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# REGULATORY FITNESS AND PERFORMANCE PROGRAMME – REFIT SCOREBOARD SUMMARY

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24 October 2017





# Regulatory Fitness and Performance Programme – REFIT Scoreboard Summary

24 October 2017

# INTRODUCTION

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First Vice-President Frans Timmermans said

*Today's world is fraught with complex policy challenges. More than ever before, we must be sure that our policies are rooted in facts and evidence, developed in maximum transparency and decided with full accountability. The European Commission's Better Regulation Agenda is about giving ourselves and our stakeholders the tools to do this.*

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*The Commission is committed to making rules that bring benefits at minimum regulatory costs. For this purpose, regulatory costs and benefits are estimated in impact assessments and the Commission evaluates existing policies first and assesses their efficiency and effectiveness before making new proposals.*

*Certain costs are necessary to achieve the goals we want to reach, other costs may be unnecessary because activities imposed by legislation are not needed or can be done in smarter and simpler ways.*

*Since 2017, the REFIT programme seeks to identify opportunities for simplification and reducing unnecessary costs every time the Commission proposes to revise existing law. The initiatives that result from this work are included each year in the Commission's work programme and can be monitored in the REFIT Scoreboard.*

*The 2018 Commission Work Programme adds 12 new simplification initiatives to the REFIT portfolio in areas such as on reporting requirements in the area of environment (Priority 1), EU Fisheries Control System (Priority 3), the Single Maritime Window and Trans-European Transport Networks (Priority 4), consumer law (Priority 7) and ID Cards and emergency travel documents (Priority 8).*

*Within REFIT, the Commission focuses particularly on those areas where business and other stakeholders see excessive costs and burdens. For this purpose, the Commission created an online portal where everybody can make suggestions, and takes advice from a high-level expert group, the REFIT Platform.*

*Since its creation, the REFIT Platform has adopted 58 opinions drawing on over 280 public suggestions on how to make EU laws more effective and efficient. The Commission is committed to explain how it follows-up to these opinions and has provided feedback on a first set of 22 opinions in the 2017 Commission Work Programme. The present document includes the follow-up to an additional 36 opinions which have been adopted since then.*

*Action taken or planned in response notably includes strengthening ePrivacy and the European Citizen Initiative, an action plan to improve the European Standardisation System and a Communication on the future of the Common Agricultural Policy which also includes the results of a comprehensive public consultation attracting over 300.000 replies.*

*REFIT can show results: In the first three years of the Juncker Commission, more than 130 new initiatives to simplify and reduce regulatory burdens have been proposed to Council and Parliament. More than 80% of all REFIT initiatives include a quantification of regulatory costs and more than 60% include a quantification of regulatory benefits. Important savings to citizens, business and public administration can be achieved once REFIT initiatives proposed by the Commission are confirmed by the legislator and fully implemented by Member States.*

*Examples include waste where clear and more ambitious targets for waste prevention and recycling could bring savings of 1.3 billion per year, VAT where a proposal to extend a One-Stop-Shop to online sales and allow business to declare VAT in the Member State in which it is established is expected to reduce compliance costs for businesses €2.3 billion a year, derivative rules in the financial sector which are expected to save business € 9.56 billion, the Single Digital Gateway that could help companies save more than € 11 billion per year or a revised legislation on Veterinary medicines cutting costs by an estimated € 145 million.*

*Achievements and results within REFIT and the work under way extend over 9 out of 10 Commission priority areas and are summarized in thematic fiches. The full REFIT scoreboard linked to it, is published online.*

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Note: No REFIT initiatives are currently implemented in priority 9 – A Stronger Global Actor.



## Priority 1

# SIMPLIFICATION AND BURDEN REDUCTION FOR JOBS, GROWTH AND INVESTMENT

Phil Hogan, Commissioner for Agriculture and Rural Development



*My experience as Commissioner to date has led me to conclude that we need a serious debate in relation to how to keep the Common Agricultural Policy truly fit for purpose in the 21st Century. The simplification of the Common Agricultural Policy involves an improvement in governance; a reduction of administrative burden using new technologies; and the implementation of cost-efficient tools to strengthen the focus on results.*

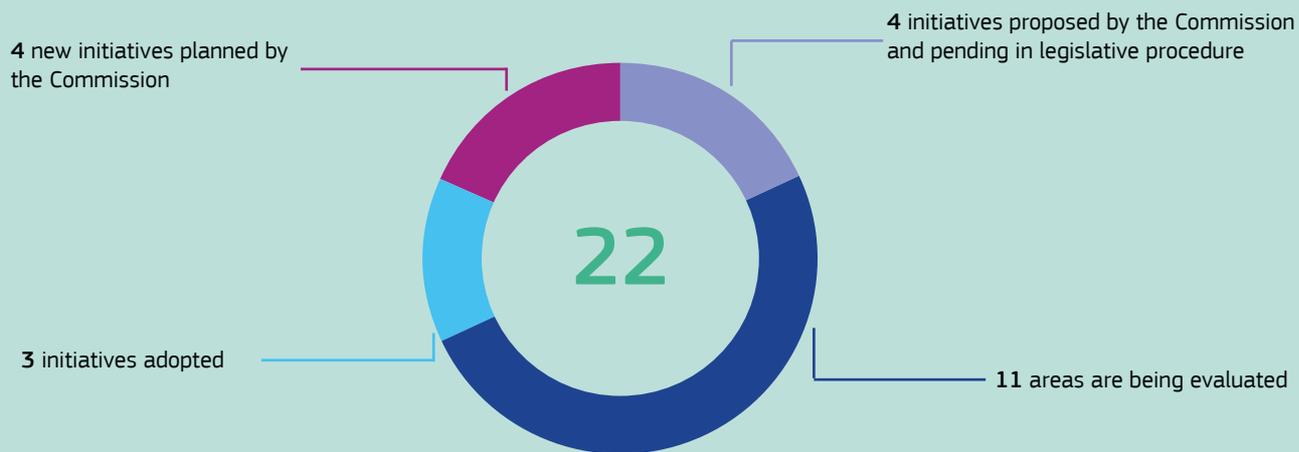
Boosting jobs, growth and investment in a sustainable manner is key to increase the welfare of Europe's citizens and the competitiveness of its business. In order to ensure that unnecessary costs are removed and rules are as effective and efficient as possible, since 2015 the Commission has made 7 proposals under REFIT, 4 of which are pending adoption by the legislator, plans 4 further initiatives for 2018 and is evaluating 11 areas.

### Results and achievements – examples

- **Waste** – setting more ambitious targets for recycling and landfilling will bring net savings of € 1.3 billion annually. For the period up to 2035, savings could reach € 25 billion, 160 000 jobs could be created and greenhouse gas emissions could be reduced by 550 million tonnes<sup>1</sup>.

<sup>1</sup> Data of savings and benefits are included in the impact assessment of the respective initiative.

## REFIT initiatives



- **Agriculture** – Common Market Organisation – rationalising regulations in this area will cut administrative burden for economic operators and national administrations by reducing more than 200 existing Commission Regulations into 40 implementing and delegated acts. 22 of these acts have already been adopted.

### Work under way – examples

The Commission will shortly present a Communication on the modernisation and simplification of the Common Agricultural Policy (CAP), which will feed into the Commission proposal on the CAP post-2020. Based on its evaluation of the Fisheries Control Regulation the Commission will propose to simplify the fisheries control system. The legal framework on marketing standards will be evaluated to make sure it remains fit for purpose:

- The review of the **Common Agricultural Policy** for the post-2020 period will aim at simplification and increased efficiency and maximise the contribution of the CAP to the Commission's priorities and the Sustainable Development Goals. – Overall, 9 opinions<sup>2</sup> of the **REFIT Platform** were adopted during the course of 2016 and 2017 and are providing input to this process.
- A review of the **EU fisheries control system** will reduce administrative burden, for example by streamlining reporting requirements, promoting the

use of harmonised IT tools and by harmonising the catalogue of serious infringements. The **REFIT Platform** recognised that certain provisions of the current legislative framework can create regulatory burden for businesses and public administration and recommended a proportional application of the Control regulation.

- An evaluation of **EU marketing standards** will help to assess the coherence of the legislative framework in this area as well as to identify simplification potential. The evaluation is supported by the **REFIT Platform**, which recommended that different options should be examined to ensure the effectiveness and efficiency of the EU regulatory framework on marketing standards for fresh fruit and vegetables.
- A proposal on the use of **hazardous substances in electrical and electronic equipment** would reduce costs and administrative burden for business and public authorities, create additional market opportunities for repair industries and secondary selling, have positive social impact, including for EU hospitals, which would save about €170 million after 2019, from maintaining the possibility to resell and buy used medical devices. The exclusion of pipe organs from the Directive's scope would also help avoid the loss of up to 90% of jobs in the sector and the annual loss of up to € 65 million by 2025.

### The REFIT Platform

The REFIT Platform adopted a total of 14 opinions under priority area 1 in 2017. Further to the follow-up indicated above, the Platform also adopted 2 opinions in the area of **Regional Policy** and 1 on its **interlinkage with competition policy**. The results of the Platform's work in this area are shared with the High Level Group on Simplification of the European Structural and Investment Funds. In the field of **environment**, the REFIT Platform adopted 2 opinions on hydraulic fracturing and Best Available Techniques in the chemicals industry (BREF) ) and the REACH authorisation process. With regard to hydraulic fracturing, an assessment of the effectiveness of the current policy approach on unconventional fossil fuels will be undertaken at the latest in 2019. Regarding BREFs, work is ongoing via the Seville process to ensure that the BREF review process is effective and efficient.

<sup>2</sup> 3 opinions adopted in 2016 and 6 adopted in 2017

## Overview of Priority 1 REFIT Initiatives taken by the present Commission:

### Initiatives adopted:

1. Simplification of Commission-level regulations linked to the Regulation on a Common Organisation of the Markets in agricultural products (CMO Regulation) – 22 acts already adopted
2. Adjustment of secondary legislation related to greening (Commission Delegated Regulation (EU) 2017/1155 of 15 February 2017 amending Delegated Regulation (EU) No 639/2014)
3. Implementing Regulation on REACH adopted in 2016

### Initiatives proposed by the Commission and pending in legislative procedure:

1. Circular Economy Package (revised legislative proposals on waste)
2. New simplified technical measures framework for the Protection of Marine Organisms
3. Sustainable management of external fishing fleets (revision of the current Fishing Authorisation Regulation)
4. Proposal to amend restrictions on the use of hazardous substances in electrical and electronic equipment

### Initiatives planned by the Commission:

1. CAP post-2020
2. Revision of the Drinking Water Directive
3. Review of the Fisheries Control System
4. Implementing act on a standard format and frequency of reporting in the area of Waste electrical and electronic equipment.

### Areas being evaluated:

1. Greening (payment for agricultural practices beneficial for the climate and the environment under the CAP)
2. Marketing Standards – for food products
3. CAP measures applicable to the wine sector
4. State aid rules in agriculture – instruments applicable to state aid in the agricultural and forestry sectors and in rural areas
5. POSEI programme (agricultural measures carried out for the outermost regions)
6. REACH Regulation 1907/2006/EC
7. European Pollutant Release and Transfer Register – Regulation 166/2006/EC
8. Strategic Environmental Assessment Directive
9. Keeping of wild animals in zoos – Directive 1999/22/EC
10. Urban Waste Water Treatment
11. Policy framework for bilateral Sustainable Fisheries Partnership Agreements with third countries

## Priority 2

# SIMPLIFICATION AND BURDEN REDUCTION IN THE DIGITAL SINGLE MARKET

Andrus Ansip, Vice-President for the Digital Single Market



*I want online platforms and the audiovisual and creative sectors to be powerhouses in the digital economy, not weigh them down with unnecessary rules. They need the certainty of a modern and fair legal environment: that is what we are providing today.*

Making the EU's Single Market fit for the digital age could contribute € 415 billion per year to the EU economy<sup>3</sup> and create hundreds of thousands of new jobs.

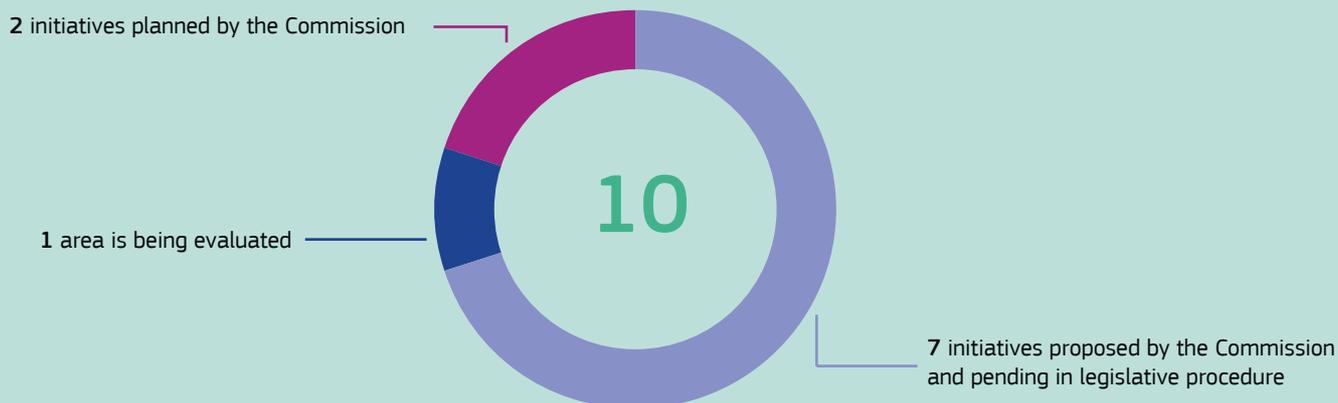
In order to ensure that unnecessary costs are removed and rules are as effective and efficient as possible, since 2015 the Commission has made 7 proposals under REFIT, all of which are pending adoption by the legislator. 2 initiatives are planned for 2018 and 1 area is being evaluated.

### Results and achievements – examples

- Simplification of **VAT for cross-border e-commerce** will extend a One-Stop-Shop to online sales to consumers and allows business to fulfil their EU wide VAT obligations for these sales in the Member State established. The proposal is expected to reduce VAT compliance costs for businesses and particularly SMEs by **€ 2.3 billion a year** and increase VAT revenues for Member States by **€ 7 billion per year**.

<sup>3</sup> Mid-Term Review of the Digital Single Market Strategy: [https://ec.europa.eu/commission/priorities/digital-single-market\\_en](https://ec.europa.eu/commission/priorities/digital-single-market_en)

## REFIT initiatives



- The revised **Audio-visual Media Services Directive (AVMSD)** will create a single European market for audio-visual media services and make current rules more flexible and simple. Savings will result from the simplification of the country of origin principle in the area of commercial communications and amount to **€5.3 million per year** for EU regulators. Economic benefits resulting from the flexibility of the 12 minutes rule could reach **€122 million** for one TV broadcasters, economic benefits related to product placement can go up to **€1.2 million per year** for the EU and for sponsorships (promotional references to goods or services) up to **€441 million for the EU per year**.
- The **Telecoms regulatory framework** has been reviewed to keep up with technological progress such as 5G. Administrative costs of market reviews could be reduced by 10–15% and more consistent spectrum assignment is estimated to generate total benefits of **€146.5 billion a year**.
- **ePrivacy**: The Commission provided follow-up to the recommendations of REFIT Platform in its proposal on a revision of ePrivacy of 10 January 2017. The **REFIT Platform** recommended strengthening the protection of privacy through an alignment with the General Data Protection Regulation, to ensure that exceptions to the ‘consent’ rule for cookies are possible provided that they do not create any privacy risk, to address national implementation problems and facilitate the exchange of best practice.
- **Free Flow of Data**: The Commission provided follow-up to the recommendations of the **REFIT Platform** in its proposal on the free flow of non-personal data in the digital single market, adopted on 13 September 2017. The **REFIT Platform** noted that localisation requirements on data are often legacy requirements and no longer in line with the digital evolution. The Stakeholder group therefore recommended the Commission to issue a Regulation which ensures the free flow of data in the EU and bans data localisation measures with few clear exceptions, such as national security interests.

### Work under way – examples

In the coming months, the Commission will propose to simplify rules on the .eu top-level domain and on the re-use of public sector information. Rules on the legal protection of databases will be evaluated to ensure it remains fit for purpose:

- A review of legislation on the **re-use of public sector information** will create opportunities to open up government data for the benefit of society, reduce regulatory costs and simplify the existing legislation.
- A review of the **.eu. top level domain** will reduce administrative burden and simplify the management of the .eu domain in order to offer better and more efficient services to citizens and businesses.
- An evaluation on the **legal protection of databases** will analyse the functioning of the Database Directive, with a special focus on the sui generis protection of databases. It will also examine whether the Directive is still fit-for-purpose in view of recent technological, economic and legal developments, in particular in an increasingly data-driven economy.

### The REFIT Platform Stakeholder Group on e-privacy

*It is essential to review the rules applying to cookies and similar techniques to ensure futureproof measures to protect users, promote privacy-friendly technologies, simplify rules for SMEs and allow greater flexibility for those tools that do not pose any privacy risks whatsoever.*

## Overview of Priority 2 REFIT Initiatives taken by the present Commission:

### Initiatives proposed by the Commission and pending in legislative procedure:

1. ENISA (European Union Agency for Network and Information Security)
2. Revised Audiovisual Media Services Directive
3. Satellite and Cable Directive 93/83/ECC
4. Regulatory framework for electronic communications networks and services (Telecoms regulatory framework)
5. Directive on Privacy and Electronic Communications Free Flow of Data
6. Free Flow of Data – initiative on the free flow of non–personal data in the digital single market
7. VAT for cross–border e–commerce (extension of the VAT Mini One Stop shop)

### Initiatives planned by the Commission:

1. .eu Domain Name Regulation
2. Review of Public Sector Information

### Areas being evaluated:

1. Legal protection of databases



## Priority 3

# SIMPLIFICATION AND BURDEN REDUCTION FOR THE ENERGY UNION AND FOR CLIMATE CHANGE POLICY

Violeta Bulc, Commissioner for Transport



*The EU has a unique opportunity to not only lead the modernisation of road transport at home, but also globally. Our reforms will set the foundation for standardised, digital road solutions, fairer social conditions and enforceable market rules. They will help decrease the socio-economic costs of transport, like time lost in traffic, road fatalities and serious injuries, health risks from pollution and noise, whilst serving the needs of citizens, businesses and nature.*

A European Energy Union will ensure that Europe has secure, affordable and climate-friendly energy. Wiser use of energy reduces our ecological footprint and at the same time is a spur for new jobs and growth and an investment in Europe's future. Building an Energy Union also requires looking at existing legislation and making sure it is fit for purpose, as simple as possible and with no unnecessary costs and burdens, making sure EU energy, climate and transport legislation can fully deliver on its ambitious objectives and benefits. To that end, the Commission has made 6 proposals under REFIT since 2015, all of which are

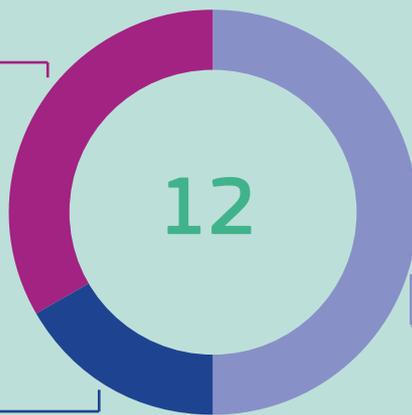
pending adoption by the legislator. 4 new initiatives are planned for 2018 and 2 areas are being evaluated.

### Results and achievements – examples

- **Energy performance of buildings** – the removal of the obligation to conduct studies on the feasibility of high efficiency alternative systems for new buildings is expected to lead to costs savings of app. **€ 200 million/year**. Furthermore, additional measures proposed are expected to reduce the administrative burden of the Directive by **€ 98.1 million/year**.

## REFIT initiatives

4 new initiatives planned by the Commission



6 initiatives proposed by the Commission and pending in legislative procedure

2 areas are being evaluated

- By streamlining **reporting obligations** across Energy Union policy areas, savings of **€ 340.000 annually** could be achieved by Member States (€ 3.4 million over the period 2020–2030)
- The changes proposed for the **Eurovignette** have the potential to reduce congestion costs by **€ 1.5 billion annually** (€ 9 billion by 2030), improve public health and reduce costs of air pollution and accidents by **€ 60 million annually** (€ 0.37 billion by 2030) and generate up to 208 000 new jobs and additional benefits of 0.19% GDP.
- **Electronic road toll systems**: the Commission proposal is expected to bring cumulated net savings in regulatory burden of **€ 31 million annually** (€ 254 million over the period 2018–2025).
- **Binding annual greenhouse gas emission reductions** – the revised Regulation is expected to reduce costs associated with compliance monitoring and reporting by approx. **€ 0.57 million per year** over a 10 year period.

### Work under way – examples

In the coming months the Commission will assess rules on energy taxation to ensure they remain fit for purpose:

- **Combined Transport**: Further to an evaluation in 2016 the Commission plans to improve the effectiveness and efficiency of rules on combined transport and simplify eligibility criteria for support in order to encourage the use of non-road transport modes on long distance freight transport.
- An evaluation of the **Energy Taxation** directive will assess whether legislation remains fit for purpose and identify opportunities to reduce regulatory costs and simplify procedures.

### Overview of Priority 3 REFIT Initiatives taken by the present Commission:

#### Initiatives proposed by the Commission and pending in legislative procedure:

1. Effort Sharing Regulation
2. Renewable Energy
3. Energy performance of buildings
4. Energy Union Governance – Streamlining of Planning and Reporting obligations
5. Revision of the Eurovignette Directive
6. European Electronic Toll Service

#### Initiatives planned by the Commission:

1. CO<sup>2</sup> emissions from cars
2. CO<sup>2</sup> emissions from vans
3. Combined Transport
4. Promotion of Clean and Energy-efficient Road Transport Vehicles

#### Areas being evaluated:

1. Ozone regulation
2. EU legal framework for energy taxation (Energy Taxation Directive)



## Priority 4

# SIMPLIFICATION AND BURDEN REDUCTION FOR A DEEPER AND FAIRER INTERNAL MARKET

Jyrki Katainen, Vice-President for Jobs, Growth, Investment and Competitiveness



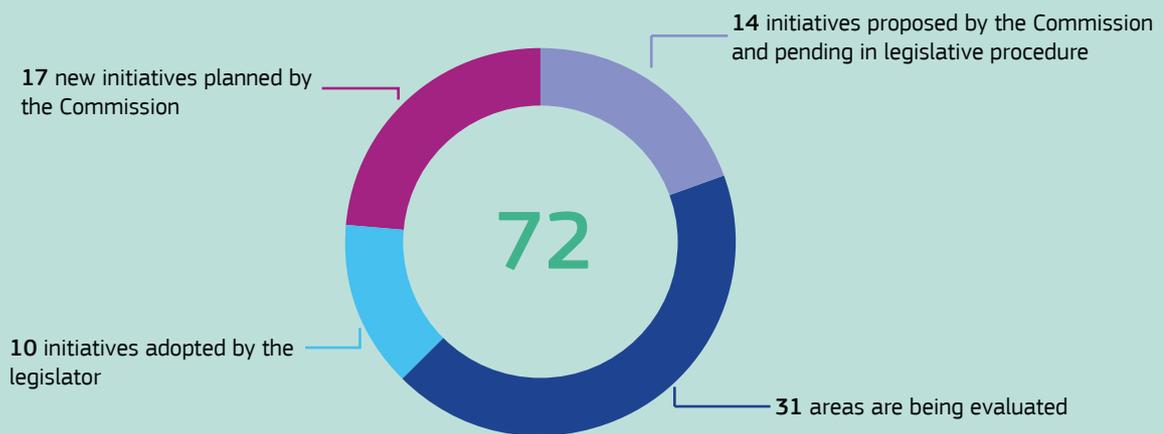
*Our aim is to simplify rules on financial derivatives as well as to eliminate disproportionate costs and burdens to small companies in the financial sector, corporates and pension funds. The targeted changes to the European Market Infrastructure Regulation (EMIR) will deliver real benefits for the industry, without endangering financial stability. Building on consultations with stakeholders, this is a prime example of better regulation.*

Net of one-off adjustment costs, Single Market legislation generates direct savings for companies to the extent that it replaces national regulatory regimes with an EU-wide one. The Single Market is one of Europe's greatest assets. It is an engine for building a stronger and fairer EU economy, creating the jobs, growth and competitiveness advantages Europe needs. More integrated and deeper capital markets will channel more funding to companies, especially SMEs, and infrastructure projects. Better worker mobility will let people move more freely where their skills are needed. And combatting tax evasion and tax fraud will ensure that all contribute their fair share. Regulatory Fitness initiatives contribute to these objectives by making sure existing

legislation on the Single Market is fit for purpose and can fully deliver on its objectives and benefits in a way as simple as possible and without undue burdens.

In order to ensure that unnecessary costs are removed and rules are as effective and efficient as possible, since 2015 the Commission has made 24 proposals under REFIT, 14 of which are pending adoption by the legislator. 17 new initiatives are planned for 2018 and 31 areas are being evaluated. REFIT initiatives are being pursued in a number of policy areas including competition; financial services; health and food safety; internal market, industry, entrepreneurship and SMEs; transport and mobility and taxation and customs.

## REFIT initiatives



### Results and achievements – examples

- **Veterinary medicines and medicated feed:** Simplification of the legislation would cut costs by at least **€ 145 million** per year and **€ 12 million** per year respectively.
- **Derivative Rules (EMIR):** Simpler and more proportionate rules are expected to save **up to €2.6 billion** in operational costs and **up to €6.9 billion** in one-off costs to market participants.
- **European Venture Capital and European Social Entrepreneurship Fund Regulations:** The update is expected to lead to a total cost saving for cross-border marketing business of up to **€ 32 million** over the next 5 years (€ 6.4 million annually).
- **Prospectus Directive:** The review proposes a new alleviated disclosure regime for secondary issuances which could translate into savings of approx. **€ 130 million per year**. In parallel, the development of the new EU Growth prospectus is estimated to result in SMEs saving collectively around **€ 45 million per year**.
- **Common Consolidated Corporate Tax Base (CCCTB):** The relaunch aims at reforming corporate taxation in the EU and could lead to one-off savings of up to **€ 1 billion annually** if 5% of medium-sized enterprises and companies would expand abroad. If all multinational entities would apply CCCTB, a decrease of **€ 0.8 billion annually** in compliance cost could be observed.
- **Definitive VAT system (1st step):** the new system proposed should reduce cross-border fraud by about **€ 40 billion (80%) annually** in the EU, enabling tax administrations to concentrate resources on other challenges. Collectively, businesses could save an average of around **€ 1 billion annually**.

- **Single Digital Gateway** – Through a single entry point, the Single Digital Gateway will make it easier for anyone interested in living, working or doing business in another EU country to find not only information about rules and procedures, but also assistance services and access to national procedures through one user-friendly interface in a language they can understand. The Single Digital Gateway could help companies save more than **€ 11 billion per year**, and EU citizens up to 855 000 hours of their time annually. – This initiative was taken in follow-up to two **REFIT Platform** opinions.

### REFIT Platform Stakeholder Group on the Single Digital Gateway

*To create a true online business portal for both goods and services to focus on business needs, further administrative simplification sharing best practices between countries and incorporating and fully exploiting digital tools.*

- The **European Services Card** aims to introduce a EU-level harmonised procedure for service providers to expand operations across borders, completely electronic, multilingual, data-based (not document based), under a once-only approach and, to some extent, a one-stop-shop approach, relying on structured administrative cooperation between Member States. It is expected to reduce cross border administrative complexity for services providers by up to 50%.

### Work under way – examples

- **Internal market for goods** – The Commission will propose a set of measures in the coming months related to market surveillance and mutual recognition aiming at improving the Internal market for goods.
- **Transport:** Initiatives on training and certification for seafarers, passenger ship safety, road infrastructure and tunnel safety, port reception facilities, airport charges, air services and in the area of bus and coach transport following up on an opinion by the **REFIT Platform** will make sure that the legislative framework remains fit for purpose and that regulatory and administrative burden are kept to a minimum.
- **Construction Products:** The Commission is reviewing rules ensuring their effectiveness and efficiency as a follow up to two **REFIT Platform** opinions<sup>4</sup>.
- **SME Definition:** A revision will ensure that the definition is fit for purpose and adapted to current economic conditions.

- The **simplified state aid rule for public investment in ports and airports, culture and the outermost regions (General Block Exemption Regulation)** is expected to reduce administrative and regulatory burden annually by up to **€ 27 million** for companies and public authorities.
- Clearer, simplified and modernized **market access legislation in road freight transport** is expected to save **between € 346 million and € 460 million annually** (€ 5.2 and 6.9 billion over the period 2020–2035) for the benefit of businesses and public administrations.
- Clearer administrative procedures and rules in the area of **training, qualification and licensing in road transport** would produce cost savings for businesses and drivers accounting for respectively up to **€ 191.000 and € 558.000 annually** (up to € 2.3 million and € 6.7 million respectively over the period 2018–2030).
- Removing overlaps and simplifying the existing **EU passenger ship safety regulatory framework** will save up to **€ 1 million a year**.
- Updated rules, lower administrative burdens and streamlined control requirements in the area of **social legislation in road transport** will decrease administrative costs for transport operators by **€ 785 million per year**
- The modernisation of the legislative framework for the **use of hired vehicles** is expected to save approx. **€ 12.8 million** a year to operators, with the vehicle fleet in 2030.

- **VAT:** The remaining measures announced in the VAT Action Plan such the SME VAT simplification package and the reform of VAT rates will be proposed by end of 2017, following up also on an the opinion of the **REFIT Platform**. The Platform opinion on **composite supplies** will be followed up in the context of the work of the EU VAT Forum. The proposal on the definitive VAT system/2d step, implementing the one on adopted in October, will be adopted in 2018.
- **Excise Duties:** Updated rules will be proposed to improve legal certainty of the Alcohol Structures Directive, contributing thus to reducing administrative burden and following up on the REFIT Platform opinion on EU laws on wine and spirits.
- **Standardisation Policy:** An action plan will improve the efficiency of the standardisation system and reduce backlogs and improve practices in the publication of references to standards in the Official Journal of the EU. This initiative was taken in follow-up to a **REFIT Platform** opinion.

<sup>4</sup> One adopted in 2016 and one adopted in 2017

## The REFIT Platform

The REFIT Platform adopted 15 opinions under this priority in 2017 which are followed up by both legislative and non-legislative measures. In addition to the follow up referenced to above, this includes the following actions. On the **Single Market Transparency Directive** the Platform called for more clarification of the notification procedure, which the Commission will follow-up in co-operation with the Member States. On the **Internal Market Information System and the Single Market Center**, the Platform's recommendations to further expand IMI, strengthen SOLVIT and allocate sufficient human and financial resources to them so they can operate efficiently and have enough visibility as well as calls upon Member States to set up single market centres will be considered in the context of the continuous improvement of those systems; **Late Payments** – building on the results of a recent evaluation, the opinion which aims at creating better synergies with the existing public procurement framework, to ensure prompt payment of sub-contractors, feeds ongoing work to improve the implementation of the Directive; **European Single Procurement Document** – the opinion feeds the efforts in improving the implementation of this tool; on **plugs and sockets** the Commission will increase its co-ordination efforts with Member States to ensure that the Single Market is preserved and strengthened to the benefit of both consumers and responsible manufacturers. In the field of health and food safety, the Platform adopted 3 opinions: **Pesticides residues** and on **traditional herbal medicines** – the opinions will be followed up through the ongoing evaluations on the pesticides legislative framework and on the health claims regulation; **Labelling of Vegan and Vegetarian food** – the opinion will feed into an implementing act for which preparatory work will start in 2019. The final opinion under this heading concerns **Diploma recognition** which was addressed by the recently amended Professional Qualification Directive.

## Overview of Priority 4 REFIT initiatives taken by the present Commission

### Initiatives adopted by the legislator:

1. European Long Term Investment Funds (ELTIF)
2. Insurance Distribution
3. Review of the Prospectus Directive
4. Standard Procurement Document
5. Standard forms for public procurement
6. Animal health law
7. Official controls on the agri-food chain
8. Plant health
9. Zootechnical legislation
10. General Block Exemption Regulation: extension to ports and airports and culture and outermost regions

### Initiatives proposed by the Commission and pending in legislative procedure:

1. EMIR – European Market Infrastructure Regulation
2. Review of the European Venture Capital (EuVECA) and European Social Entrepreneurship (EuSEF) Fund regulations
3. Digital Single Gateway
4. Services e-card
5. Market access rules in road freight transport
6. Passenger Ship Safety
7. Training, Qualification, Licensing in Road Transport
8. Enhancement of the social legislation in road transport
9. Use of hired goods vehicles
10. Union certification system for aviation security screening equipment
11. Veterinary medicines
12. Medicated feed
13. Common Consolidated Corporate Tax Base (CCCTB)
14. Towards a definitive VAT system for cross border trade (1st step)

### Initiatives planned by the Commission:

1. Prudential treatment of investment firms
2. Mutual Recognition for goods
3. Enforcement and compliance – Single Market for goods
4. Outdoor noise directive
5. SME definition
6. Small Passenger Ship – Council Recommendation providing a common non-binding benchmark at EU level for the safety of passenger ships below 24 meters in length
7. Road Infrastructure and Tunnel Safety
8. Port Reception Facilities
9. Better functioning of the market for bus and coach transport
10. European Maritime Single Window environment
11. Food information – Commission assistance for implementation and application of food information rules set out in Regulation (EU) No 1169/2011
12. General arrangements for excise duty
13. Excise duties on alcohol and alcoholic beverages
14. Tobacco Excise – structure and rates of excise duty applied to manufactured tobacco
15. VAT rates
16. SME VAT Package
17. Cross-border distribution of alternative investment funds and UCITS

## Overview of Priority 4 REFIT initiatives taken by the present Commission:

### Areas being evaluated:

1. Simplified procedure for Merger Control
2. Procedural and jurisdictional aspects of EU merger control
3. Simplified Procedure Notice for State Aid
4. Fitness Check on reporting requirements in the area of Finance
5. Motor insurance directive
6. Directive 2014/92/EU on payment accounts
7. Evaluation of Directive 2014/95/EU on disclosure of non-financial information
8. Construction Products Regulation
9. Enforcement of Intellectual Property Rights
10. European Observatory on Infringements of Intellectual Property
11. Lifts Directive
12. Machinery Directive
13. Chemicals legislation (other than REACH)
14. Design System – Directive 98/71/EC on the legal protection of designs
15. Aerosol Dispensers – Directive 75/324/EEC on aerosol dispensers
16. Liability for defective products
17. Detergents – Detergents Regulation (EC) No 648/2004
18. Low voltage directive
19. EMC directive
20. Drug precursors Regulation
21. Maritime acquis
22. Nutrition and Health Claims made on Food
23. Pesticides – placing on the market of plant protection products and maximum residue limits setting
24. General Food Law
25. Feed additive legislation
26. Food contact materials
27. Fee system of the European Medicines Agency
28. Blood and tissues & cells – policy framework for blood and tissues & cells – Directives 2002/98/EC and 2004/23/EC
29. Food Irradiation – Directive 1999/2/EC concerning foods and food ingredients treated with ionising radiation
30. VAT Invoicing directive
31. Training and certification of seafarers



## Priority 5

# SIMPLIFICATION AND BURDEN REDUCTION FOR A DEEPER AND FAIRER ECONOMIC AND MONETARY UNION

Marianne Thyssen, Commissioner for Employment, Social Affairs, Skills and Labour Mobility

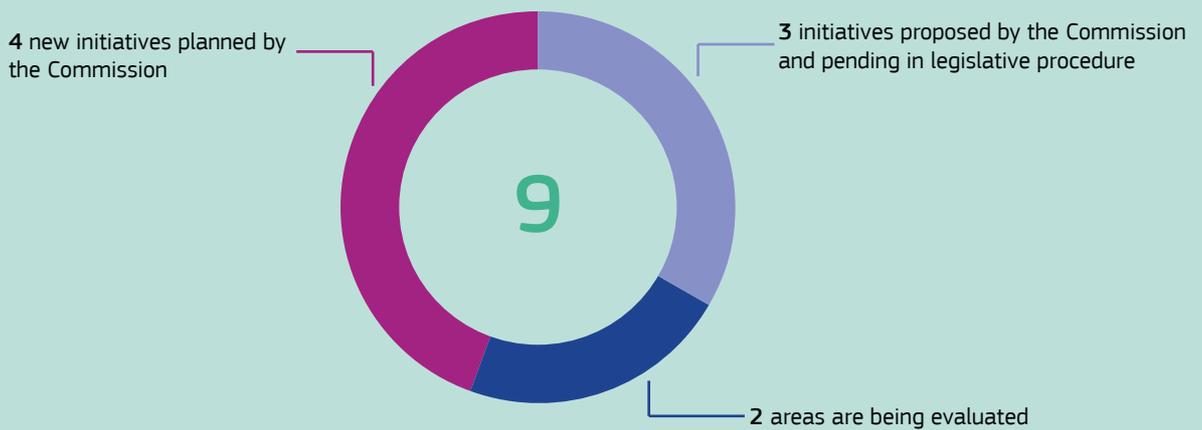


*Of the six Sustainable Development Goals (SDGs) related to agriculture and nutrition, data for four of them are provided by Eurostat, based among others on European agricultural statistics. Modernising and improving these data will allow for more targeted, efficient and effective interventions to meet important goals such as mitigating climate change and providing environmental services.*

The Commission is working for a deeper and fairer Economic and Monetary Union in line with the report of the Five Presidents. Initiatives under REFIT are contributing to this goal by ensuring that legislation in the areas of financial stability and financial services, social affairs and employment statistics remains fit for purpose, is as simple as possible and does not create undue burdens.

In order to ensure that unnecessary costs are removed and rules are as effective and efficient as possible, the Commission has made 3 proposals under REFIT since 2015, which are pending adoption by the legislator. Four new proposals are planned for 2018 and 2 areas are under evaluation.

## REFIT initiatives



### Results and achievements – examples

- The Commission provided follow-up to the recommendations of the **REFIT Platform** with its **Framework Regulation Integrating Business Statistics (FRIBS)** – FRIBS integrates 10 legislative acts on EU business statistics into one legal framework to facilitate the modernisation of statistical production at national level and reduce burdens to businesses – savings have been estimated at up to **€ 93 million per year**.
- **Integrated Farm Statistics** – the Regulation replaces 2 legislative acts by one, modernising and simplifying the current statistical system. Savings are estimated at up to **€ 56 million per survey year**.
- **Integrated Social Statistics** – the initiative will repeal 2 legislative acts and it is likely to deliver costs savings between **€ 3.1 million and 34 million per year** for businesses and public administrations depending on the implementation at national level.

### Work under way – examples

In the coming months, the Commission will propose to review rules on cross-border payments. As a result of its evaluation in the area of Occupational Safety and Health, it envisages to update over the next two years obsolete/ outdated provisions in several OSH-related Directives.

- **Cross-border payments** – the scope of the Regulation will be extended to all non-euro currencies in the EU. This is expected to improve disclosure and reduce fees in cross-border

transactions in particular with respect to and from non-euro Member States.

- **Occupational Health and Safety** – following the results of an evaluation, the Commission has launched a two year programme aiming at removing or updating outdated provisions in several Directives, starting with 6 directives in the area of workplaces, display screen equipment, health and safety signs, biological agents, medical assistance and on personal protective equipment. This will ensure clearer, more coherent and more relevant rules, simplifying and reducing unnecessary administrative burdens where possible, while maintaining or improving workers' protection.
- **Written Statements Directive** – the Commission will present a proposal to improve the transparency and legal predictability of employment contracts
- **European Social Security Number**: In the context of social security coordination and related to a **REFIT Platform** opinion on the subject, the Commission is planning an initiative on introducing a European Social Security Number. This will aim at facilitating the identification of persons across borders, and the quick and accurate verification of their social security insurance coverage. Benefits will include simplifying the interactions with administrations and helping citizens to exercise their EU social security rights. It could lead to a reduction of administrative burden for national administrations and help in combating fraud and abuse.

## Overview of Priority 5 REFIT initiatives taken by the present Commission:

### Initiatives proposed by the Commission and pending in legislative procedure:

1. Framework Regulation Integrating Business Statistics (FRIBS)
2. Framework regulation for the production of European statistics on persons and households (Integrated European Social Statistics)
3. Framework Regulations in Agricultural Statistics

### Initiatives planned by the Commission:

1. Occupational Health and Safety (technical updates)
2. Written Statement Directive
3. European Social Security Number
4. Regulation (EC) N°924/2009 on cross-border payments

### Areas being evaluated:

1. European Works Council
2. Evaluation of the Part-Time and Fixed-Term Work Directives



## Priority 6

# SIMPLIFICATION AND BURDEN REDUCTION FOR A BALANCED AND PROGRESSIVE TRADE POLICY TO HARNESS GLOBALISATION

Cecilia Malmström, Commissioner for Trade on the recast of export controls for dual use items



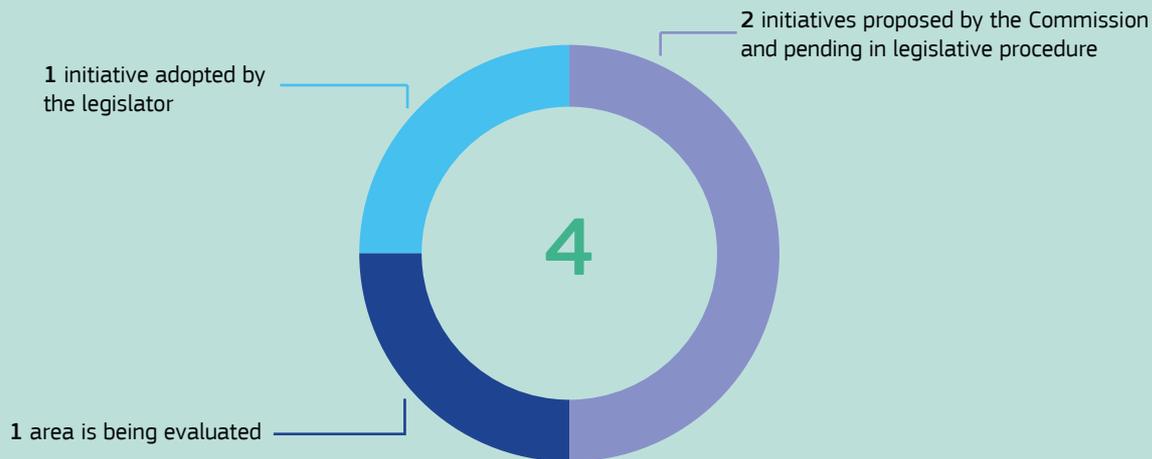
*We are living in turbulent times. Preserving peace and protecting human rights are core objectives of the EU and our trade policy is essential to that aim. That's why we are proposing a set of modern rules to make sure that exports are not misused to threaten international security or undermine human rights.*

EU trade policy is working to create a global system for fair and open trade. By lowering barriers to market access, it reduces compliance costs for exporting firms. Trade also brings lower prices and a wider variety of goods to the consumer and helps businesses make the most of global opportunities thus boosting growth, jobs, competitiveness and investment in the EU. REFIT contributes to the achievement of trade policy goals by ensuring relevant legislation delivers on its objectives

in the simplest way with the least costs for companies, citizens and public administrations.

In order to ensure that unnecessary costs are removed and rules are as effective and efficient as possible, the Commission has made 3 proposals under REFIT in this area, 2 of which are pending adoption by the legislator, and one area is being evaluated.

## REFIT initiatives



### Results and achievements – examples

- **Dual-use Export Controls:** The Commission proposal for a modernisation of EU export controls adopted in September 2016 simplifies control processes and reduces administrative burdens for business and public administrations (approximately four times less costly for companies, and up to 11 times less costly for licensing authorities). The overall cost-reduction may amount to 40% due to the reduction of the number of products subject to control on transfers within the EU. The proposal also contains amendments to certain key control provisions in order to improve legal clarity and reduce compliance costs due to complex and unclear control provisions.
- **Trade Defence – anti-dumping, anti-subsidy:** The proposal improves the effectiveness and efficiency of

the anti-dumping and anti-subsidy regulations by increasing transparency, predictability and legal certainty, improving enforcement and facilitating the cooperation of all stakeholders concerned. It is pending in legislative procedure since 2013, and is currently being discussed in trilogue meetings between the Commission, the Council and the European Parliament.

### Work under way – examples

The Commission currently carries out an evaluation of the General Systems of Preferences which should be concluded at the end of 2017. The Commission will also finalise Free Trade Agreements with Japan, Singapore and Vietnam and pursue negotiations with Mexico and the Mercosur.

#### Overview of Priority 6 REFIT initiatives taken by the present Commission:

##### Initiatives adopted by the legislator

1. Common rules for imports of textile products

##### Initiatives proposed by the Commission and pending in legislative procedure:

1. Reform of the Trade Defence Instruments
2. Review of dual-use export controls

##### Areas being evaluated:

1. General Systems of Preferences



## Priority 7

# SIMPLIFICATION AND BURDEN REDUCTION FOR UPHOLDING THE RULE OF LAW AND LINKING UP EUROPE'S JUSTICE SYSTEMS

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Věra Jourová, Commissioner for Justice, Consumers and Gender Equality:



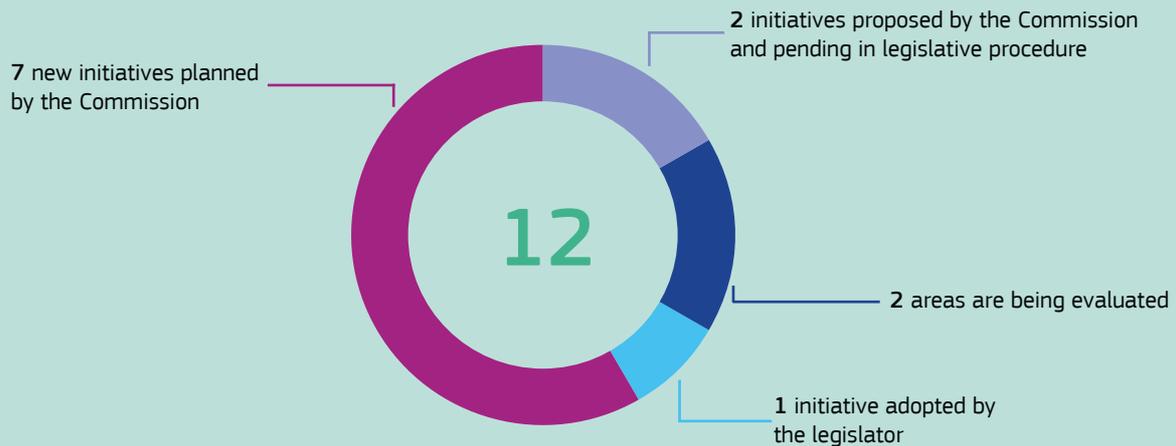
*European consumers are amongst the best protected in the world. They benefit from strong consumer rights whether they buy in their own country or cross-border. We need to make sure that these rights can also be properly enforced and are brought up-to-speed with the digital age. With the upcoming proposals we will make sure these rights become a reality online and offline.*

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A borderless and seamless European justice area will ensure that citizens can rely on a set of rights all across the continent while upholding the rule of law. The EU strives to make life easier for Europeans so that citizens feel at ease and trust that their rights are protected and their security guaranteed, no matter where they are in the European Union.

In order to ensure that unnecessary costs are removed and rules are as effective and efficient as possible, since 2015 the Commission has made 3 proposals under REFIT, 2 of which are pending adoption by the legislator. Seven new initiatives are planned for 2018 and 2 areas are being evaluated.

## REFIT initiatives



### Results and achievements – examples

- **Consumer Protection Cooperation:** A review of rules on the cooperation between national consumer protection authorities is expected to deliver simplification and burden reduction benefits for national authorities and businesses of up to **€ 299 million per year**.
- **Recognition and enforcement of judgements in matrimonial matters and parental responsibility (Brussels IIa Regulation):** Procedures for the return of abducted children, on custody and access, on the cross-border placement of children and on child protection measures in cross-border cases will be simplified. Abolishing certain requirements could cut costs of about **€ 347 million per year** for specialised legal advice or for obtaining the specific authorisation for the enforcement of a judgement.

### Work under way – examples

In the coming months, the Commission will propose to simplify rules to reduce burden on businesses, helping consumers, facilitating the free movement, increasing internal security and enhancing modernisation taking into account new technologies.

- **The EU Company Law package** will simplify company law related procedures and reduce the administrative burden for companies and public authorities by use of digital procedures. With more than 2 million new companies registering in the EU each year, there could be a significant economic impact in both cross-border and domestic registrations. The cost for online registration is significantly cheaper than the paper-based registration. Further streamlining of the rules would increase cross-border mergers and other cross-border operations could also be facilitated, opening up a bottleneck in economic activity across the EU.

- **A new deal for consumers:** The ‘New Deal for Consumers’ announced by the Commission in September 2017 includes a review of the substantive and procedural consumer protection rules under the REFIT programme that was kicked-off with the Fitness Check evaluation published in May 2017. The review of the substantive rules includes reduction of the overlapping information requirements, enabling the use of modern means of distance communication with consumers and simplifying some of the rules on the right of withdrawal. These simplifications could generate cost reductions and alleviate administrative burdens for traders. Savings for traders could also arise thanks to further harmonising the injunctions procedure.
- **Identity and residence documents:** A possible legislative proposal would aim at enhancing the security and common features of identity and residence documents and facilitate their acceptance by public authorities and businesses. This would promote the exercise of free movement, contribute to an increased internal security and reduce the costs to private and public service providers and authorities now due to administrative delays and processing times. This proposal follows up on an opinion of the **REFIT Platform**.

#### REFIT Platform on identity and residence documents

*The REFIT Platform encourages the Commission to analyse the feasibility of harmonising identity and residence documents, or any of their key features, with a view to facilitating free movement and tackling the challenges encountered by EU mobile citizens in their host countries.*

- **Regulation on service of documents:** The revision envisages modernising services taking into account new technologies, to promote the use of more direct and cheaper methods of judicial assistance (such as the service by post) and reinforce the right of the defence for parties with residence in another Member State. It is estimated that the revision could generate savings of about **306 million per year for citizens alone**.
- **Regulation on marketing and use of explosives precursors:** A revision of the regulation will strengthen the protection against the illicit use of explosives precursors by improving the effectiveness and efficiency of the EU restrictions and controls. The regulation will be evaluated at the same time and various policy options will be assessed. An opinion of the **REFIT Platform** recommends that the Commission should explore opportunities for facilitating a unified application of the Regulation in the Member States and clarify requirements on supply chain actors.
- **Regulation on taking of evidence:** The regulation will be modernized to address issues of keeping up with digitalisation, using of the method of 'direct taking of evidence', which ensures that the courts take evidence directly in the territory of another Member State, ensuring legal certainty for courts, parties and lawyers, and clarify the grounds for refusing the execution of cooperation requests.
- **Emergency travel documents:** This proposal aims at simplifying formalities for unrepresented EU citizens in third countries, whose passport or travel document have been lost, stolen or destroyed, in order to ensure that they are provided with an Emergency Travel Document (ETD) by other Member States, allowing them to travel back home. The initiative aims to contribute to allow unrepresented EU citizens to exercise their right to consular protection in an easier and more effective way.
- **Consumer Credit Directive:** Taking up a recommendation of the **REFIT Platform**, the Commission will carry out a fully-fledged evaluation of the Directive in 2019 going beyond the reporting obligation set in law.
- **Equal pay:** The Commission will evaluate Directive 2006/54/EC on the implementation of the principle of equal opportunities and equal treatment of men and women in matters of employment and occupation (recast).

## Overview of Priority 7 REFIT Initiatives taken by the present Commission:

### Initiatives adopted by the legislator

1. Company law – codification

### Initiatives proposed by the Commission and pending in legislative procedure:

1. Consumer Protection Cooperation
2. Recognition and enforcement of judgements in matrimonial matters and parental responsibility (Brussels IIa Regulation)

### Initiatives planned by the Commission:

1. EU Company Law package
2. A new deal for consumers (two proposals)
3. Identity and residence documents
4. Service of documents
5. Marketing and use of explosives precursors
6. Taking of evidence
7. Emergency travel documents

### Areas being evaluated:

1. Equal treatment in social security
2. Regulation 258/2012 on export of firearms



## Priority 8

# SIMPLIFICATION AND BURDEN REDUCTION FOR A NEW POLICY FOR MIGRATION

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Julian King, Commissioner for the Security Union



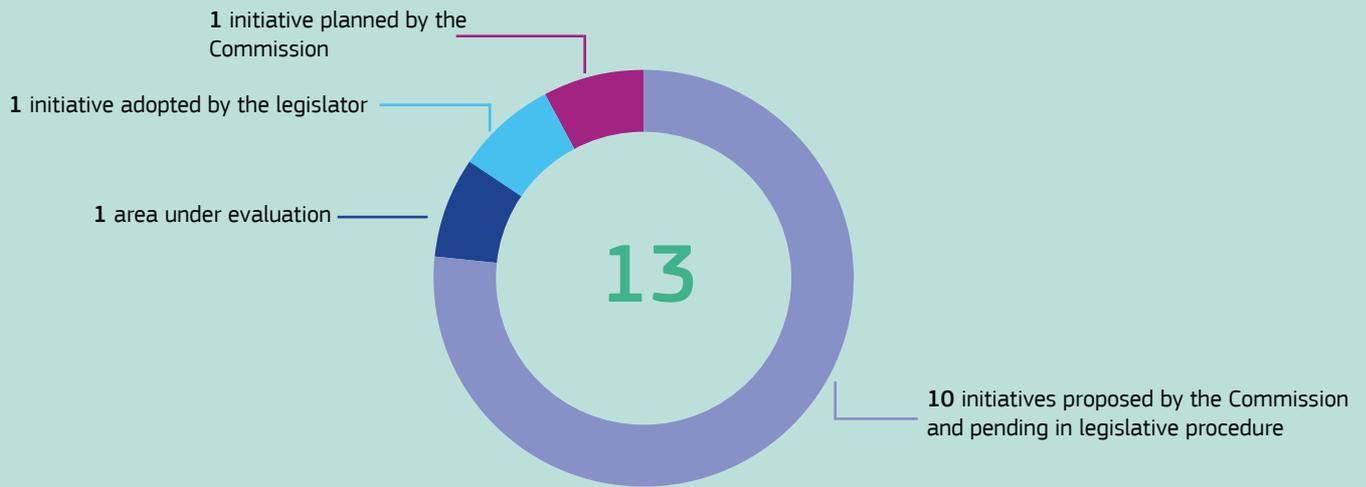
*The Schengen Information System is central to Europe's internal security. Today's measures will deliver important technical and operational improvements so it's easier to detect and identify those who wish us harm. It will also improve cooperation and information sharing between Member States and with relevant EU agencies. Much more remains to be done though: SIS is only as good as the data inputted into it.*

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The European Commission's agenda on migration sets out a European response, combining internal and external policies, making best use of EU agencies and tools, and involving all actors: EU countries and institutions, international organisations, civil society, local authorities and national partners outside the EU.

In order to ensure that unnecessary costs are removed and rules are as effective and efficient as possible, since 2015, the Commission has made 12 proposals under REFIT, 10 of which are pending adoption by the legislator. One initiative is planned for 2018 and one area is being evaluated.

## REFIT initiatives



### Results and Achievements – examples

- **The Schengen Information System:** Following-up to an evaluation, the Commission proposed in 2016 to strengthen the operational effectiveness and efficiency of the system (3 individual proposals). Improved information exchange between Member States will lead to reducing administrative burdens on law enforcement officers and border guards across the participating countries.
- **Common European Asylum System:** In 2016, the Commission proposed to make the European asylum system more solid, coherent and integrated, based on common, harmonised rules, which are fully in line with the international protection standards under the Geneva Convention and fundamental rights instruments (7 individual proposals). The package aims notably at making asylum procedures faster, simpler and more effective. It is expected to benefit the applicants and the Member States leading to savings in reception and administrative costs.

### Work under Way – examples

- **Visa Information System (VIS):** In the coming months, the Commission will propose improvements to the VIS to respond to evolving policy, legal or factual developments in the field of visa and border crossing and enable proper implementation of the objectives of VIS.
- **Legal migration:** The Commission is currently evaluating how the existing Directives on legal migration have contributed to the attainment of legal migration policy objectives, and is identifying possible overlaps, gaps or inconsistencies as well as possible obsolete measures. The results of this Fitness check will be presented in 2018 and will provide a basis for simplifying and streamlining the current EU framework in this area.

## Overview of Priority 8 REFIT Initiatives taken by the present Commission:

### Initiatives adopted by the legislator

1. Codification of Schengen borders code

### Initiatives proposed by the Commission and pending in legislative procedure:

1. Schengen Information System – return of illegally staying third-country nationals
2. Schengen Information System – border checks
3. Schengen Information System – police cooperation and judicial cooperation in criminal matters
4. Proposal for a Regulation establishing the criteria and mechanisms for determining the Member State responsible for examining an application for international protection lodged in one of the Member States by a third-country national or a stateless person (recast) – Asylum package
5. Proposal for a Regulation on the establishment of 'Eurodac' for the comparison of fingerprints for the effective application of Regulation (EU) No 604/2013 – Asylum package
6. Proposal for a Regulation on the European Union Agency for Asylum – Asylum package
7. Proposal for a Regulation establishing a common procedure in the Union and repealing Directive 2013/32/EU – Asylum package
8. Proposal for a Regulation on standards for the qualification of third-country nationals or stateless persons as beneficiaries of international protection, for a uniform status for refugees or for persons eligible for subsidiary protection and for the content of the protection granted – Asylum package
9. Proposal for a Directive laying down standards for the reception of applicants for international protection (recast) – Asylum package
10. Proposal for a Regulation establishing a Union Resettlement Framework – Asylum package

### Initiatives planned by the Commission:

1. Revision of the Visa Information System (VIS)

### Areas being evaluated:

1. Legal migration fitness check



## Priority 10

# SIMPLIFICATION AND BURDEN REDUCTION FOR A UNION OF DEMOCRATIC CHANGE

First Vice-President Frans Timmermans on the simplification of reporting requirements in the area of environment:



*This action plan is about simplifying environmental reporting and informing citizens better. It's a good example of how better regulation helps us uphold our high environmental standards and meet our evidence-based policy objectives.*

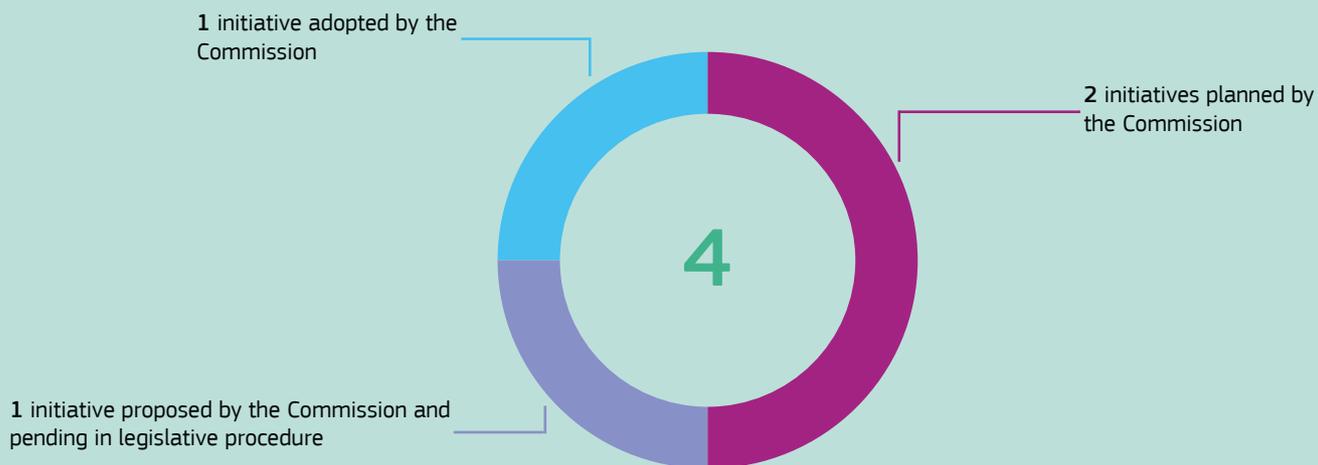
### Results and achievements – examples

In 2017, the Commission completed a major update of the Guidelines and the Toolbox for Better Regulation across the entire policy cycle<sup>4</sup>. While their primary function is to support Commission better regulation work, they are available to be used by the European Parliament, the Council, Member States and stakeholders. The revision of the toolbox took into consideration 2 opinions by the REFIT Platform on stakeholder consultation and on standardisation.

On 13 September, the Commission adopted a proposal on the European Citizens' Initiative, with a view to further improving its use. The proposal builds on lessons learned in the five years since the Regulation came into force, drawing on a public consultation, feedback from other institutions and the opinion of the REFIT Platform. In this area, the Commission took 4 initiatives, one of which is pending before the co-legislator.

<sup>4</sup>[https://ec.europa.eu/info/better-regulation-guidelines-and-toolbox\\_en](https://ec.europa.eu/info/better-regulation-guidelines-and-toolbox_en)

## REFIT initiatives



### Work under Way – examples

In follow-up to a Fitness Check on reporting in the area of environment, the Commission has developed an action plan and will streamline requirements in 2018.

In support to environmental compliance assurance, the Commission will propose an action plan by end 2017 in order to support national authorities addressing a number of compliance challenges.

Full REFIT Scoreboard is accessible at:

[https://ec.europa.eu/info/law/law-making-process/overview-law-making-process/evaluating-and-improving-existing-laws/reducing-burdens-and-simplifying-law/refit-making-eu-law-simpler-and-less-costly\\_en](https://ec.europa.eu/info/law/law-making-process/overview-law-making-process/evaluating-and-improving-existing-laws/reducing-burdens-and-simplifying-law/refit-making-eu-law-simpler-and-less-costly_en)

