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NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	AOB for the meeting of the Transport, Telecommunications and Energy Council on 6 December 2024: Better Digital Regulation for SMEs in the EU: take stock and take action - Information from the Netherlands, Belgium, Estonia, Finland, Germany, Greece, Ireland, Slovakia and Sweden

Better Digital Regulation for SMEs in the EU: take stock and take action

Call for a targeted exchange of views on better regulation in the digital domain by the Netherlands, Belgium, Estonia, Finland, Germany, Greece, Ireland, Slovakia and Sweden.

Making Europe simpler and faster, particularly for doing business, is one of the headlines for the new European Commission. There is widespread acknowledgement of the importance to ensure that the impressive body of European law is fit-for-purpose and underpins growing competitiveness and productivity in the EU, and not unnecessarily hinders our development in a highly changing world order.

Mr. Draghi offers a thorough analysis of the burden perceived by SMEs as a result of European regulation, with solutions required on both Member State and EU level. We support Draghi's conclusion that the ultimate goal should be to make EU and national regulation a consistent single corpus representing a competitive strength for the EU.

At the Competitiveness Council of November 28, there will be a timely exchange of views on the important horizontal issue of better regulation in Europe. We deem it fit to discuss this topic specifically in the context of the digital rulebook. Therefore, we propose to hold a **targeted exchange of views about the theme of better regulation in the digital domain for SMEs during one of the upcoming Telecommunications Councils**. This will allow Member States to share concrete ideas on how to tackle regulatory burden within the specific situation of the digital domain and strengthen our innovative SMEs operating in that domain.

Supporting the Commission's stocktaking exercise

Now that the Digital Rulebook touches all dimensions of the digital economy, the coming period should be used to take stock, evaluate and assess the current regulatory framework to determine whether it's fit for purpose. Therefore, we are pleased that the European Commission is prioritising an assessment that identifies whether the digital acquis reflects the needs of SMEs, while at the same time mapping unnecessary burdens and constraints in the first year of its mandate. We express our appreciation for this exercise and endorse it.

Measures that Member States could consider to support and strengthen the Commission's exercise are:

- Invest in regular, targeted panel discussions with small and medium digital entrepreneurs to identify disproportionate burdens of new and existing regulatory and policy initiatives.
- Structurally gathering examples of instances where legal definitions of often used terms and concept in the digital acquis, such as 'platform', 'data', and 'systemic risk' clash with each other during implementation.
- Inspired by Mr. Draghi's proposal for an AI-powered 'evaluation bank', consider to use large language models to assess the legal documents that implement the EU's digital rulebook, with the aim to identify areas that would qualify for consolidation, simplification and the removal of overlaps and inconsistencies.
- Request the Commission to expand its current better regulation exercise to include SMEs in all EU Member States, with a potential role for the European SME Envoy to collect experiences of how the digital rulebook impacts SMEs in the EU.

This list is by no means exhaustive. Therefore, we are eager to learn from best practices and innovative ideas in discussions with other Member States during upcoming Telecommunication Councils.