



Better law regulation in the EU and its influence on informatization

Dr. Peter Muška, PhD



Communication (14. 11. 2006) from the Commission:

A strategic review of better regulation in the European Union

- I. First progress report on the strategy for the simplification of the regulatory environment**
- II. Measuring administrative costs and reducing administrative burdens in the European Union**



In line with the Annex II “Measurement of the administrative costs and reduction of the administrative burdens in the EU”, Commission presented:

COMMUNICATION FROM THE COMMISSION (January 2007)

Action Programme for Reducing Administrative Burdens in the European Union

WORKING DOCUMENT OF 17. 9. 2007

Reducing Administrative Burdens in the EU
(state of play)



The focus of the AP is on mapping, measuring and removing information obligations that have proven to be obsolete, redundant or repetitive. Consequently Commission will initiate measurement to reduce them. It is common responsibility of the European Parliament, Council, Commission and member states.

- High Level Group of Independent Stakeholders on Administrative Burdens – will act as a reality check on the whole operation and include representatives from businesses, consumers and NGOs
- High level group of national regulatory experts
- Administrative Burden Reduction Single Contact Points (MS)
- Standard Cost Model Network
- Economic Policy Committee



The definition of administrative costs and burdens respectively

These definitions are provided on the basis of the agreed international Standard Cost Model manual and the EU Standard Cost Model Methodology (EU SCM) definitions: An important distinction must be made between information that would be collected by businesses even in the absence of the legislation and information that would not be collected without the legal provisions. The costs induced by the latter are called administrative burdens. Some of the administrative burdens are necessary if the underlying objectives of the legislation and prescribed level of protection defined in the Treaties are to be met effectively; for instance where information is needed to make markets transparent. But there are also many cases where burdens can be streamlined and reduced without affecting the underlying objectives as such – the latter burdens are clearly unnecessary.



- **The Action Programme** focuses on the most burdensome information obligations in thirteen priority areas:
 - Agriculture
 - Annual Accounts_company law
 - Cohesion policy
 - Environment
 - Financial services
 - Fisheries
 - Food safety
 - Pharmaceutical legislation
 - Public procurement
 - Statistics
 - Tax law (VAT)
 - Transport
 - Working environment



A strategy for immediate action:

- The Commission has identified a series of fast track actions where significant benefits could be generated through relatively minor changes in the underlying legislation. The proposals are based on stakeholder consultation and suggestions from experts in Member States and the Commission. The Commission would therefore invite the European Council to call upon the Council and the European Parliament to give special priority to the proposed measures
- The so-called fast track action - leads to estimated savings of €1,3 billion. Areas for actions: company law, agriculture, statistics, transport and food hygiene



Common principles for reducing administrative burdens:

- Reduce the frequency of reporting requirements to the minimum
- Review whether the same information obligation is not requested several times
- **Require electronic and web-based reporting**
- Introduce thresholds for information requirements
- Consider substituting information requirements on all businesses in a sector by a **risk based approach**
- Reduce or eliminate information requirements where these relate to substantive requirements
- Provide official clarification of complex pieces of legislation that may either slow down business activities, or require acquiring legal expertise.



Spring 2007 European Council

- The Commission proposes the launch of an ambitious strategy for reducing administrative burdens. Given that administrative burdens originate both in European and national legislation, the Commission proposes that the Spring 2007 European Council fix a joint reduction target for administrative burdens of 25%, to be achieved by 2012.
- Member States should, in the meanwhile, take similar actions at national level and should deliver on clear commitments to administrative burden reduction during the same period. Progress in such efforts should be reported in the National Reform Programmes and will be evaluated in the context of the Annual Progress Reports to the Spring European Council.



Programme for reduction of administrative burdens

2006	2007				2008		2009	2010-2012	2012
	January	March	May	October	October	December	Spring Council		Spring Council
<p>1. Community level</p> <p>Pilot study determined: Priority areas (EU & national) Reach a methodological agreement</p> <p>↓</p> <p>Strategic Review of Better Regulation</p> <p>↓</p> <p>Annual Progress Report Update project on AB</p> <p>→</p> <p>Simplification programme</p>	<p>European Council conclusions on AB action programme (political target)</p> <p>↙ ↘</p> <p>Action Programme on reducing AB priority areas low-hanging fruit measurement (what/who) targets</p> <p>Launch measurement and burden reduction</p>				<p>TARGETS Commission proposal for targets and action for decision and implementation</p>		<p>Adoption of specific targets for AB reduction following report on Action Programme</p>	<p>Continued presentation of legal proposals to reduce AB</p>	<p>End of programme</p>
<p>2. Member States</p>	<p>Ongoing measurement exercise</p>				<p>Member States to set national targets and continue to report on implementation</p>		<p>Continue to report in Implementation Reports</p>	<p>Agree on reduction proposals and amend national legislation, including transposition measures</p>	



Thank you !

Dr. Peter Muška, PhD
First Secretary

e-mail: muska (at) pmsreu.be