## **EUROPEAN COMMISSION**



*Brussels*, 21.05.2015 *C*(2015) 3446 *final* 

Dear President,

The Commission would like to thank the Camera dei Deputati for its Opinion concerning the Commission's Annual Report 2013 on subsidiarity and proportionality {COM(2014) 506 final}.

The Commission shares the view of the Camera dei Deputati that the application of the principles of subsidiarity and proportionality is a precondition for European democratic accountability and legitimacy. For this reason, the Commission has decided to put the principles of subsidiarity and proportionality at the heart of its better regulation agenda. Better regulation and the application of these principles is a shared responsibility between all actors in the European legislative process, including the European Parliament, the Council and the Member States.

The Commission would like to comment on the four specific points raised by the Camera dei Deputati in its opinion.

The Commission agrees that subsidiarity and proportionality should apply right from the outset of developing new policy initiatives. This approach has been ensured in the new internal working methods that have been adopted by the Commission recently. The development of a new policy initiative is based on a 'roadmap' which includes preliminary considerations of the subsidiarity and proportionality analysis and serves as a planning tool for the process of developing the initiative and possible elements such as public consultations of stakeholders, impact assessment work, etc. The roadmaps are published on the Europa web site and therefore give stakeholders an opportunity to react at an early stage and to contribute to the development of a particular policy initiative.

As regards detailed reasoning on the principles of subsidiarity and proportionality on specific proposals, such reasoning is set out in the impact assessments, which are obligatory for all initiatives with significant impacts. The Commission is currently revising the guidelines for impact assessment and the new guidelines will underline the need for proper assessment of subsidiarity and proportionality. The analysis provided in impact assessments is subject to quality control by the Impact Assessment Board, which

Ms Laura BOLDRINI President of the Camera dei Deputati Piazza Montecitorio IT – 00100 ROMA will be transformed over the next months to a Regulatory Scrutiny Board. This new Board will be overseeing not only impact assessments, but also major evaluations. In this way, the Board will be able to assess the application of subsidiarity and proportionality for new proposals as well as the impact and effects of existing regulations which have undergone evaluation. The new Board will also include external members to bring in expertise from outside the Commission. The final impact assessment is published along with the concrete policy proposal once adopted by the Commission to support the legislative process. The explanatory memorandum accompanying the final legal proposals also entails a section explaining how the principles of subsidiarity and proportionality have been complied with.

Concerning impact assessment methods the Commission will in spring 2015 propose a new inter-institutional agreement on better law-making in order to ensure – among other things – a better application of impact assessments also by the other European Institutions. The Commission agrees that not only should the European Parliament and the Council apply the impact assessment tool more rigorously, they should also be based on methods which are comparable and compatible with the initial assessment of the Commission as suggested by the Camera dei Deputati. They should be carried out for all significant changes proposed to proposals in order to ensure that policy decisions for all major amendments are based on solid evidence and analysis. It will be an objective for the Commission to ensure these principles in the upcoming negotiations.

The Commission agrees that there will have to be a stronger focus on ex-post evaluations of European legislation and that this should be an integrated part of the regulatory cycle of the European Union. The Commission is already implementing an 'evaluate first' principle, but evaluations will also have to be carried out in better collaboration with Member States, users and stakeholders. The practical enforcement of European legislation is what concerns citizens and businesses and EU legislators and Member States need to better take their views into account and implement concrete solutions for them without jeopardizing the policy objectives of the regulations. Here there is an unexploited potential for more co-operation, for sharing of enforcement practices, for developing IT solutions and for coordinating procedures to minimise the burdens on citizens and business.

The Commission hopes that these clarifications address the issues raised by the Camera dei Deputati and looks forward to continuing our political dialogue in the future.

Yours faithfully,

Frans Timmermans First Vice-President