



COMMISSION OF THE EUROPEAN COMMUNITIES

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**COMMUNICATION FROM THE COMMISSION TO THE COUNCIL, THE
EUROPEAN PARLIAMENT, THE EUROPEAN ECONOMIC AND SOCIAL
COMMITTEE AND THE COMMITTEE OF THE REGIONS**

2008 Fast Track Actions to reduce administrative burdens in the European Union

(presented by the Commission)

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1. THE ROLE OF FAST TRACK ACTIONS IN THE ACTION PROGRAMME FOR REDUCING ADMINISTRATIVE BURDENS IN THE EU

A key part of the Action Programme on reducing administrative burdens in the European Union¹ consists of a large-scale measurement of administrative burdens in 2007-2008, to be followed by major simplification proposals. However, in order to produce concrete results in the short term, the Action Programme also covers immediate measures that are likely to generate significant benefits through technical changes in existing rules. Because of the nature of the changes required, these measures can be adopted fairly quickly. They are therefore called 'Fast Track Actions' (FTA).

Ten FTA were tabled in 2007 with estimated savings of € 1,3 billion for EU businesses. All in all, as of 1 February 2008, 5 of the 10 actions have been formally adopted, thereby cutting administrative burdens by approximately € 500 million². The European Parliament and the Council are likely to adopt the remaining proposals in the first part of 2008.

As announced in January 2008³, the Commission hereby presents a list of new fast track actions (see Annex I)⁴. Unnecessary administrative burdens were identified on the basis of internal review and suggestions received from stakeholders and Member States' experts.

2. OPINION OF THE HIGH LEVEL GROUP OF INDEPENDENT STAKEHOLDERS ON ADMINISTRATIVE BURDENS

The Commission has sought the opinion of the newly established High Level Group of Independent Stakeholders on Administrative Burdens before finalising the list of 2008 Fast Track Actions. The High Level Group adopted its opinion at its second meeting on 26 February 2008. The Commission also took into account the comments sent by members of the Group of High Level National Regulatory Experts.

The opinion and the comments received express general support for the 2008 FTA package. The High Level Group on Administrative Burdens called in addition for Parliament and the Council to introduce new procedures for the adoption of simplification proposals.

¹ COM(2007) 23.

² For a detailed description of the state of play as of 31 December 2007, see Annex 3 of COM(2008) 35.

³ COM(2008) 35.

⁴ Seven of these FTA's are part of the Commission's simplification rolling programme. See Second Progress Report on the strategy for simplifying the regulatory environment, COM (2008)33.

3. INTER-INSTITUTIONAL PROCESS

Several 2008 Fast Track Actions require a strong commitment by both Parliament and Council in order to be adopted by the end of 2008. The Commission therefore invites the European Council to call upon the Council and the European Parliament to give special priority to the measures set out in Annex I once the Commission has made the corresponding proposals.

The Commission also asks the Council and the Parliament to develop urgently appropriate working methods to speed up the processing of simplification proposals, as foreseen in the Inter Institutional Agreement of 2003, in particular for reducing administrative burdens, and strongly recommended by the High Level Group on Administrative Burdens. This is necessary to ensure that a significant number of reduction proposals can be taken forward in 2008 and 2009⁵ and is a crucial condition for ensuring that the EU will succeed in reaching its 25% reduction objective by 2012.

⁵ With new European elections scheduled for June 2009, the European Parliament announced that it would not consider new legislative initiatives after March/April 2009. In view of previous changes of legislature, normal legislative work might not be back to full speed before November 2009.

ANNEX I: Items for 2008 Fast Track Actions

Policy area	EU act concerned	Description of the current burden, problem and proposed 2008 FTA
Agriculture	Commission Regulation (EEC) No 1722/93 of 30 June 1993 laying down detailed rules for the application of Council Regulation (EEC) No 1766/92 concerning production refunds in the cereals sector	<p>Summary Simplification of control procedures on modified starches by increasing the threshold below which these procedures do not apply.</p>
		<p>Current burden / Problem The special provisions for control on modified starches are designed to ensure that modified starch is not reprocessed into a raw material the use of which would give the right to apply for a refund more than once. A maximum amount of refund is introduced (currently 16 euros/tonne) below which special provisions for control do not apply. Considering the current level of the refund and the relatively high costs of reconverting modified starches, the threshold of 16 euros/tonne of starch is too low. The operators are obliged to fulfil additional administrative requirements every time the amount of refund exceeds this threshold even though the risk of speculative reprocessing is very limited.</p>
		<p>Reduction measure Raise the threshold (currently 16 €/tonne) below which the special control measures provided for in Article 10 of the Regulation 1722/93 shall not apply, to a more reasonable level in order to lighten the administrative burden on operators (starch manufacturers) by eliminating the controls on modified starches when the risk of speculative processing is, for economic reasons, non-existing.</p>
Industry policy	Directive 97/68/EC of the European Parliament and of the Council of 16 December 1997 on the approximation of the laws of the Member States relating to measures against the emission of gaseous and particulate pollutants from internal combustion engines to be installed in non-road mobile machinery	<p>Summary Remove the administrative burdens arising from the notification requirements under the flexibility scheme and falling on Member States' approval authorities and manufacturers</p>
		<p>Current burden / Problem Under Annex XIII, § 1.5 of the NRMM Directive the original equipment manufacturers shall notify the approval authorities of each Member State of the use of the flexibility scheme (allowing for a limited number of engines only complying with the previous stage of emission limit values to be placed on the market). Furthermore under § 1.7 of this Annex, manufacturers have to report every six months to the approval authorities on the implementation of the flexibility schemes they are using, including cumulative data on the number of engines and NRMM placed on the market under the flexibility scheme, engine and NRMM serial numbers, and the Member States where the NRMM have been placed on the market. These notification requirements create unnecessary burdens to both manufacturers and approval authorities, while their added value has not been proven in the years of application of the Directive.</p>
		<p>Reduction measure Delete the notification requirements in § 1.5 and 1.7 of Annex XIII of the NRMM Directive (whilst maintaining § 1.6 specifying that the manufacturer has to provide the approval authority with any information connected with the implementation of the flexibility scheme that the authority may request as necessary for the decision)</p>
Industry policy	Directive 1999/5/EC of the European Parliament and of the Council of 9 March 1999 on radio equipment and telecommunications terminal equipment and the mutual	<p>Summary Reduce the administrative burden for manufacturers arising from the need to notify to Member States the intention to place radio-communications equipment on the market</p>
		<p>Current burden / Problem Under article 6.4, manufacturers are obliged to notify their intention to place certain types of radio-communications equipment to national (frequency management) authorities. This applies to equipment operating in spectrum that is not fully harmonised within the EU. The procedures implemented by Member States are not harmonised through the Directive. On an informal basis some harmonisation of the information to be provided has been reached, but the procedures for delivering the information vary.</p>

	recognition of their conformity	<p>Reduction measure Implementation of a one-stop electronic notification facility, that relays the information from the manufacturer to the member states authorities. The manufacturer thus does not need to be aware of the individual addressees within the Member States.</p>
Industry policy	Pharmaceutical legislation: - Directive 2001/82/EC of the European Parliament and of the Council of 6 November 2001 on the Community code relating to veterinary medicinal products- Directive 2001/83/EC of the European Parliament and of the Council of 6 November 2001 on the Community code relating to medicinal products for human use	<p>Summary Review the legal bases of the Variations Regulations in order to bring full harmonisation of the variations rules within the EU. This will allow to make the regulatory framework governing changes to medicinal products (e.g. change in the packaging, in the address of the manufacturer, ...) clearer, simpler and more flexible.</p>
		<p>Current burden / Problem Medicines are regulated throughout their entire lifetime. All changes subsequent to their placing on the EU market (e.g. change in the production process, change in the packaging, change in the address of the manufacturer) are defined in legal terms as 'variations', and must be handled according to a complex legislative framework: the 'Variations Regulations'. Variations pose a considerable administrative burden, both to the industry and to competent regulatory authorities. It is estimated that their management mobilise more than 60% of the human resources and financial costs of companies' regulatory departments. A significant part of the burden stems from the fact that in the majority of Member States, the national rules vary from one country to the other, leading to disharmonised requirements and an unnecessary administrative burden. While regulating variations is essential to ensure that medicines remain safe and effective, the burden it entails can also hinder the introduction of certain changes that are beneficial to patients in particular, and to society in general. Today, this burden constitutes a barrier to innovation and competitiveness.</p>
		<p>Reduction measure Amend Article 39 of Directive 2001/82 and Article 35 of Directive 2001/83 so that the variations rules can be fully harmonised within the EU.</p>
Environment	Commission Decision 2002/739/EC of 3 September 2002 establishing revised ecological criteria for the award of the Community eco-label to indoor paints and varnishes and amending Decision 1999/10/EC.	<p>Summary Harmonisation of VOC-definitions</p>
		<p>Current burden / Problem The definition of a volatile organic compound (VOC) varies unnecessarily between legislative instruments. It is generally not helpful to have differently worded definitions where they cover the same enterprises/activities. Examples: In Directive 2004/42/EC a VOC is defined as: "...any organic compound having an initial boiling point less than or equal to 250°C measured at a standard pressure of 101,3 kPa." In Commission Decision 2002/739/EC a similar but differently worded definition is used: "...a volatile organic compound is any organic compound with, at normal conditions for pressure, a boiling point (or initial boiling point) lower than or equal to 250 °C."</p> <p>Reduction measure The definitions should be harmonised to be clear to enterprises, particularly because of the interfaces between the instruments. Commission Decision 2002/739/EC should be amended to follow the VOC definition in Directive 2004/42/EC. The Fast Track proposal should reduce the administrative burdens for both companies and implementing bodies.</p>
Environment	Directive 2006/66/EC of the European Parliament and of the Council of 6 September 2006 on batteries and	<p>Summary Clarifying that batteries lawfully placed on the market before 26 September 2008 do not have to be withdrawn from the market or relabelled after this date.</p>

	accumulators and waste batteries and accumulators and repealing Directive 91/157/EEC	<p>Current burden / Problem Article 6(2) of the battery Directive 2006/66/EC sets out that batteries that do not fulfil the requirements of the Directive must not be placed on the market after 26 September 2008 or they need to be withdrawn from it. This can be understood to entail that batteries which were lawfully placed on the market before 26 September 2008, still on the market after this date and do not meet the requirements of the Directive, also need to be withdrawn from the market. If the provision of the Directive is read as above, it would result in that batteries that were legally placed on the market would become waste prematurely, which is contrary to the principle of waste minimisation. In addition to this, withdrawing these batteries from the market or making them compliant with the Directive would cause considerable administrative burden both for the Member States and the industry. The effect of Article 6(2) remaining unchanged would involve the labelling of batteries that are still on the market and not labelled with the wheeled bin and chemical symbols or withdrawing them from the market. This would also involve the withdrawal from the market of specific portable batteries that contain more than the cadmium allowed by Directive 2006/66/EC.</p> <p>Reduction measure Amending Article 6(2) to make clear that batteries lawfully placed on the market before 26 September 2008 and which are not compliant with Directive 2006/66/EC do not have to be withdrawn from the market.</p>
Statistics	Regulation (EC) No 638/2004 of the EP and of the Council on Community statistics relating to the trading of goods between Member States	<p>Summary Simplification of Intrastat with a view to alleviate the statistical reporting of economic operators, in particular SMEs</p> <p>Current burden / Problem Intra-Community trade statistics records physical flows of movable goods between Member States. Data are collected monthly from companies by the national statistical authorities. Currently, Member States set their thresholds at a level which guarantees the coverage of their trade of at least 97 % of value. As a consequence, at the end of 2005 about 78 % of the businesses that trade with other Member States were exempted from the reporting obligation. But there is still scope to reduce the minimum coverage rate and exempt additional companies from the obligation to report to Intrastat.</p> <p>Reduction measure It is proposed to reduce the trade coverage for arrivals to 95 % and to keep the current 97 % trade coverage for dispatches. The potential to reduce the reporting burden especially for small and medium enterprises (SMEs) is significant because of the structure of reporting companies on the arrival side: it is dominated by SMEs.</p>
Internal Market (company law)	First Council Directive 68/151/EEC of 9 March 1968 on co-ordination of safeguards which, for the protection of the interests of members and others, are required by Member States of companies	<p>Summary Eliminate the costs of publishing, in the national gazette, information that has already been disclosed in the commercial register.</p> <p>Current burden / Problem Companies have to disclose the same particulars in the commercial register and in the national gazette. However, as commercial registers are electronic, they can be easily accessed online. In a number of Member States companies have to pay both for disclosure in the register and publication in the national gazette.</p> <p>Reduction measure Allow Member States to keep the obligation of publishing company particulars in the national gazette only if they do it free of charge.</p>
Internal Market (company)	Eleventh Council Directive 89/666/EEC of 21	<p>Summary Member States should not require the translation and the certification of the translation to be made in their respective country.</p>

law)	December 1989 concerning disclosure requirements in respect of branches opened in a Member State by certain types of company governed by the law of another State	<p>Current burden / Problem When registering a branch, some documents and particulars of the (mother) company have to be filed. Some Member States require that the translation and/or the certification of the translation should be carried out by translators recognised by their own public authorities. Companies could reduce costs by being able to choose where to have the documents translated and use the same translation in several Member States.</p> <p>Reduction measure Require that Member States accept translations made and certified in another Member State if they are accepted by the public authorities in that other Member State.</p>
Internal market (accounting)	Fourth Council Directive 78/660/EEC of 25 July 1978 based on Article 54 (3) (g) of the Treaty on the annual accounts of certain types of companies	<p>Summary Elimination of certain disclosure requirements from the Directive.</p> <p>Current burden / Problem The Directive requires companies to disclose in the notes to the accounts an explanation on formation expenses (Article 34(2)), and a breakdown of net turnover into categories of activity and geographical markets (Article 43 §1 (8)). These disclosures are clearly excessive for SMEs.</p> <p>Reduction measure The Commission propose to delete the above mentioned disclosure from the text of the Directive. The information could still be provided on voluntary basis.</p>
Internal market (accounting)	Seventh Council Directive 83/349/EEC of 13 June 1983 based on the Article 54 (3) (g) of the Treaty on consolidated accounts	<p>Summary Clarification of the relationship between the IAS Regulation 1606/2002 and the Seventh Directive.</p> <p>Current burden / Problem It is not precisely stated whether parent companies with no material subsidiaries (Article 13) fall under the IAS Regulation and thus have to prepare IFRS financial statements.</p> <p>Reduction measure The Commission proposes to state clearly that above mentioned companies do not fall under the IAS Regulation</p>