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NOTE

From:	Presidency and Incoming Presidency
To:	Permanent Representatives Committee/Council
Subject:	Better Regulation Agenda
	- Exchange of views

INTRODUCTION

On 19 May 2015, the Commission adopted the **Better Regulation Agenda**. The package includes two major Communications submitted to the Council and the European Parliament. The **Communication on "Better regulation for Better Results - An EU agenda**" (doc. 9079/15) outlines the Commission approach to better regulation as a delivery tool for EU political priorities. It commits the Commission to strengthen the openness and transparency of its work, notably through reinforced stakeholder consultations. It sets out the better regulation tools that the Commission will use, including the new integrated Better Regulation Guidelines. It also outlines how the Commission will strengthen the REFIT programme. The second Communication is the Commission's proposal for a new **Inter-institutional Agreement (IIA) on Better Regulation** (doc. 9121/15).

The Better Regulation Agenda also included a number of accompanying documents[1] which are internal to the Commission, but have a direct link to the elements submitted to the Council.

The handling of the IIA within the Council is addressed in document 9806/15. The Better Regulation Communication will be examined in the Working Party on Competitiveness and Growth (Better Regulation). As regards elements relevant to the IIA, the Presidency will ensure timely and coordinated contributions from this Working Party to the IIA negotiations. As regards other elements of the Communication, the WP will examine them with a view to preparing an exchange of views at the October meeting of the Competitiveness Council.

Small and Medium-sized enterprises (SMEs)

Acknowledging that SMEs are the backbone of the European economy, the Presidency invites the June General Affairs Council to focus on enhancing their competitiveness through implementation of the Better Regulation agenda.

In addition to general better regulation tools, the Better Regulation Agenda contains a number of specific commitments and proposals to meet the SME needs:

– Commission impact assessments: The Better Regulation Guidelines require that SME aspects be taken into account in Impact Assessment (IA) work. An "SME test" is included in the Better Regulation Toolbox.

– Preparation of Commission initiatives: The Better Regulation Communication commits the Commission to apply the "Think Small First" principle more thoroughly when preparing and evaluating initiatives and envisaging a lighter regime for SMEs, where appropriate.

– Prioritising the treatment of SME-relevant proposals: The IIA proposal foresees that the three institutions agree annually a list of proposals for priority treatment, including proposals to update or simplify existing legislation and to reduce regulatory burden, especially for SMEs.

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[1] The second edition of the REFIT Scoreboard (doc. 9079/15 ADD 1); Better Regulation Guidelines (doc. 9079/15 ADD 2); Commission decision establishing the REFIT Platform (C(2015) 3261/2) and a related Communication to the Commission (C(2015) 3260/2); Decision of the President of the Commission on the establishment of a Regulatory Scrutiny Board (C(2015) 3263/2) and a related Communication to the Commission (C(2015) 3262/2).

–   <u>REFIT</u>: The IIA proposal commits the Commission, building on the REFIT programme, to make proposals for simplification and burden reduction. The new REFIT Platform is to consider the needs of SMEs and include experts representing SMEs.

Against this background, and in order to steer the Ministerial debate, the Presidency invites Ministers to focus on the following question:

How could EU institutions and Member States, through the Better Regulation agenda, maintain and deliver European added value, in particular for the completion of the Internal Market, and contribute to enhancing competitiveness in Europe, particularly focusing on SMEs?