

Towards better and less costly EU legislation

Better impact assessments and focus on implementation

As more and more legislation is adopted on a European level addressing important transnational challenges, it becomes increasingly important to ensure cost-efficiency. Rising costs related to EU legislation is a significant burden for Member States and businesses and poses a risk to European competitiveness as well as popular support for common European initiatives. This calls for structural solutions.

Impact assessments play a key role in ensuring evidence-based policymaking and minimizing costs related to EU-legislation by identifying the most cost-efficient measures to deliver on common European priorities. It is therefore essential that the Commission provides high-quality and timely impact assessments, that takes into account also the cumulative effects, of new legislative proposals.

However, impact assessments are not always presented, notably for delegated and implementing acts, and seldom contain estimates for the economic consequences at Member State level nor updates where proposals are significantly altered during negotiations.

This means that proposals are often negotiated without sufficient information about the economic consequences for businesses, authorities and citizens. We propose the following two initiatives aimed at mitigating the challenges and fostering a more evidence-based and cost-effective legislative process:



1. A Commissioner for impact assessments and implementation

A dedicated Commissioner responsible for impact assessments and implementation of EU legislation to oversee the entire lifecycle of EU legislation and ensure a stronger political ownership of impact assessments as the basis of evidence-based decision-making.

The role would entail a specific responsibility to make sure that consequences of proposed EU legislation are thoroughly assessed and updated during the negotiations, if needed. A commissioner would be a focal point for Member States and the European Parliament on these matters and should participate in Council meetings on a regular basis. It also entails a focus on streamlining the implementation process by monitoring whether adopted proposals are implemented and enforced, and on evaluating whether the adopted legislation is effective in achieving the political goals.



2. Better impact assessments with cost estimates at Member State level

The guidelines on Better Regulation should be updated requiring impact assessments to contain information on economic consequences at Member State level. This includes impacts on national budgets and businesses in order to address Member-State specific challenges from the outset, reducing the likelihood of delays and cost overruns. The requirement should apply to all impact assessments and could be introduced through a standard annex, drawing inspiration from the Financial Regulation, which sets requirements for legislative financial statements relevant for the EU budget

If a proposal is not accompanied by an impact assessment, the Commission should issue a publicly available explanation, including an indication of the timeline for issuing the delayed impact assessment. In the spirit of shared responsibility, we should work together as co-legislators and look into dynamic impact assessment mechanisms so that impact assessments can be re-evaluated during the EU legislative process, when proposals are significantly altered during negotiations.

While the cost estimates for authorities and businesses are subject to data being made available by the Member-States, the Commission can draw on existing knowledge in EU agencies and collaborate with relevant experts. A certain margin of uncertainty can be accepted, as long as the methods for calculations are presented, allowing Member States to conduct their own assessment based on the similar methodology. To reduce the administrative burden on the Commission, less crucial parts of the Better Regulation guidelines could be identified and made optional.
