

ROADMAP

Title of the initiative: **Communication from the Commission on Smart Regulation**
Type of initiative (CWP/Catalogue/Comitology): CWP – non-legislative
Lead DG: SG / C2
Expected date of adoption of the initiative (month/year): End September 2010
Date of modification:
Version No:

Initial IA screening & planning of further work

A. Context and problem definition

(i) What is the political context of the initiative? (ii) How does this initiative relate to past and possible future initiatives, and to other EU policies?

In his political guidelines of autumn 2009, the European Commission President identified the need to devise a smart regulatory approach as one of the key challenges awaiting the new Commission. Seen as instrumental for the achievement of the objectives of the Europe 2020 strategy for smart, sustainable and inclusive growth, smart regulation is the subject of a Communication envisaged under Commission 2010 Work Programme. This will set out the Commission priorities in the area taking into account the results and lessons of the Commission's own Better Regulation agenda, the work of the Impact Assessment Board, relevant Council conclusions, and the findings of an on-going special report on impact assessments in the EU institutions by the European Court of Auditors. Launched in the context of the renewed Lisbon Strategy, the Better Regulation initiative aimed to simplify and reduce administrative burdens from existing regulation while improving the quality of any new legislation by better evaluating its likely economic, social and environmental impacts (for more background see: http://ec.europa.eu/governance/better_regulation/index_en.htm)

What are the main problems identified?

The reviews carried out by the Commission show that the better regulation agenda has made significant progress over the last four years, leaving a lasting mark in the way the Commission works. The various initiatives launched, however, have not yet delivered their full potential. There are a number of specific issues where further progress needs to be made:

- Full delivery of the benefits from simplification and administrative reduction programmes to the final stakeholders (given the partial adoption of Commission proposals by the co-legislators and early stage of implementation by Member States);
- Developing a systematic approach to evaluating the extent to which legislation and policies have reached their objectives and the way in which this can best feed back into policy formulation;
- Improving the ex ante assessment of social impacts and administrative burdens;
- The reach and best use of stakeholder consultations

Who is affected?

Generally speaking, all those affected by European regulation stand to benefit from the smart regulation approach with a more direct impact expected for those stakeholders more closely affected by the specific issues mentioned above.

(i) Is EU action justified on grounds of subsidiarity? (ii) Why can the objectives of the proposed action not be achieved sufficiently by Member States (necessity test)? (iii) As a result of this, can objectives be better achieved by action by the Community (test of EU Value Added)?

Since the initiative aims to improve the way in which policy is designed at the EU level, EU action is clearly required although not necessarily sufficient since delivering smart regulation can only be achieved if all institutions and Member States act together.

B. Objectives of EU initiative

What are the main policy objectives?

The general objective is to ensure that EU regulation is produced in a way which is evidence-based, as transparent and accountable as possible and achieves its objectives in a way which maximises benefits and is least burdensome.

Specific objectives will focus on improving existing legislation and on making the most of new initiatives, by deepening the efforts carried out under the better regulation agenda and by tackling the specific challenges identified above.

Do the objectives imply developing EU policy in new areas or in areas of strategic importance?

No

C. Options

(i) What are the policy options? (ii) What legislative or 'soft law' instruments could be considered? (iii) Would any legislative initiatives go beyond routine up-date of existing legislation?

Detailed policy options will be identified in the context of the analysis of the specific problems to be tackled. Broadly speaking, however, the range of available options includes:

- (a) Baseline option: no changes to existing processes and initiatives.
- (b) Targeted improvements: to existing processes and initiatives.
- (c) New processes / initiatives either to substitute or to complement existing ones.
- (d) Mainstreaming of existing ad hoc processes and initiatives.
- (e) A combination of the above.

No legislative initiative is foreseen.

Does the action proposed in the options cut across several policy areas or impact on action taken/planned by other Commission departments?

No direct impact. However, by definition, the smart regulation agenda will indirectly affect policy-making across all Commission departments.

Explain how the options respect the proportionality principle

In designing all options, care will be taken to ensure they do not go beyond what is regarded as necessary to achieve the objectives.

D. Initial assessment of impacts

What are the significant impacts likely to result from each policy option (cf. list of impacts in the Impact Assessment Guidelines pages 32-37), even if these impacts would materialise only after subsequent Commission initiatives?

All options deal with policy-making processes and therefore would not have direct economic, social and environmental impacts. All options, however, are expected to have indirect impacts by improving the quality of Commission policy-making. Such impacts are expected to be stronger (albeit still indirect) for the specific areas identified above.

Could the options have impacts on the EU-Budget (above 5 Mio €) and/or should the IA also serve as the ex-ante evaluation, required by the Financial Regulation?

No

Could the options have significant impacts on (i) simplification, (ii) administrative burden or on (iii) relations with third countries?

All options would have an impact on simplification and (the reduction of) administrative burdens since these are two key objectives of the smart regulation agenda.

E. Planning of further impact assessment work

When will the impact assessment work start?

Since the Communication will focus on policy-making processes, it will not have the type of direct economic, social and environmental impacts analysed through the impact assessment tool. As a consequence, the initiative will not be accompanied by an Impact Assessment report.

(i) What information and data are already available? (ii) Will this impact assessment build on already existing impact assessment work or evaluations carried out? (iii) What further information needs to be gathered? (iv) How will this be done (e.g. internally or by an external contractor) and by when?

(v) What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

The Communication will draw upon all relevant documentation including the results of the Commission strategic reviews of the better regulation agenda, the Commission communication of 22 October 2009 on the reduction of administrative burdens, the annual reports of the Impact Assessment Board, the 2007 External Evaluation of the Commission Impact Assessment System, and the audit of the Court of Auditors on the Impact Assessment System.

Which stakeholders & experts have been/will be consulted, how and at what stage?

A public stakeholder consultation will run from 23 April to 25 June.