Better regulation: Joining forces to make better laws

2021/2166(INI) - 07/07/2022 - Text adopted by Parliament, single reading

The European Parliament adopted by 453 votes to 26, with 87 abstentions, a resolution on better regulation: joining forces to make better laws.

Parliament welcomed the Commission's aim of ensuring that EU legislation delivers maximum benefits to citizens and businesses, especially small and medium-sized enterprises (SMEs), and its intention to make the better regulation approach more dynamic and adaptable to future developments.

Members welcomed the Commission's intention to improve the analysis and reporting of the impacts of proposals, including on competitiveness and SMEs, territoriality, sustainability, equality, subsidiarity and proportionality, as well as the Commission's commitment to mainstream the Sustainable Development Goals (SDGs) into all its legislative proposals, to pay greater attention to gender equality and equality for all, and to ensuring that the ‘do no significant harm’ and precautionary principles are applied across all policy areas.

Member States and the Commission are invited to recognise the need for better regulation and simplification that takes account of economic, environmental, social and gender impacts in an integrated and balanced way.

Coherence with the EU's climate neutrality objective

Members believe that the Commission should fully comply with the provisions of Article 6(4) of the European Climate Law, which provides that any draft measures and **legislative proposals need to be consistent with the fulfilment of the Union’s climate neutrality objective by 2050**. To this end, the Commission must assess the consistency of all draft measures or legislative proposals, including budgetary proposals, with climate neutrality objectives and whether they ensure progress on adaptation to climate change.

The Commission should apply EU climate law compliance checks in impact assessments and evaluations in a systematic way from the outset of the preparation of new draft measures or quality reviews of existing legislation, in order to effectively inform the choices of policy makers.

Environmental impacts and sustainability

Sustainability should be at the heart of good legislation that places social, economic and environmental considerations on an equal footing.

Parliament supports the commitment to improved analysis and reporting of environmental impacts in all EU policies through **mandatory assessment of the ‘do no significant harm’ principle**, and the fact that this assessment is to be applied to proposals from across all policy areas, in order to avoid uneven application. It recommended that the Commission consider implementing a sustainability-first approach and adopt it in the development and assessment of all policies. In this context, it called for the systematic consideration of reports such as those of the Intergovernmental Panel on Climate Change (IPCC).

Protection and defence of human rights and democracy

Parliament stressed the importance of taking into account the human rights implications, especially for vulnerable groups, of all the Union's external policies, including trade policy and development cooperation. The aim is to ensure that human rights are duly and systematically taken into account, so as to prevent the Union from taking any action that would prevent or hinder respect for human rights. Gender implications should be mainstreamed in all reporting. In addition, Parliament called for children's rights to be mainstreamed into EU legislation by providing for children's rights impact assessments of the legislative proposals.

Small and medium-sized enterprises (SMEs)

The resolution pointed out that there are 22.6 million SMEs in the EU and that the Commission should therefore not only perform the **SME test** more systematically but should also provide for a mandatory SME test to be performed in all legislative proposals where this is applicable. Such a test should clearly identify how simplification could be attained in terms of costs and benefits, and, where possible, formulate additional recommendations to avoid unnecessary administrative or regulatory burdens for SMEs.

Impact assessments

Ex-ante and ex-post impact assessments, public consultations and the 'evaluate first principle' principle are essential tools for an informed, higher quality, efficient, accountable, transparent and beneficiary-oriented legislative process. These tools help to quantify impacts, including cost-benefit.

Parliament called on the Commission to **carry out impact assessments on all legislative proposals, without exception**. It called for impact assessments to be given sufficient resources and time to ensure their quality. However, it recalled that impact assessments help to inform policy-making but should never replace or unduly delay the legislative process.

Impact assessments should give equal attention to the evaluation of the economic, social, health and environmental consequences of the Commission's proposals in particular, and that the impact on the **fundamental rights of citizens and on equality between women and men** must be assessed.

The Commission is called upon to pay greater attention to the impact of EU legislation on developing countries and to respect and promote the objectives of development cooperation in these initiatives.

Parliament also insisted, *inter alia*, on:

- the development of new forms of **digitisation processes** in the decision-making of the three institutions to enhance the quality of the EU's legislative process in the digital era;

- the need to ensure that **multilingualism** is respected and that all publicly accessible EU websites on funding opportunities and tenders are translated simultaneously into all official EU languages;

- the importance of giving **citizens** easy access to the sources of legislation;

- the improvement of **transparency in the Council's decision-making process**, which therefore applies to access to trilogues documents;

- the obligation to **keep the European Parliament immediately and fully informed** at all stages of the procedure for the conclusion of agreements between the Union and third countries or international organisations;

- the need to avoid **unnecessary additional administrative burdens** in the design, transposition and implementation of EU legislation, which should not, however, result in deregulation or 'no-regulation';

- strengthening the **right of legislative initiative of the European Parliament**, the only democratically elected body in the Union directly representing European citizens.