# European Union regulatory fitness and subsidiarity and proportionality – report on Better Law Making covering 2020, 2021 and 2022

2023/2079(INI) - 27/10/2023 - Committee report tabled for plenary, single reading

The Committee on Legal Affairs adopted the report by Catharina RINZEMA (Renew, NL) on European Union regulatory fitness and subsidiarity and proportionality - report on Better Law-Making covering 2020, 2021 and 2022.

***Subsidiarity***

The report noted that the number of reasoned opinions received from EU national parliaments was 9 in 2020, 16 in 2021 and 34 in 2022; underlines that since the entry into force of the Lisbon Treaty in 2009, the EU national parliaments have activated the Early Warning System or 'yellow card' on only three occasions, and that no 'orange card' (the system according to which half of the national parliaments raise an objection to a Commission proposal) has ever been drawn. It was noted that of the 16 reasoned opinions received in 2021, nine were related to the 'Fit for 55' package, three to the European Health Union package, two to the Pact on Migration and Asylum, one to the proposal for a directive on adequate minimum wages in the EU and one to the proposal amending the VAT Directive as regards conferral of implementing powers to the Commission to determine the meaning of the terms used in certain provisions of that directive.

Members noted further that the trend in the increased number of opinions and reasoned opinions in the period 2007-2022 demonstrates that **national parliaments are increasingly asking for more political dialogue** and a greater involvement in the debate on EU policies.

***Fostering the inclusion of national parliaments***

Members highlighted the crucial role of national parliaments in the pre-legislative scrutiny of draft EU laws, which enhances the legitimacy and quality of EU legislation. However, the current forms of cooperation with national parliaments could be improved through the refinement of the InterParliamentary EU Information Exchange (IPEX) platform which facilitates the electronic exchange of EU-related information between Member State national parliaments and the European Parliament.

***Improving regulatory fitness and EU law-making for an effective single market***

The report stressed that the EU and the authorities of the Member States should continue to work closely together to ensure better evaluation of the real impact of EU regulations on citizens and businesses, notably **SMEs**. Members also noted that the impact assessment is a key instrument of the 'Better Regulation' programme to ensure that subsidiarity and proportionality are respected.

The report noted that in 2020, the Regulatory Scrutiny Board examined a total of 53 impact assessments, that in 12 cases, it estimated that it was necessary to **improve their analysis of subsidiarity and EU added value**, and that 30 opinions contained comments on proportionality. It is stressed that the independence of the Regulatory Scrutiny Board should be strengthened.

Moreover, the Commission is called on to promptly develop a comprehensive methodology covering the cumulative effects of the relevant policy measures on the EU's competitiveness.

Noting Council's lack of transparency and its practice of over-classifying documents, Members urged the Council to increase the number of documents it makes public, in particular the positions expressed by the Member States, thereby allowing the public to be aware of the position of their government and enhancing scrutiny by national parliaments.

Members believe that codifying the rules on good administration would reinforce citizens' rights and transparency and would respond to the need for investment and reform in the European Union. In this regard, they called on the Commission to come forward with a legislative proposal on a European law of administrative procedure.