



European Commission

DG Enterprise & Industry

Administrative Burden Reduction and Impact Assessment

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European Commission
DG Enterprise & Industry**

Administrative Burden Reduction

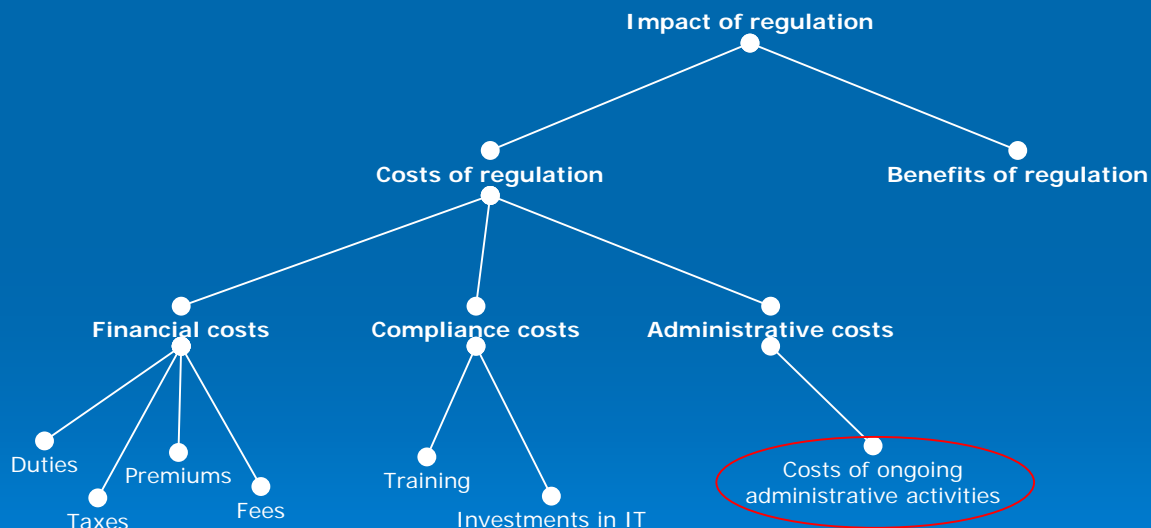
- Ambitious strategy to measure and reduce administrative costs in the EU by 25% by 2012
 - Member states called upon to develop their own programmes and targets
- Economic simulations show level increase in GDP of c. 1.4% (EUR 150 bn)

Administrative Burden Reduction

➤ **Administrative costs:**

- Defined as the costs incurred by private businesses in meeting legal obligations to provide information on their action or production, either to public authorities or to private parties.
- Information is to be construed in a broad sense, i.e. including costs of labelling, reporting, monitoring, and assessment needed to provide the information and registration

➤ **Complying with regulations involves various types of costs (and benefits) for businesses:**



The purpose of this exercise is not deregulation.

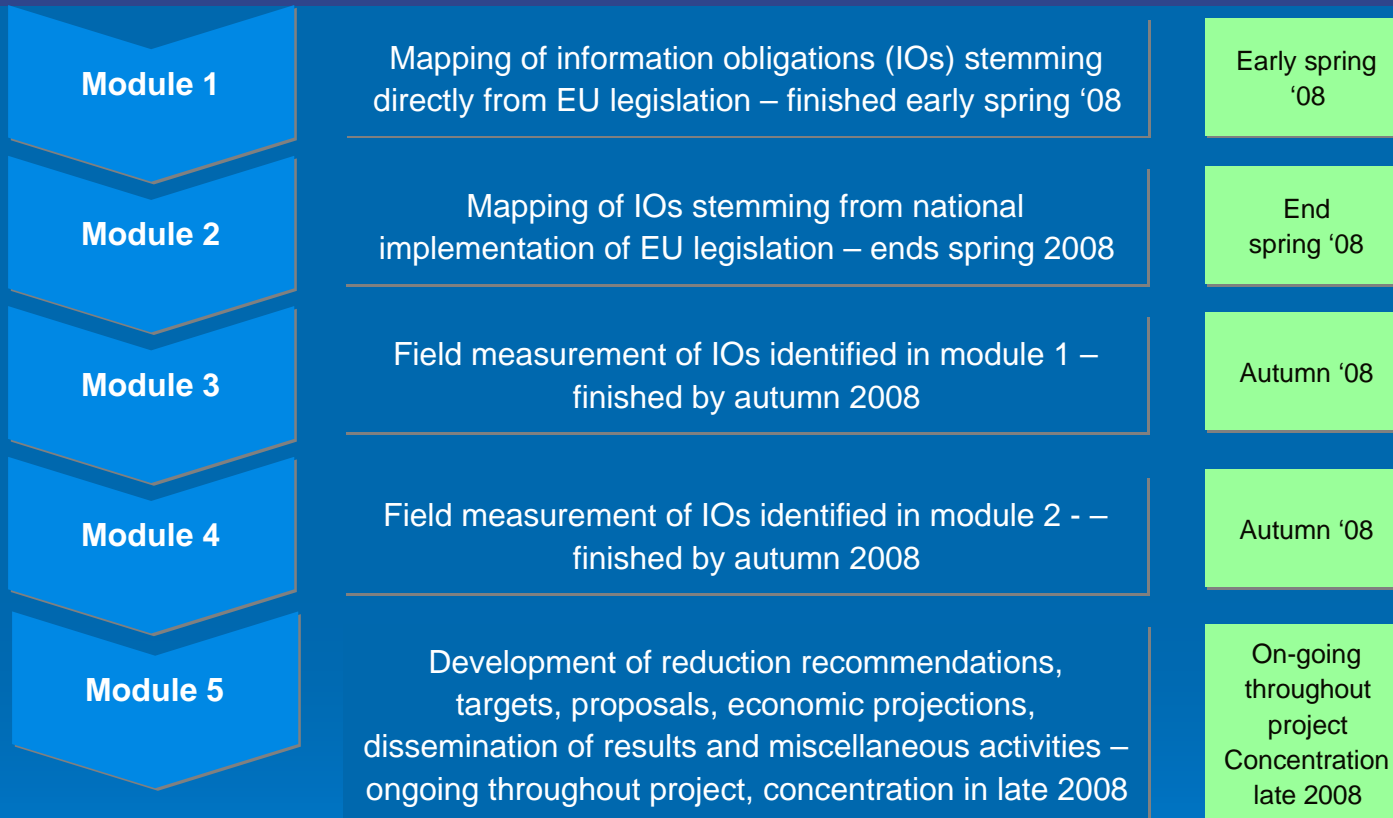
Types of information obligations

- Application for general authorisation or exemption
- Application for individual authorisation or exemption
- Application for subsidy or grant
- Certification of products or processes
- Cooperation with audits
- Information labelling for third parties
- Inspection
- Non labelling information for third parties
- Notification of (specific) activities
- Other
- Registration
- Submission of (recurring) reports

AB – 13 Priority areas

- **Focus on 13 identified priority areas**
 - **To be mapped, measured and reduction proposals**
- Agriculture and Agricultural Subsidies
- Annual Accounts / Company Law
- Cohesion policy
- Environment
- Financial Services
- Fiscal Law / VAT
- Fisheries
- Food safety
- Health Protection
- Public Procurement
- Statistics
- Transport
- Working environment / employment relations

Administrative Burden



Involvement of stakeholders

- High Level Group of Independent Stakeholders (chaired by E. Stoiber) advises Commission
 - on administrative burden reduction measures suggested by the consultants,
 - on the necessity to add priority areas and/or pieces of legislation to the current EU-wide measurement exercise.
- General stakeholder input
 - http://ec.europa.eu/enterprise/admin-burdens-reduction/admin_burdens_en.htm
- Stakeholder events in all member states

Impact Assessment

- Prepares available evidence of potential impacts of alternative policy options
- Ex-ante tool (e.g. deals with new admin costs)
- Transparency
- Benefits of IA are long term

IA institutional arrangements

➤ Lead Directorate-General

- Unit in charge of IA
- External expertise (e.g. public consultation, use of consultants)

➤ Quality control

- Secretariat-General
- Interservice Steering Group
- Stakeholder input and scrutiny
- Impact Assessment Board

IA steps

- **Problem definition**
 - What is the problem? Who is affected? How will it develop?
 - Identification of market and regulatory failures
 - Subsidiarity and value added
- **Objectives**
 - Hierarchy from general to specific
 - SMART
- **Identification of options**
 - At least 3 (including baseline)
 - Real alternatives
- **Analysis of options**
 - Across economic, environmental and social pillars
 - Criterion of proportionate analysis
 - CBA, CEA or qualitatively
 - Preferred option
- **Monitoring and evaluation arrangements**

Impact Assessment

- Since 2003 more than 300 IAs
 - IA guidelines updated in 2005
 - Greater emphasis on competitiveness issues and admin burden

- External evaluation
 - Guidelines and process being revised
 - Extension of scope
 - Proportionate analysis criterion refined



Impact Assessment

« Impact Assessment is an aid to political decision-making, not a substitute. »