



**COUNCIL OF
THE EUROPEAN UNION**



Council conclusions on the reduction of administrative burdens

*2931st ECONOMIC and FINANCIAL AFFAIRS
Brussels, 10 March 2009*

The Council adopted the following conclusions:

"Referring to the European Council Conclusions of 8-9 March 2007 requesting a review of progress on Better Regulation on a yearly basis, the Council welcomes the Commission's report "Third strategic review of Better Regulation in the European Union".

The Council (ECOFIN) CONSIDERS that better regulation, including the reduction of administrative burden, is a key element of the renewed Lisbon Strategy. Improvement of the regulatory environment is crucial for realising the full potential of the Single Market, stimulating entrepreneurship and innovation and enhancing competitiveness. Given the limited room for budgetary manoeuvre in the present difficult economic situation, the reduction of undue administrative burden, which would alleviate the impact of the economic crisis on businesses in a fiscally neutral manner, would contribute to short term stimuli and is in line with medium and long term objectives. On the other hand efforts to reduce administrative burden shall not contradict measures securing integrity and transparency of financial markets.

P R E S S

The Council (ECOFIN) APPRECIATES the work undertaken by the Commission in this field, especially the measurement of the administrative burden on businesses, the first proposals for reducing administrative burden (potential savings estimated by the Commission at 30 billion euro in the EU) and the proposed extension of the Action Programme as presented by the Commission in its 3rd Strategic Review of Better Regulation. However, the Council (ECOFIN) STRESSES that further measures are needed to achieve timely delivery of results. The Council (ECOFIN) therefore CALLS UPON the Commission to continue suppressing unnecessary administrative burden and to identify specific reductions to be made in each of the 13 priority areas and to adopt proposals stemming from the present action programme before the end of its mandate.

The Community institutions should make a joint effort to progress quickly in achieving the 25% reduction of the administrative burden arising from EU legislation with the aim of significant impacts felt by business by 2010 and impacts across all identified key sectors by 2012 at the latest. The Council (ECOFIN) WELCOMES the establishment of sectoral reduction figures by the Commission in two areas (taxation and company law) and the Commission's intention to identify before the end of its mandate the contributions that each baseline sector will make to the overall 25% reduction target.

The Council (ECOFIN) HIGHLIGHTS the importance of an indicative timetable for the Action Programme and robust monitoring of progress made and reporting annually to the Spring European Council on the implementation of the Action Programme and on changes in administrative burden. The progress in reducing administrative burdens would be undermined by additional administrative costs resulting from new legislative proposals. The Council (ECOFIN) ENCOURAGES therefore the Commission to assess the potential administrative burdens resulting from new proposals in line with its Impact Assessment Guidelines in order to ensure that administrative costs are kept to a minimum that is necessary for new policy initiatives.

By the end of 2008, 21 Member States had set their national targets on reduction of administrative burden stemming from national law as invited by the 2007 Spring European Council. The Council ENCOURAGES the remaining Member States to set their national targets of comparable ambition by the 2009 Spring European Council and all Member States to actively implement concrete reduction measures of unnecessary administrative burden, consistently with their country-specific legal and regulatory procedures. The Council INVITES the Member States to complete their specific national baseline measurement as soon as possible, preferably by the end 2010."
