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

2023/2079(INI) - 23/11/2023 - Text adopted by Parliament, single reading

The European Parliament adopted by 439 votes to 55, with 45 abstentions, a resolution on European Union regulatory fitness and subsidiarity and proportionality - report on Better Law-Making covering 2020, 2021 and 2022.

Subsidiarity

Parliament welcomed the measure to help national parliaments execute their role more effectively by excluding the period from 20 December to 10 January from the eight-week period during which national parliaments can submit reasoned opinions.

It noted that the number of reasoned opinions received from EU national parliaments was 9 in 2020, 16 in 2021 and 34 in 2022. It underlined 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.

On fostering the inclusion of national parliaments

Members suggested **improving the current forms of cooperation** with national parliaments and promoting **dialogue** between Members of national parliaments and Members of the European Parliament. They supported the consolidation of responses if seven or more national parliaments issue reasoned opinions on one of the Commission’s legislative proposals, despite the threshold for initiating the ‘yellow card’ procedure not having been reached. The Committee on Legal Affairs should hold a genuine discussion of the national parliament reasoned opinions that are sent to it, alerting its members when at least two reasoned opinions criticise the same proposal.

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

The resolution 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 Commission is called on to develop a more integrated approach to sustainability that would better take into account the interplay of the economic, social and environmental impacts of EU policies and legislation.

The resolution 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.

Members welcomed the Commission's commitment to subjecting EU legislative proposals to an **SME test** and called for the test to be binding and updated throughout the whole legislative process in order to ensure clear and predictable EU legislation.

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**.