

**Position paper on the European Commission's**

**"Action Programme for Reducing Administrative Burdens  
in the European Union"**

This position paper has been approved by the Chairs of:

**Nationaler Normenkontrollrat, Germany**

**Better Regulation Commission, United Kingdom**

**Dutch Advisory Board on Administrative Burden, The Netherlands**

**01 March 2007**

## **Introduction**

We applaud and support the European Commission's Action Programme to reduce the administrative burden in the European Union.<sup>1</sup> This challenging programme proves that 'Better Regulation' is a high-priority issue for the European Commission. We consider this action programme represents a recognition of the successful approach of Germany, United Kingdom and the Netherlands in reducing the administrative burden for businesses. This approach includes:

- a zero base measurement of the administrative burdens;
- a reduction target on this measurement;
- commitment on political level (parliament and cabinet);
- ex-ante quantification.

The *Nationaler Normenkontrollrat (NKR)*, *Better Regulation Commission (BRC)* and the *Dutch Advisory Board on Administrative Burden (Actal)* are independent advisory bodies on administrative burdens for the German, British and Dutch governments respectively. In this capacity we have developed comprehensive expertise in reducing the administrative burden for businesses imposed by legislation. We play an important role in supervising, monitoring and guiding our governments on the level of administrative burdens imposed by legislation.

## **Action Programme**

We fully share the view of the Commission that the main objective of reducing administrative burdens is to aid EU competitiveness by fostering a better regulatory environment. Administrative burdens have a serious effect on the output of companies and must therefore be reduced to the lowest level possible without undermining the policy objectives which have been set by EU legislation. The Action Programme of the Commission focuses on thirteen priority areas. In these areas the administrative burdens will be measured and reduction proposals will be formulated. For fast action the Commission already identified ten specific proposals.

## **Recommendations**

We consider the actions prepared by the Commission to be an important first step and we commend the Commission for driving this Programme forward. However, we must not only realise the 25% reduction of administrative burden imposed on businesses by 2012, but also maintain the level of administrative burden at a permanently low level. Building on the strong foundations of this regulatory reform programme, we recommend that the Commission develop the following 6 key priorities:

1. control the full regulatory burden;
2. set a 'net' reduction target;
3. ensure an effective and sustainable ex-ante measurement process for new legislation;

---

<sup>1</sup> COM(2007) 23

4. delegate the target to each DG;
5. involve stakeholders intensively in every step;
6. set up an external, independent advisory body to assist the Commission, the European Parliament and the Member States.

We consider these actions as a critical path for a substantial and sustainable reduction of administrative burdens for businesses in the short and long term.

### *1. Control of the full regulatory burden*

Only a comprehensive baseline measurement of all EU legislation can give a full view of the burdens to be reduced. However, we appreciate the enormity of such a task. We support the Commission's approach of targeting 13 priority areas – it makes sense to target the most burdensome areas and look to improve this legislation as quickly as possible, and we would not want the Commission to lose this momentum.

Nevertheless, it is important that regulation outside of the priority areas does not escape scrutiny. Worthy simplification proposals that are identified during the Action Programme which fall outside the scope of the 13 priority areas should not be ignored. Once the prioritised areas have been measured we believe the Commission should roll this programme out to all other areas. When reduction proposals are being formulated a baseline measurement makes it possible to link and develop fundamental changes in burdensome EU legislation, and will unearth any 'hidden' administrative burdens that would otherwise be ignored.

### *2. Set a 'net' reduction target*

Stakeholders must experience a net reduction in administrative burdens if the Programme is to retain credibility. The impact of simplification has to be measured against the flow of new regulation. To prevent reductions being negated by new regulations with new administrative burdens it is of great importance to set a 'net' reduction target. A net target gives an extra impulse for the Directorates-Generals (DG) to live up to their responsibilities. It will encourage them to keep burdens to a minimum when bringing forward new regulations and highlight the need to identify offsetting measures. Additionally this will ensure consistency with administrative burden reduction exercises in member states.

### *3. Ensure an effective and sustainable ex-ante measurement process for new legislation*

We welcome the inclusion of the standard cost model methodology, with an ex-ante measurement of new regulations, into the Impact Assessment process. An effective and sustainable ex-ante measurement of every new piece of European legislation not only is important to attain a 'net' reduction, but is indispensable to maintain administrative burden at a permanent low level.

### *4. Delegate the target to each DG*

The responsibility for reduction should not remain at the level of the College of Commissioners. Each relevant DG within the Commission services should identify the potential for reducing burdens and have appropriate targets. Experience in member states

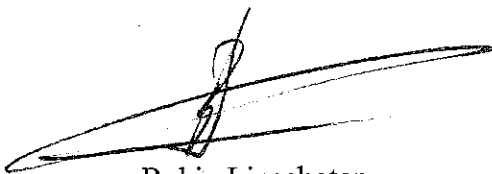
suggests that a flexible target for each relevant DG would work best. Some areas of the Commission will find it easier to achieve a reduction in burdens than others, and varied targets should be set with this in mind. After executing a complete base line measurement every DG would have full insight of its administrative burdens. Besides a net reduction target setting a maximum level (ceiling) of administrative burdens for every DG prevents indulging of burdensome legislation imposed on businesses. Setting a ceiling for every DG should also have organisational consequences.

5. *Involve stakeholders intensively in every step*

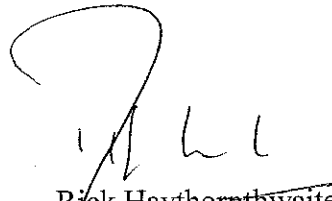
We firmly believe that the involvement of stakeholders, including businesses and industry organisations, during every step of the Action Programme is essential. Businesses and other stakeholders are pivotal in the base line measurement, formulating the reduction proposals and realising these proposals. Their involvement creates a more externally orientated approach and less opposition is to be expected. Moreover it is vital for communicating the success stories in a later stage. Consequently we believe that businesses should not only be consulted but have a formal role in challenging administrative burdens.

6. *Set up an external, independent advisory body to assist the Commission and the Member States*

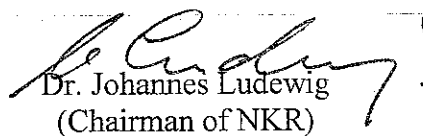
We consider the intention of the Commission to set up a pilot project, an independent expert committee, for minimizing administrative burdens<sup>2</sup> as a major step towards the ambition of the EU to keep the administrative burdens at a permanent low level. Existing programmes in member states show the value of this input, both through wider consultation and the particular role of the official independent advisory bodies. This role enables an independent body to advise on the least burdensome option without touching the objective of that particular piece of legislation. Based on our national experiences we consider an external independent watchdog would provide indispensable assistance for the Commission, Council and the Parliament when tackling administrative burdens.



Robin Linschoten  
(Chairman of Actal)



Rick Haythernthwaite  
(Chairman of BRC)



Dr. Johannes Ludewig  
(Chairman of NKR)

<sup>2</sup> The Pilot project is proposed in the 2007 budget (budget reference line: 26 01 08).