



**COUNCIL OF
THE EUROPEAN UNION**

Brussels, 6 October 2009

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COMPET 410

NOTE

from : Presidency/General Secretariat of the Council
to : Working Party on Competitiveness and Growth

Subject : Better Regulation
 - Draft Council conclusions

In view of the meeting of the Working Party on Competitiveness and Growth on 9 October 2009, delegations will find in the Annex a revised draft of conclusions on Better Regulation for 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 business, 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;

IMPACT ASSESSMENTS

4. STRESSES that the use of impact assessments by all relevant EU institutions must be further improved and that the presentation and quality of assessments must be further enhanced so as to allow for better evidence-based decision-making and high legal quality; ACKNOWLEDGES the importance of highlighting impacts of substantive amendments to legislative proposals throughout the negotiating process; WELCOMES the work done by the Commission's Impact Assessment Board to improve the quality of impact assessments in line with the Commission's Impact Assessment Guidelines as well as the initiative taken by the European Court of Auditors to assess the Impact Assessment system; CONSIDERS that there is scope for quality improvement as regards, *inter alia*, evaluation of alternative policy options, transparency and quantification of administrative burdens as well as other costs and benefits;

5. INVITES THE COMMISSION to further enhance the use and quality of impact assessments;
6. COMMITS ITSELF to take the Commission's impact assessments, including the opinions of the Impact Assessment Board, into full account when examining legislative proposals;
7. INVITES THE MEMBER STATES to continue to establish or further develop their impact assessment systems, including providing their civil servants with training in handling impact assessments;

REDUCTION OF ADMINISTRATIVE BURDENS AND SIMPLIFICATION

8. CALLS FOR reinforced joint efforts by all relevant EU institutions and the Member States to reach the agreed target of reducing the administrative burdens on business stemming from EU legislation by 25 per cent by 2012 and having significant effects felt by businesses by the end of 2010; REITERATES that progress in reducing administrative burdens would be undermined by additional administrative costs resulting from new legislative proposals; CONSIDERS that greater progress needs to be made in adopting simplification proposals under the co-decision procedure;
9. INVITES THE COMMISSION to
 - ensure that impact assessments thoroughly analyse the administrative costs, as far as possible in quantitative terms, with a view to avoiding all unnecessary burdens;
 - closely monitor progress in reducing administrative burdens, involve business in providing 'reality checks' of the effects of the reduction measures and report annually to the spring European Council on the implementation of reduction measures as well as on significant changes in administrative burdens;
 - launch further reduction measures to meet the target set and continue to identify new proposals for simplification of EU legislation;
10. COMMITS ITSELF, AND INVITES THE EUROPEAN PARLIAMENT, to avoid adding unnecessary administrative burdens to legislative proposals in general;

11. INVITES THE MEMBER STATES to continue to reduce the administrative burdens and simplify legislation at national level and enhance their sharing of good practices;

CONSULTATION AND ACCESS TO LAW

12. STRESSES the need for early and timely stakeholder consultation, using appropriate methods, throughout the policy-making cycle to enhance regulatory quality; REAFFIRMS the importance of enhancing access to law and the need for clear and simple language in order to make the regulatory framework easier to comply with;
13. INVITES THE COMMISSION to
 - enhance the use of consultation during the whole policy-making cycle;
 - consider the creation of an easily accessible multi-lingual website, a “single entry point”, with updated relevant information on policies and initiatives related to business;

THE FUTURE BETTER REGULATION AGENDA

14. UNDERLINES that concrete action needs to be undertaken soon to pave the way for the future agenda for better regulation and a smart regulatory framework; ACKNOWLEDGES that new solutions might be needed to tackle future challenges and TAKES NOTE with interest of the input already provided by various Member States and stakeholders for the Better Regulation Agenda after 2010 and onwards;

IN THIS REGARD, THE COUNCIL

15. CALLS FOR enhanced political ownership of the Better Regulation Agenda across the EU and a positive long term cultural change as regards attitudes towards Better Regulation principles among those involved in designing regulations, better use of preparatory policy documents, more extensive training of regulators and other civil servants, better communication, increased involvement of stakeholders throughout the whole decision-making process and better use of “Think Small First” as a guiding principle;

16. UNDERLINES the need for efficient allocation and use of resources for carrying out impact assessments; CONSIDERS that up-to-date impact assessments that reflect the actual effects of the proposals at each stage of the negotiating procedures enable better evidence-based decision-making, which increases the value of the impact assessments for all parties involved at EU level and in Member States when EU legal acts are incorporated into national law; BELIEVES that the Commission could play a more active role for facilitating the highlighting of impacts during the co-decision procedure; RECOGNISES therefore the need to review the Inter-Institutional Common Approach to Impact Assessments, in particular for finding a well-functioning long-term solution for the practical handling of substantive amendments during the co-decision procedure;
17. STRESSES that, in addition to the importance of improved use of existing better regulation instruments, the need for new instruments and better use of eGovernment in the better regulation work should be considered continuously;
18. CONSIDERS that there will be a future need for new incentives, indicators and targets that also take into account aspects of regulatory burdens other than just administrative ones, such as compliance costs and perceptions of regulatory requirements; ACKNOWLEDGES at the same time the importance of keeping the better regulation work user-friendly;
19. INVITES THE EU INSTITUTIONS AND THE MEMBER STATES to
 - find ways to evaluate effectively existing instruments, structures and work done to create a better regulatory environment at EU level;
 - improve the communication with and strengthen the role of existing advisory groups and make much better use of current structures, while also considering the possible future need of new forms of co-operation at EU level and with national regulatory experts, for better coordination, advice and input;
20. INVITES THE COMMISSION to
 - ensure effective consultation with stakeholders when drafting impact assessments and consider more alternative policy options and performing more in-depth impact assessments on key strategic initiatives;

- expand its use of *ex-post* evaluations of relevant existing pieces of legislation and develop a plan on how to link those evaluations to impact assessments;
 - extend the minimum period for consultation of stakeholders to 12 weeks, with exceptions where appropriate, find ways to ensure better input from stakeholders, in particular from small and medium-sized enterprises, and make ‘reality checks’ of planned or undertaken measures;
 - take into consideration input by Member States and other stakeholders and present how to further develop current administrative burdens reduction and simplification programmes and how to develop the future agenda for better regulation and a smart regulatory framework after 2010 and onwards.
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