

# **Better law-making 2005: application of the principles of subsidiarity and proportionality.**

## **13th annual report**

2006/2279(INI) - 04/09/2007 - Text adopted by Parliament, single reading

The European Parliament adopted a resolution based on the own-initiative report drawn up by Bert **DOORN** (EPP-ED, NL) in response to the Commission's communication on the action programme for reducing administrative burdens in the European Union ("Better law-making").

Parliament agreed that the regulatory environment in which businesses operated was a determinant of their competitiveness, of sustainable growth and of employment performance. Ensuring the regulatory environment was transparent, clear, effective and generally of high quality should be an important objective of EU policy. Poor regulatory quality in the Member States and at Community level weakened the rule of law and alienated citizens from their institutions.

Members welcomed the success of the web portal "Your Voice in Europe" and invited the Commission to develop other effective ways of consulting interested parties about every aspect of a legislative proposal, including impact assessments. These should be based on wide-ranging consultation of stakeholders. Parliament called on the Commission to provide a sufficient number of scenarios and policy options (including "do-nothing" options if necessary) as a basis for cost-effective and sustainable solutions.

Parliament also welcomed the Commission's action programme to measure the administrative cost for undertakings in Europe and to reduce needless and disproportionate administrative burdens by 25% by 2012. However, it did note that the strategy for a 25% reduction referred to needless administrative burdens for undertakings and could not, therefore, be equated to a deregulation, or lead to a change in the policy objectives and level of ambition contained in Community legislation. The Commission was asked to ensure that the reduction in unnecessary administrative burdens arising from regulations should not be at the expense of the original objectives of the regulations concerned.

The report emphasised, in particular, that an effective strategy for the reduction of unnecessary European administrative burdens must be implemented both by the Commission, as regards unnecessary administrative burdens arising from European regulations and directives, and by the Member States, as such burdens arising from national legislation. It called on the Commission to take the lead.

Parliament was greatly concerned by the fact that the Commission proposed to limit the scope of the action programme to obligations of businesses. It considered, however, that the strategy for development and employment required the action programme to cover all administrative burdens. It welcomed the identification by the Commission of 13 priority areas where the administrative costs were to be measured and unnecessary administrative burdens be reduced as a pragmatic and effective approach. In the longer term, the Commission should reduce unnecessary administrative burdens outside these priority areas.

The Commission was invited to publish each year the measures adopted and the measures planned to reduce unnecessary administrative burdens in the EU, the increase in administrative burdens in the EU arising from new regulations and the envisaged net contribution of these measures to the attainment of the target reduction of 25% by 2012.

Parliament supported the Commission's efforts to chart the unnecessary administrative burdens arising from new European legislation through the integration of the Standard Cost Method (SCM) in the impact

assessment procedure. It considered it essential that stakeholders help to gather the information required for the use of the SCM.

Parliament emphasised that it should not take into consideration any legislative proposals from the Commission that are not accompanied by an independently scrutinised impact assessment that includes an evaluation of the existence of any unnecessary administrative burden through the SCM.

Lastly, Parliament proposed that appropriations recently released in the EU Budget for a pilot project minimizing administrative burdens be used to set up an independent panel of experts to monitor the quality of opinions delivered by the Impact Assessment Board (IAB) by means of spot checks, notably as regards the charting of unnecessary administrative burdens, and to supervise the implementation of the European action programme to reduce administrative burdens.