



**COUNCIL OF
THE EUROPEAN UNION**

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COMPET 83

NOTE

from: Committee of Permanent Representatives (Part I)
to: Council

Subject : Draft Council Conclusions on a future smart regulation agenda with a strong
end-user focus

Delegations will find in annex the text of the Draft Council Conclusions on a future smart regulation agenda with a strong end-user focus prepared by the Committee of Permanent Representatives of 9 February 2012 for adoption by the Council (Competitiveness) of 20 February 2012.

**Draft Council Conclusions
on a future smart regulation agenda with a strong end-user focus**

RECALLING

- The invitation of the European Council to the Commission and Member States to further concentrate efforts to reduce the overall regulatory burden, in particular for SMEs;¹
- The Communication on smart regulation in the European Union² and notably the Commission's intention to make evaluations of legislation an integral part of smart regulation and ensure that all significant proposals for new or revised legislation are in principle based on an evaluation of what is already in place;
- The report from the Commission on minimizing regulatory burden for SMEs and adapting EU regulation to the needs of micro-enterprises³ (hereafter "the Commission Report"), as far as endorsed by the European Council;⁴

THE COUNCIL,

1. **EMPHASISES** that regulation is necessary for achieving policy goals of the EU, including legal certainty and predictability, economic growth as well as upholding social and environmental protection levels, together with other policy tools, as appropriate. **ACKNOWLEDGES** that achieving the intended goals of legal acts should not be jeopardised by the reduction of documentation and reporting obligations. However **RECOGNISES** that sometimes regulation imposes unnecessary burdens on end-users (businesses, especially SMEs and micro-enterprises, citizens, consumers, public administration etc.);
2. **ACKNOWLEDGES** that burdensome regulation can have undesirable, irritating or proportionately more burdensome effects on SMEs and micro-enterprises, thus hampering growth and competitiveness for Europe especially in a time of economic crisis; in this context **ENDORSES** the enhanced focus on those concerned by regulation in the Commission Report; and especially **SUPPORTS** the intention of the Commission to:

¹ European Council conclusions from March, June and October 2011.

² st 14421/10

³ st 17818/11

⁴ EUCO 139/11

- renew its efforts to avoid and reduce unnecessary burdens on SMEs and micro-enterprises by looking at ways to improve the *acquis* without hampering the objectives of the EU and the functioning of the internal market, for instance through lighter regulatory regimes and risk based approaches where appropriate and based on a case-by-case assessment, and by involving SMEs and micro-enterprises in the screening of the *acquis* through better and more specific consultation mechanisms;
 - keep the end-users in mind during every step of the policy-making process *inter alia* by consistently applying the Think Small First principle;
 - improve the policy-making process by involving end-users better through more SME Panel consultations, by listening to end-users on dedicated conferences and by setting up a dedicated webpage for identification of the most burdensome EU legislative acts imposing burdens on SMEs and micro-enterprises;
3. however, STRESSES that the agenda for smart regulation needs to be further improved if we are to deliver the objectives for smart, sustainable and inclusive growth set out in the Europe 2020 Strategy; and therefore CALLS ON the Commission to further concentrate efforts to reduce the overall regulatory burden, in particular for SMEs, including by proposing concrete working methods within the context of the smart regulation agenda;
4. AGREES that a focus on end-users throughout the entire policy-making process should be a guiding principle in this new effort for smart regulation in order to bring the EU closer to its end-users and the end-users closer to the EU as also proposed in the Commission Report;
5. and therefore CALLS ON the Commission to further improve the smart regulation agenda, among other things by:
- keeping end-users in mind and involving them in evaluations of regulation, which need to be based on a common and appropriate method and transparent criteria, among other things by ensuring that evaluations focus on particularly burdensome regulation chosen on the basis of inputs from end-users;

- extending the use of evaluations, also within the framework of fitness checks⁵ in order to, among other things, identify excessive burdens, inconsistencies, and obsolete or ineffective measures, and to reduce the unnecessary overall regulatory burden, and by further strengthening its evaluation guidelines;
- ensuring that relevant and detailed information is publicly and easily available at a single access point on:
 - the number and reasoning of new legislative acts/areas chosen for evaluation,
 - the scope of the evaluations,
 - the results of completed evaluations,
 - the number of, reasons and objectives for the simplification proposals submitted on the basis of evaluations,
 - relevant results on tangible simplifications for businesses and
 - annual progress on the smart regulation agenda;
- maintaining independent mechanisms to assess and advise the Commission;
- considering, in appropriate cases, alternative solutions to regulation;

6. ACKNOWLEDGES the necessity of easily accessible legislation, in particular for end-users, in order to achieve comprehensive understanding, consistent implementation and full compliance with EU law; therefore STRESSES the responsibility of the EU institutions and Member States to aim at ensuring systematic availability of consolidated texts and legal documents by using effective digital solutions, a single access point to legislative proposals, roadmaps and impact assessments, and to provide end-users with summaries of legislative proposals in an understandable language;

⁵ As declared in st14421/10.

7. COMMITS itself and CALLS ON the European Parliament to adopt the relevant pending proposals in the Action Programme for Reducing Administrative Burdens before the end of 2012; STRESSES the importance of adopting the concrete legislative proposals in the Single Market Act in accordance with the strategic orientation of the European Council; CALLS ON Member States to implement the adopted proposals timely, correctly and in the most efficient way which avoids unnecessary burdens while also paying regard to national circumstances; and APPRECIATES the activity of the High-Level Group of Independent Stakeholders on Administrative Burdens, and looks forward to the report on best practices in Member States to implement EU legislation in the least burdensome way;
8. RECOGNISES the common responsibility of all EU institutions and of Member States to ensure that simplification proposals are adopted and implemented in a way that delivers tangible and consistent simplifications for end-users;
9. CALLS ON Member States to make use of the Think Small First principle at national level, including to, where appropriate, involve end-users with special attention to SMEs and micro-enterprises, throughout the entire policy-making process and assist the Commission in the collection of relevant data where available and appropriate to be used for evaluations;
10. COMMITS itself, as demanded by the European Council, to work together with the Commission to ensure that all actions at the European Union level fully support economic growth and job creation; and therefore, RECALLS its invitation to the Commission to reinforce its efforts to speed up the implementation of competitiveness proofing as announced and to further strengthen the application of the SME test, in the context of the integrated impact assessment system;

CONCLUDING REMARKS

11. STRESSES the common responsibility of all EU institutions and Member States to create the basis for smart, sustainable and inclusive growth towards 2020; UNDERLINES the importance of a strengthened, broadened and deepened smart regulation agenda in the realisation of the growth potential in Europe; RECOMMENDS that means for simplification, where possible, should be based on involvement of end-users, particularly SMEs and micro-enterprises; and INVITES the Commission to take stock on the results of the Action Programme for Reducing Administrative Burdens and to report on the development and implementation of the future coherent, tangible and ambitious effort for smart regulation by the end of 2012.
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