

COUNCIL OF THE EUROPEAN UNION

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NOTE

From:	Presidency
To:	Delegations
Subject:	Draft Council Conclusions on Smart Regulation

Delegations will find in Annex Draft Council Conclusions on Smart Regulation.

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Draft COUNCIL CONCLUSIONS ON SMART REGULATION

"THE COUNCIL (Competitiveness)

RE-EMPHASISES in the light of the challenges facing the European economy, that Europe must meet policy goals at minimum cost, achieving the benefits that only EU legislation can bring and eliminating all unnecessary regulatory burden.

LOOKS FORWARD to quick, concrete and transparent progress on regulation-related actions that boost competitiveness, particularly through the implementation of the REFIT programme.

RE-EMPHASISES the importance of the Think Small First principle which is enshrined in the Small Business Act and **ACKNOWLEDGES** the efforts made by the Commission and Member States on the consultation on burdens experienced by SMEs (Top 10 most burdensome legislative acts for SMEs).

SUPPORTS a consistent and integrated approach to impact assessments with stakeholder opinions fully taken into account.

ACKNOWLEDGES considerable progress made in implementation of the commitments made in the Inter-institutional agreement of 2003.

NOTES Member States' own progress made when designing and implementing national smart regulation programmes and initiatives.

REFIT [Wait for the Commission Communication on Regulatory Fitness and Performance (REFIT): Results and Next Steps]

<u>Ex-post evaluation</u> [wait for the Commission Communication on Strengthening the Foundations of Smart Regulation – improving evaluation]

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SME dimension

RECOGNISES and supports the work done by the Commission and Member States to reduce regulatory burden on SMEs and micro-businesses as set out in the SME scoreboard and the examples given in the report of the Group of High Level National Regulatory Experts - SME Working Group.

NOTES the Impact Assessment Board Report 2012 and **STRONGLY SUPPORTS** the recommendation for the Commission to make full use of the new operational guidance documents to provide a robust assessment of the impacts of proposals on competitiveness and SMEs, particularly on micro-enterprises.

WELCOMES the Commission's follow-up communication to the consultation on the Top 10 most burdensome regulatory areas for SMEs as a first step and recognising that reduction of regulatory burdens is a continuous process.

CALLS ON the Commission:

- to seek further opportunities, even in areas where some action has already been taken, to
 continue the reduction of regulatory burdens through its rolling REFIT programme, using
 further stakeholder input and consultation to understand better SMEs perceptions as
 appropriate;
- to consider further development of the SME scoreboard to trace the legislative progress, including possible quantification of costs and benefits, of all initiatives proposed including those deriving from REFIT and to monitor the content of amendments decided at EU level and the impact of Member States implementation on simplification and burden reduction.

Impact assessment

AGREES that integrated and high quality impact assessments are vital, analyzing both benefits and costs, and addressing all significant economic, social and environmental impacts of new initiatives and **STRESSES** that all relevant expertise and inputs from stakeholders, including Member States, should be used to ensure the highest quality assessments.

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VIEWS the Commission's Impact Assessment Guidelines and further operational guidance, particularly for assessing impacts on sectoral competitiveness and on micro-enterprises, as a coherent package for use in all relevant impact assessments, and **NOTES** the Commission's intentions, in consultation with stakeholders, to review its impact assessment guidelines, including the SME test.

NOTES the Council's commitment in the 2003 Inter-institutional Agreement regarding impact assessments and looks forward to the review report of the 3 pilot projects on impact assessment.

CALLS ON Member States to enlarge the practice of using impact assessments fully in Council discussions.

WELCOMES the Commission's initiative to explore a methodology for cumulative cost assessment and looks forward to this being reflected in future work on burden reduction.

CALLS ON the Commission:

- to ensure consistent use of the Commission's Impact Assessment Guidelines and the further operational guidance, particularly for assessing impacts on sectorial competitiveness and on micro-enterprises;
- to provide indications, where appropriate, on the relevance of specific impacts, including on SMEs and competitiveness in the roadmaps for forthcoming initiatives and in the executive summaries of impact assessments;
- to finalize its review of public consultation practices indicating, in particular, improved
 possibilities for all interested stakeholders to supply feedback on all aspects of impact
 assessment analysis as it is being prepared, including the selection of options.

Transposition

NOTES the on-going stakeholder concerns about "gold plating" as a source of additional regulatory burden when transposing directives and rather fragmented evidence base in this area.

ENCOURAGES the Commission together with Member States to explore the possibility of developing a methodological framework for prevention of unjustified regulatory burdens, especially on SMEs, in the process of transposition of the EU directives.

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ENCOURAGES Member States to make every effort to ensure that proposed new legislation in regulatory areas already identified as particularly burdensome through the Top10, is truly essential and SME friendly and implemented in a way which minimizes the burdens on SMEs.

ENCOURAGES Member States when transposing EU legislation to use the checklist from the report of the High Level Group on Administrative Burdens "Europe can do better: Report on best practice in Member States to implement EU legislation in the least burdensome way".

Transparency and ease of access to information

AGREES that easy access to information and guidance for national authorities and for all other stakeholders and transparency of the process is of the key importance for success when implementing smart regulation programmes and projects.

WELCOMES the Commission's efforts to create a library of the best EU and national smart regulation practices and **ENCOURAGES** Member States to provide examples of best national, regional and local practices.

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