs. Member States that have not already done so should, where possible, set national targets to reduce administrative burdens or, otherwise, indicate their progress by the 2008 Spring European Council;

Simplification proposals should contribute more to improving the competitive position of European businesses, while respecting the *acquis communautaire*. The economic benefits to business, consumers and the whole economy of simplification proposals should be maximised, as well as fully transparent. The Council will give priority to adopting the existing proposals. It will work closely with Parliament to speed up agreement on simplification proposals as envisaged in the 2003 Inter-Institutional Agreement on Better Lawmaking."

### ***Presidency conclusions of the Brussels European Council (13/14 March 2008)***

pp.6-7

#### **"Unlocking the business potential, especially of SMEs**

9. Decisions taken since the renewal of the Lisbon Strategy have started to improve conditions for market players. It has become easier to set up a business as all Member States have established one-stop shops or similar arrangements to facilitate registration and reduce paperwork. The European Council welcomes the progress made during 2007 on better regulation and considers that further efforts are needed in order to deliver crucial improvements to the competitiveness of EU business, in particular SMEs. Better regulation should be considered a high priority by each Council formation in its regulatory work. To ensure that the better regulation initiative delivers real and substantial economic benefits:

- efforts on reducing administrative burdens arising from EU legislation by 25% by 2012 should be stepped up, in line with the European Council Conclusions of March 2007; the appointment of an advisory group of independent stakeholders in the context of the Action Programme is welcomed; progress made will be evaluated at the 2009 Spring meeting on the basis of the Commission's "Strategic Evaluation of Better Regulation";
- pending "fast track" legislative proposals should be swiftly adopted and new ones identified, and the Commission should also continue to bring forward administrative

burden reduction proposals on an ongoing basis; the simplification rolling programme should continue to be implemented;

- more should be done to develop the capacity of EU institutions on impact assessment, in line with the relevant key message from the Council (Competitiveness).

10. The **Single Market** remains a crucial driver for enhancing living standards of European citizens and Europe's competitiveness in the globalised economy. In order to further improve the functioning of the Single Market so as to allow business, in particular SMEs, and consumers to make full use of its potential the following measures and actions need to be taken forward as immediate priorities:

- ensure an effective follow-up to the Commission's Single Market Review on a yearly basis with a focus on actions needed to boost growth and jobs by removing remaining barriers to the four freedoms of the treaty, including, where appropriate, through harmonisation as well as mutual recognition. In this context market developments should be monitored in order to prioritise action in markets where there are genuine and significant barriers to market functioning and competition. Due attention must also be paid to the social dimension and services of general interest;
- reinforce efforts to strengthen competition in network industries (energy, electronic communications) and to adopt the adequate regulatory frameworks; in this context work on interconnections must be pursued and accelerated;
- ensure a complete, coherent, and timely transposition and implementation of the Services Directive which is an important step towards the creation of a genuine single market for services. In this context it is crucial to improve the functioning of "e-Single Market" by putting in place cross-border interoperable solutions for electronic signature and e-authentication.

11. Small and medium-sized enterprises (SMEs) form the backbone of the European economy and have the potential to contribute significantly to creating more growth and jobs in the European Union. In order to reinforce the Union's SMEs policy and to allow them to operate more effectively in the Single Market, the following actions are of immediate importance:

- swift examination by the Council of the upcoming Small Business Act initiative setting out an integrated approach across the SMEs' life cycle in line with Better Regulation and Think Small First principles and intended to further strengthen SMEs' growth and competitiveness;
- the introduction, where justified and following screening of the *acquis communautaire*, of exemptions for SMEs from the administrative requirements of EU legislation;
- strengthened support of research-performing and innovative SMEs with high growth potential, for example through a new European private company statute;
- further facilitation of access to finance, including through existing EU financial instruments;
- facilitation of increased participation of innovative SMEs in clusters and in public procurement.”

## **Competitiveness Council (Brussels, 1 and 2 December 2008)**

pp.7-8

### III - A REGULATORY ENVIRONMENT IN SUPPORT OF SMEs' NEEDS

(27) **UNDERLINES** the imperative need to continue cutting red tape and better adapting administrative rules to the needs of SMEs, in order to enable them to save time and money and devote the resulting resources to their development and improving their competitiveness;

(28) **RECALLS** therefore the importance of cutting administrative costs imposed on business arising from EU legislation by 25 % by 2012 and of national measures of comparable ambition by Member States, **NOTES** with interest the work of the High Level Group of independent stakeholders on administrative burdens; **LOOKS FORWARD** to further ambitious proposals to reach the target for administrative burdens reduction; **EMPHASISES** the fundamental importance of thoroughly evaluating the impact of future legislative and administrative initiatives on SMEs by rigorously using the "SME test" within the Commission's Impact Assessment process; **AND STRESSES** the importance of sufficient consultation periods;

(29) **WELCOMES** with satisfaction the Commission's proposal to introduce common commencement dates for regulations and decisions affecting businesses, as well as, for small businesses, derogations, transition periods and exemptions, where appropriate, and **NOTES THAT** Member States may do likewise in their own legislation;

(30) **NOTES WITH INTEREST** the Commission's intention to allow Member States to adopt less burdensome accounting and auditing requirements for micro-firms, and **LOOKS FORWARD** to a Commission proposal in early 2009, based on a specific impact assessment;

(31) **RECALLS**, in order to make the internal market work, the need (a) to continue implementing one-stop shops or arrangements with equivalent effect for setting up a company in a quick and simple way, (b) to ensure a full and timely implementation of the service directive<sup>13</sup> in particular by the introduction of points of single contact for service providers; (c) as well as other mechanisms to facilitate SMEs' access to information and services supplied by public bodies, and the need for these services to be easily accessible by electronic means, while ensuring the possibility for direct contact and sufficient proximity to SMEs in order to provide assistance that is appropriate to their needs;

(32) and **INVITES** Member States and the Commission to make their administrations more attentive to the interests of SMEs (i) by minimising burdens imposed on them, (ii) by modernising their procedures (e.g. through the implementation of e-procurement procedures, in particular as regards information and the access to public procurement contracts), (iii) by setting maximum deadlines for the licensing procedure, (iv) by

refraining from repeated requests for the same statistical or administrative information from a small business within a three year period, where feasible, (v) by ensuring that information requested is strictly proportional to public interest requirements, (vi) by integrating, wherever relevant, representative SME organisations into their advisory expert committees, high level working groups and other appropriate fora;

### ***Presidency conclusions of the Brussels European Council (11/12 December 2008)***

11. As regards action by the European Union, the European Council supports in particular:

an increase in intervention by the European Investment Bank of EUR 30 billion in 2009/2010, especially for SME (...)

simplification of procedures and faster implementation of programmes financed by the Cohesion Fund, Structural Funds and the European Agricultural Fund for Rural Development with a view to strengthening investment in infrastructure and in energy efficiency;

(...)

a temporary exemption of two years beyond the *de minimis* threshold for State aid in respect of an amount of up to EUR 500 000 and the adaptation of the framework, as required to increase support for enterprises, especially SMEs, and full implementation of the action plan for a Small Business Act adopted by the Council on 1 December 2008;

(...)

– a continued general and significant reduction in administrative burdens on business.

The European Council invites the European Parliament, the Council and the Commission to adopt the necessary decisions, including, where appropriate, as regards the regulatory framework, in full compliance with the current financial perspective and the procedures of the Interinstitutional Agreement, in accordance with as speedy a timetable as possible.

\*\*\*\*\*

**2009**

***Key Issues Paper 2009 - contribution from the Competitiveness Council to the Spring European Council (21 January 2009)***

**II. Putting into effect the Action Programme on reduction of administrative burden on businesses**

II. Putting into effect the Action Programme on reduction of administrative burden on businesses

11. The Council stresses that efforts should be fostered in all areas of better regulation, by thoroughly assessing the relevant impacts of new proposals, by simplifying existing legislation and by reducing the administrative burden on businesses. The Council calls upon the Commission to continue giving priority to making new simplification proposals and for the urgent adoption by the Council and the European Parliament of more than fifty simplification proposals that are still pending.

12. The need to regulate better in the interest of enhanced competitiveness is becoming ever more important in difficult economic times. As businesses are struggling in the face of the economic downturn, reducing their administrative costs is necessary for facilitating the conditions for businesses, most importantly for SMEs, which are disproportionately affected.

As the Action Programme on reduction of administrative burden has reached a decisive phase, the Council takes note of results on measurement of the administrative burdens imposed on businesses, the proposed extension of the Action Programme and further steps to be taken as presented by the Commission in its Third Strategic Review of Better Regulation<sup>7</sup> and it calls for further steps to be taken by the Commission to ensure a timely delivery of results.

13. The Council calls for this work to progress quickly and for enhanced Community efforts to guarantee achieving the agreed 25% reduction of administrative burdens arising from EU legislation with impacts felt by business – across all key sectors – by 2012 at the latest. In order to achieve this the Council invites the Commission to use a variety of methods that should include an indicative timetable for bringing forward concrete proposals for reduction in the next few months and joint working between institutions with support from the High Level Group of Independent Stakeholders towards rapid adoption. The Commission is invited to identify at the earliest possible stage the contribution that each baseline sector will make to the overall 25% reduction.

14. The Council stresses the importance of regular monitoring of progress on the Action Programme and invites the Commission to report annually to the Spring European Council on significant changes in the level of administrative burden. The Commission should also assess the potential administrative burdens resulting from new proposals that are adopted in order to ensure that administrative costs are kept to the minimum that is necessary for new policy initiatives. For this purpose, the Council recalls the need to address regularly and effectively the assessment of administrative burdens in the Commission's impact assessments for new proposals, in particular for SMEs, and

---

<sup>7</sup> Submission expected by the Commission on January 28, 2009.

welcomes in this respect the increased emphasis on this aspect in the Commission's revised impact-assessment guidelines.

### ***Key Issues Paper agreed by the Ecofin Council on 10 March 2009 as a contribution to the Spring European Council***

#### **ANNEX - Views of the ECOFIN and Competitiveness Councils on the Commission's Implementation Report for the Community Lisbon Programme (CLP) 2008-2010**

(...)

#### **Unlocking business potential, especially of SMEs**

The **Small Business Act Action Plan** endorsed by the Council in December 2008 should help SMEs through the economic downturn by improving access to finance, reducing administrative burden and helping SMEs benefit from the internal market and increase competitiveness in external markets. The Action Plan should be fully and rapidly implemented at both Community and national levels, respecting the principle of subsidiarity. The Commission should introduce common commencement dates for all new regulations; implement an "SME test" on all proposals affecting business in line with its impact assessment guidelines as soon as possible.

The Council (Ecofin and Competitiveness) recalls the importance of further improvement of the access to finance (credit, guarantees, mezzanine financing, etc.) and venture capital for innovative start-ups and for SMEs, bearing in mind the consequences of the current financial crisis. There is a need to enhance market access for SMEs, notably through greater use of market and sector monitoring, to identify and tackle barriers to the internal market. Accounting requirements and start-up procedures of business should be significantly simplified and accelerated.

The contribution of the first package of proposals to the reduction of existing administrative burdens from EU legislation to the agreed target of 25 % by 2012 is estimated to amount to cost savings of approx. EUR 30 billions. On the EU level, the eleven new Fast Track Actions for **reducing administrative burdens** for businesses were presented by the Commission in 2008. The Council (Ecofin and Competitiveness) invites the Commission to propose new specific reduction measures for each of the 13 key priority areas in the Action Programme. The Commission and the Member States will implement jointly these measures. The Council (Ecofin and Competitiveness) considers it a priority to continue this important work to achieve the 25% reduction in administrative burden. The Commission is also invited to complete screening of all existing legislation as early as possible.



## ***Council Economic and Financial Affairs Brussels, 10 March 2009***

7048/09 (Presse 54)

PRESS RELEASE

### **ECONOMIC AND FINANCIAL AFFAIRS**

Reduction of administrative burdens

The Council adopted the following conclusions:

"Referring to the European Council Conclusions of 8-9 March 2007 requesting a review of progress on Better Regulation on a yearly basis, the Council welcomes the Commission's report "Third strategic review of Better Regulation in the European Union".

The Council (ECOFIN) **CONSIDERS** that better regulation, including the reduction of administrative burden, is a key element of the renewed Lisbon Strategy. Improvement of the regulatory environment is crucial for realising the full potential of the Single Market, stimulating entrepreneurship and innovation and enhancing competitiveness. Given the limited room for budgetary manoeuvre in the present difficult economic situation, the reduction of undue administrative burden, which would alleviate the impact of the economic crisis on businesses in a fiscally neutral manner, would contribute to short term stimuli and is in line with medium and long term objectives. On the other hand efforts to reduce administrative burden shall not contradict measures securing integrity and transparency of financial markets.

The Council (ECOFIN) **APPRECIATES** the work undertaken by the Commission in this field, especially the measurement of the administrative burden on businesses, the first proposals for reducing administrative burden (potential savings estimated by the Commission at EUR 30 billion in the EU) and the proposed extension of the Action Programme as presented by the Commission in its 3rd Strategic Review of Better Regulation.

However, the Council (ECOFIN) **STRESSES** that further measures are needed to achieve timely delivery of results.

The Council (ECOFIN) therefore **CALLS UPON** the Commission to continue suppressing unnecessary administrative burden and to identify specific reductions to be made in each of the 13 priority areas and to adopt proposals stemming from the present action programme before the end of its mandate.

The Community institutions should make a joint effort to progress quickly in achieving the 25% reduction of the administrative burden arising from EU legislation with the aim of significant impacts felt by business by 2010 and impacts across all identified key sectors by 2012 at the latest.

The Council (ECOFIN) **WELCOMES** the establishment of sectoral reduction figures by the Commission in two areas (taxation and company law) and the Commission's intention to identify before the end of its mandate the contributions that each baseline sector will make to the overall 25% reduction target.

The Council (ECOFIN) **HIGHLIGHTS** the importance of an indicative timetable for the Action Programme and robust monitoring of progress made and reporting annually to the

Spring European Council on the implementation of the Action Programme and on changes in the administrative burden. The progress in reducing administrative burdens would be undermined by additional administrative costs resulting from new legislative proposals.

The Council (ECOFIN) therefore ENCOURAGES the Commission to assess the potential administrative burdens resulting from new proposals in line with its Impact Assessment Guidelines in order to ensure that administrative costs are kept to a minimum that is necessary for new policy initiatives.

By the end of 2008, 21 Member States had set their national targets on reduction of administrative burden stemming from national law as invited by the 2007 Spring European Council.

The Council ENCOURAGES the remaining Member States to set their national targets of comparable ambition by the 2009 Spring European Council and all Member States to actively implement concrete reduction measures of unnecessary administrative burden, consistently with their country-specific legal and regulatory procedures.

The Council INVITES the Member States to complete their specific national baseline measurement as soon as possible, preferably by the end 2010."

### ***Competitiveness council (5-6 March 2009)***

Press release

Recommendations in KIP

II. Putting into effect the Action Programme on reduction of administrative burden on businesses

11. The Council stresses that efforts should be fostered in all areas of better regulation, by thoroughly assessing the relevant impacts, including specificities of the Member States, of new proposals, by simplifying existing legislation and by reducing the administrative burden on businesses in a tangible way. The Council calls upon the Commission to continue giving priority to making new simplification proposals. Rapid adoption by the Council and the European Parliament of more than fifty simplification proposals that are still pending is a priority.

12. The need to regulate better in the interest of enhanced competitiveness is becoming ever more important in difficult economic times. As businesses are struggling in the face of the economic downturn, reducing their administrative costs is necessary for facilitating the conditions for businesses, most importantly for SMEs, which are disproportionately affected.

As the Action Programme on reduction of administrative burden has reached a decisive phase, the Council welcomes the work taken forward by the Commission so far, in particular on measurement of the administrative burdens imposed on businesses, the first package of reduction proposals which is estimated by the Commission to provide for a potential of 30 billion euros in savings, the Commission's intention to present all remaining proposals before the end of its mandate and the proposed extension of the Action Programme as presented by the Commission in its Third Strategic Review of

Better Regulation. It calls for further steps to be taken by the Commission to ensure a timely delivery of results.

13. The Council calls for this work to progress quickly and for enhanced Community efforts from all Community institutions to guarantee achieving the agreed 25% reduction of administrative burdens arising from EU legislation with the aim of some impacts felt by business by 2010, and impacts across all key sectors by 2012 at the latest. In order to achieve this the Council invites the Commission to use a variety of methods including inter alia an indicative timetable for bringing forward concrete proposals for reduction in the next few months and joint working between institutions with support from the High Level Group of Independent Stakeholders towards rapid adoption. The Council welcomes the establishment by the Commission of sectoral reduction figures in two areas (taxation and company law) and the Commission's intention to identify before the end of its mandate the contribution that each baseline sector will make to the overall 25% reduction.

14. The Council stresses the importance of regular monitoring of progress on the Action Programme and invites the Commission to report annually to the Spring European Council on its implementation as well as on significant changes in administrative burdens. It notes

furthermore that progress in reducing administrative burdens would be undermined by additional administrative costs resulting from new legislative proposals. The Commission should therefore assess the potential administrative burdens resulting from new proposals that are adopted in order to ensure that administrative costs are kept to the minimum that is necessary for new policy initiatives.

For this purpose, the Council recalls the need to address regularly and effectively the assessment of administrative burdens in the Commission's impact assessments for new proposals, in particular for SMEs, and welcomes in this respect the increased emphasis on this aspect including strengthened quantification of administrative burdens in the Commission's revised impact-assessment guidelines.

### ***Presidency conclusions of the Brussels European Council (19/20 March 2009)***

“16. Work should be speeded up and concrete measures taken urgently in the following areas: removing barriers while preventing the creation of new ones and achieving a fully operational internal market; further reducing administrative burdens; improving framework conditions for industry in order to maintain a strong industrial base and for businesses with a special focus on SMEs and innovation; encouraging partnership between business, research, education and training; and stepping up and improving the quality of investment in research, knowledge, and education. In particular as regards the reduction of administrative burdens, the Commission is invited to present all proposals in each of the 13 priority areas before the end of its mandate.”

### **List of reference documents submitted to the European Council**

#### **Economic, financial and social situation**

Key Issues Paper adopted by the Council (ECOFIN) (6784/2/09 REV 2)  
Report on Country-Specific Integrated Recommendations: contribution of the Council (ECOFIN) (7444/09)  
Reduced VAT rates: Agreement reached at Council (ECOFIN) (7448/1/09 REV 1)  
Reduction of administrative burdens: contribution of the Council (ECOFIN) (7445/09)  
...

### **Competitiveness Council (28 and 29 May 2009)**

TO FIND Council conclusions on "Better Regulation" prepared by the Permanent Representatives Committee at its meeting on 13 May 2009  
(extract on AB)

AS FURTHER STEPS TO PROMOTE THE BETTER REGULATION PRINCIPLES,  
THE COUNCIL COMMITS ITSELF TO: (...)

Bear in mind joint efforts in respect of the EU target of 25 % on reduction of administrative burdens when examining Commission proposals and making amendments thereto so as to avoid an increase of administrative burdens, especially in the case of proposals which are part of the Action Programme.

(...)

INVITES THE COMMISSION TO

Quantify the estimated administrative burden savings for the proposals of the Action Programme in the thirteen priority areas, as this will provide the Council with the information it needs to better estimate the impacts of its own amendments, so that the actual administrative burden savings for the final approved proposals can be calculated;

21. Monitor the progress on the Action Programme and report to the Spring European Council on significant changes in administrative burdens and the contribution to the 25% reduction target already reached through proposals that have been agreed by the Council and Parliament;
22. Continue to propose a repeal of obsolete acts and provisions which are no longer justified as well as screen pending legislation;
23. Provide for ex-post evaluation of relevant pieces of legislation in place; in this context, undertake comparison of intended and actual effects of approved EU legislation as input to help guide future simplification exercise as well as reflect on the possibility to broaden the scope of the current simplification programme to other aspects of regulatory burdens.

### **Mr Barroso's Political Guidelines for the next Commission (Sept. 2009)**

(extract on BR)

Page 29: This Commission has instigated a revolution in the way policies are made at EU level, with public consultations and impact assessment now the norm for new legislative

proposals and a major simplification of existing Community law now underway. By 2012 the next Commission will deliver on our commitment to reduce administrative burden by 25%. But I want to go further. We need to match this huge investment in ex ante assessment with an equivalent effort in ex post evaluation – to ensure that our proposals really do deliver what they promise and to enable us to revise and correct them where they fail to work as expected. All of these initiatives are designed to focus EU action on the essentials, **removing bureaucratic processes and unnecessary centralisation**.

As part of the **smart regulation** agenda, I will extend the impact assessment approach to certain key comitology proposals. I will also seek ways of helping the European Parliament to exercise its scrutiny rights over the full range of politically important decisions.

Page 37: We have also shown that the Commission can spearhead a change in Europe's administrative culture, with the better regulation programme to bring €30 billion in savings for the EU economy. I would like to develop this still further, putting a particular emphasis on the needs of SMEs.

***Passion and responsibility: Strengthening Europe in a Time of Change – Speech by Pres. Barroso, European Parliament Plenary (15 Sept. 2009)***

Page 5: I am also committed to smart regulation, and I want to reiterate that simplification of procedures and a reduction of administrative burdens on business, particularly SMEs, will remain a priority in the next Commission. This task, just like the Impact Assessment Board and ex-post evaluation, will be placed directly under my authority to fully reflect the priority I give to it.

***Introductory Statement at the press point with Edmund Stoiber, Chair of the High-Level Group of Independent Stakeholders on Administrative Burdens (18 Sept. 2009)***

And we continue to attach a high political priority to reducing administrative burdens and driving forward smart regulation. Indeed, I will make smart regulation a "Leitmotif". I have decided that in the new Commission the better regulation services, notably those in charge of reducing administrative burdens, will act under my direct authority, together with impact assessment and ex-post evaluation. And I will make sure that all our new initiatives are inspired by these principles of smart regulation. Let me conclude by saying that I am very pleased that the high level group will continue its important work for another two years.

## ***Council Conclusions on Better Regulation adopted at the 3-4 December 2009 Competitiveness Council***

THE COUNCIL,

1. EXPRESSES ITS CONVICTION that Better Regulation will continue to be a key factor for strengthening the competitiveness of businesses – in particular micro, small and medium-sized enterprises – and for creating sustainable economic growth and jobs;

2. REAFFIRMS that Better Regulation is about better policy and law-making, a process for shaping a better regulatory environment for businesses, citizens and public administrations and a well-functioning internal market, while respecting the *acquis communautaire* and the principles of subsidiarity and proportionality;

3. ACKNOWLEDGES that important progress has been achieved both at EU level and in the Member States in taking the Better Regulation Agenda forward; STRESSES, however, that more needs to be done and that continued progress requires joint responsibility and commitment by all parties concerned; UNDERLINES the need for all levels in the EU institutions as well as in the Member States to put Better Regulation principles at the heart of their decision-making processes;

(for specific developments on impact assessment, reduction of administrative burdens, access to legislation, see

<http://register.consilium.europa.eu/pdf/en/09/st16/st16111.en09.pdf> )