

Press release 29 April 2021

Better regulation key to Europe's competitiveness

Welcoming the long-awaited publication of the Commission communication on better regulation, EuroCommerce Director-General Christian Verschueren said today:

"It is some 6 years since Frans Timmermans launched the Commission's new approach to better regulation, and we welcome Vice-President Šefčovič's updated communication on the subject. Getting regulation right can be instrumental in creating new business opportunities and properly functioning markets. Getting it wrong can turn good ideas into legislation which does not deliver what it intended and possibly harms the people it aimed to help. That is why we believe that scrupulous and full consideration of the impact of legislation, not least on SMEs, and proper consultation of those likely to be affected by it, is essential to making regulation work as intended, and contributing to a competitive European economy."

The Commission communication is an important step forward in making sure that legislation works as it should in underpinning important European policy objectives – not least in helping create a resilient, competitive EU economy which protects consumers and allows industry, not least the retail and wholesale ecosystem, to innovate and meet the significant challenges of digital and sustainability transformation, and thus provide rewarding employment to Europe's citizens.

We have pointed to a number of areas which we hope that the revised better regulation agenda will help the Commission address effectively in the coming years:

- Properly designed and executed consultations, the results of which are considered fully and taken on board by the Commission, so that the proposed regulation works with how markets function and takes account of results already been delivered in the area.
- Coordinating the timing of consultations so that stakeholders are not confronted with too many exercises at the same time.
- Improving the quality of questionnaires to allow the Commission to have a full picture of how
 its proposal might work in reality, and help it design regulation which delivers the intended
 results effectively.
- Avoiding rushed proposals to meet a political objective which has not been sufficiently considered. The old adage 'hard cases make bad law' points to the need to look for regulation appropriate in the wider context, and which is future-proof.
- Giving proper time for implementation, avoiding a situation which has arisen in a number of
 cases recently where necessary guidance and secondary legislation is not available until after
 the legislation has to be implemented. We have suggested that where such secondary
 legislation is foreseen, the implementation period should run from when that secondary
 legislation or guidance is actually published.
- Taking seriously the need to revise fundamentally even flagship legislation which has shown
 itself to have not worked as intended or created regulatory burdens disproportionate to its
 intended or actual effects, using the expertise in the Fit for the Future platform to help point
 to where such revision is urgently needed.
- Fully implement the SME Test in all legislation, ensuring that the impact of the proposal on small businesses least able to carry major regulatory burdens has been fully assessed, and the legislation adjusted. The appointment of the EU SME Envoy, part of whose role will be to filter new and existing legislation to ensure that it is SME-friendly, is long overdue.

None of this should slow the process of producing or adopting legislative proposals, but rather ensure that Europe has a regulatory framework fit for a challenging present and future global environment.

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