Minimising administrative costs imposed by legislation

2005/2140(INI) - 10/07/2007 - Text adopted by Parliament, single reading

The European Parliament adopted the resolution by Jan **MULDER** (ALDE, NL) on minimising administrative costs imposed by legislation. It fully accepted the recommendations made by the committee responsible. The main recommendations are as follows:

MEPs call on the Commission, within the framework of the interinstitutional agreement on better law-making, to adopt targeted, well-considered legislation with predictable consequences which will contribute to creating favourable conditions by providing suitable incentives for undertakings and companies, reducing superfluous expenditure and procedures, removing barriers to adaptability and innovation and generally providing legal certainty.

The Commission is urged, when proposing new legislation, to indicate the administrative burden this imposes on the various economic, social and environmental sectors in comparison to equivalent sectors outside the European Union. The Parliament proposes that this be given special attention within the newly proposed competitiveness testing, which is an integral part of impact assessments.

The Parliament welcomes the emphasis which is put on early consultation of stakeholders, including the social partners, SMEs, legislators, law enforcement bodies and NGOs. The role of social dialogue is underlined as a useful tool, contributing to better European governance by ensuring a better balance of interests through the involvement of all actors in decision-making and in the implementation process.

It agrees that the regulatory environment in which businesses operate is a determinant of their competitiveness, sustainable growth and employment performance, and that ensuring that the existing and future regulatory environment is transparent, clear, effective and generally of high quality should be an important objective of EU policy. It emphasises the importance of fully applying the principles of subsidiarity and proportionality in adopting Community legislation.

MEPs stress that the effect of simplifying and updating existing legislation should not be deregulation, diluting health and safety legislation or dismantling basic social standards. It calls on the Commission to make sure that legislation continues to deliver improvements in social standards whilst at the same time not being detrimental to business competitiveness.

Overall, the Parliament supports the Commission Action Programme to measure the administrative cost for companies in Europe and to reduce administrative burdens by 25% by 2013. It notes that the strategy cannot be perceived as deregulation. MEPs will watch to ensure that the goal of legislation is not affected by that approach. The Commission is called on to publish and present to the relevant committees a detailed scoreboard with precise targets to be achieved in a set timeline for the implementation of measures.

On a budgetary note, the Parliament is of the opinion that the introduction of the Community Action Programme for reducing the administrative burden subsequently means that the Commission has to allocate sufficient resources and appropriations. It supports, therefore, the fact that approximately EUR 19.6 million excluding VAT has been made available by the Commission services to this end. It invites the Commission however to report to the Committee on Budgets as to which budget lines the appropriations are taken from, to what extent this affects other policies, how and when that sum will be spent and what the legal bases are to justify that expenditure. The Parliament also propose that the

appropriations reserved on the line 26 01 08 of the EU Budget for a pilot project minimizing administrative burdens be used to set up an independent panel of experts, comprising representatives from all stakeholder groups, to fully monitor implementation of the Action Programme 'Reducing Administrative Burdens in the EU'.

The Parliament proposes that the independent panel be granted access to the impact assessment of reduction proposals before their adoption by the Commission. The Commission is asked to appoint an independent free-thinking representative to chair the panel and have the panel fully operational by September 2007. The independent panel should also be allowed to comment on the steps already undertaken in 2006 and 2007 and which set up the administrative burden reduction policy.

As regards the role of the institutions, the MEPS stress that the Council, Parliament and the Commission have to engage fully and assume political responsibility concerning the reduction of administrative burdens. It is convinced that without ownership at the political level, the EU will be unable to succeed in changing the culture of law-making in Europe. In addition, Parliament stresses therefore that each Directorate General (DG) must be made aware of the unnecessary administrative burdens in their policy areas.