# NNR's agenda for the EU's work on better regulation 2024–2029





# Board of Swedish Industry and Commerce for Better Regulation Andrea Femrell, President and legally responsible editor Christina Fors, Senior Advisor and author of the report Scantech Strategy Advisors, production and layout

### **Table of contents**

|    | Introduction  | 1  |
|----|---|----|
| 2. | NNR's recommendations   | 2  |
|    | 2.1 Secure full commitment to better regulation among all EU institutions                     | 2  |
|    | 2.2 Reduce the regulatory burden of companies and keep regulatory costs to a minimum          | 2  |
|    | 2.3 Ensure consultation and transparency for the business community                           | 4  |
|    | 2.4 Strengthen impact assessments and the mandate of the Regulatory Scrutiny Board (RBS)      | 6  |
|    | 2.5 Improve evaluations and follow-up of EU regulations                                       | 8  |
|    | 2.6 Future-proof EU rules and regulations and ensure effective implementation and application | 10 |
|    | 2.7 Improve the process for EII downstream legislation  | 12 |

1. Introduction

# NNR's agenda for the EU's work on better regulation 2024–2029

#### 1. Introduction

Better regulation on the EU level is of major importance for the competitiveness and growth of European companies.

Globalisation and digitalisation have made the design and application of rules and regulations more significant, as more or less all companies face increasing competition from the external world.

A heavy regulatory burden due to ineffective and complicated rules affect companies' productivity and competitiveness. Data also show that companies consider overregulation to be one of the greatest impediments to growth.<sup>1</sup>

In recent years, we have noted increased speed in the development of new EU legislation, for example following the COVID pandemic, the war in Ukraine, technological developments and the climate transition. These areas must of course be addressed by the EU, but the lack of a simultaneous focus on and discussions of the effects of current regulations on competitiveness and growth and the lack of ambitious efforts to reduce disproportionate regulatory costs for companies have inevitably led to higher costs for European companies – costs that keep rising, despite already high regulatory costs.

European companies perceive that they are facing an increasing number of regulatory requirements and higher regulatory costs compared with third country competitors, which may make European companies less competitive and cause companies to make their investments outside the EU. It is therefore imperative to focus on competitiveness and ensure the proper advancement of the EU's better regulation efforts.

By creating simpler, more effective and clearer regulations, we can promote the growth and competitiveness of companies and contribute to Europe's economic welfare.

The Board of Swedish Industry and Commerce for Better Regulation (NNR) therefore presents some important recommendations in several areas that are intended to achieve this.

- » Secure full commitment to better regulation among all EU institutions
- » Reduce the regulatory burden of companies and keep regulatory costs to a minimum
- » Ensure consultation and transparency for the business community
- » Strengthen impact assessments and the mandate of the Regulatory Scrutiny Board (RBS)
- » Improve evaluations and follow-up of EU regulations
- » Future-proof EU rules and regulations and ensure effective implementation and application
- » Improve the process for delegated acts and other downstream legislation

 $<sup>1 \</sup>quad https://www.pwc.com/gx/en/ceo-survey/2018/pwc-ceo-survey-report-2018.pdf$ 

#### 2. NNR's recommendations

#### 2.1 Secure full commitment to better regulation among all EU institutions

Recommendations to the Commission, Council and Parliament:

» Update the Interinstitutional Agreement on Better Law-Making.

A basic condition for achieving effective regulations is that all institutions must take full responsibility and actively strive for better regulation, and there must a clear agreement with a strong commitment to compliance. The Interinstitutional Agreement between the European Parliament, the Council of the European Union and the European Commission on Better Law-Making that was concluded in 2016 has not made the Parliament and the Council accept more responsibility or made them work according to the better regulation principles and toolbox. It is therefore high time for the agreement to be updated and for all institutions to accept greater responsibility for better regulation. This involves making impact assessments and taking responsibility for reducing the regulatory burden of companies, limiting new regulation and keeping regulatory costs to a minimum considering the intended purpose.

#### **Recommendations to the Commission:**

» All the Commission's Directorate-Generals must take responsibility and actively strive for better regulation. Undertakings on better regulation must be included in the mission letters to all future key Commissioners.

#### 2.2 Reduce the regulatory burden of companies and keep regulatory costs to a minimum

NNR's member organisations highlight the fact that regulatory costs for companies in the EU keep rising and have reached a critical level. This makes the investment environment less beneficial for European companies compared with their global competitors. A reduction of the regulatory burden of companies is key if European companies are to be competitive compared with competitors in third countries and to increase productivity. These are issues that greatly affect the European economy.

Targets for reducing regulatory costs constitute important incentives to bring about change and ensure that the simplification measures introduced truly lead to reduced costs. However, it is important that the better regulation efforts do not cease once goals have been set and the work on measuring them is finalised; there must be a long-term overarching requirement on effectiveness combined with processes to ensure that this requirement is met.

#### Recommendations to the Commission:

» Ensure that the target of reducing reporting requirements by 25 percent is met. This must include the reporting requirements that are perceived as burdensome by the business community, which have been submitted to the Commission. We recommend the establishment of a register of reporting requirements. » Adopt ambitious reduction targets and intermediate targets, not only for administrative costs but for all compliance costs in the areas that are considered most important to the business community.

This should occur in consultation with the business community. The targets should be net targets that are followed up in a transparent, consistent and effective manner.

» Make the 'one in, one out' approach more transparent and include not only administrative costs, but all compliance costs.

The Commission has introduced the cost offsetting system 'one in, one out' for administrative costs, which means that for each new administrative regulatory cost introduced, the Commission has committed, to the extent possible, to remove a corresponding administrative regulatory cost in the same area.

As administrative costs comprise a minor part of companies' regulatory costs, the 'one in, one out' approach should not only include administrative costs, but all compliance costs.

The Commission must ensure that the 'one in, one out' approach is fully applied. The calculations and reporting by the Commission on 'one in, one out' in the Annual Burden Survey must become better and more transparent. In NNR's experience, as the system is based on impact assessments, only files and costs identified in impact assessments are included. As the Commission did not conduct impact assessments in certain areas that entailed significant costs, such as for certain delegated acts and basic acts, claiming urgency, and as it did not include all significant costs in certain files, 'one in, one out' did not include all significant costs introduced. This is a major shortcoming that must be remedied.

#### » Limit the introduction of new regulation.

When new EU regulations are discussed, it is particularly important to question thoroughly whether regulation is strictly necessary or if there are alternative means to achieve the objective at a lower cost. Alternatives must be used more frequently.

The 'once-only principle' should always be applied whenever possible, and any potential double regulation should be identified, avoided or removed.

» Consider the cumulative regulatory burden when contemplating new regulation.

The Commission has announced that it intends to develop a method for calculating the cumulative regulatory burden. We expect this work to be completed.

#### » Ensure the effectiveness of regulation.

Make an annual net summary of the total costs and benefits of regulation.

To achieve more effective and less costly regulation, the benefits of regulations must be weighed against the associated costs, which should also be used to guide the work on better regulation and reduce regulatory costs. For this to be possible, proposed regulation must be subject to cost and benefit calculations to a greater extent than is currently the case. It must also be clarified how costs and benefits were calculated.

#### Strengthen the mandate of the Fit for Future platform.

The Commission's advisory body on better regulation, the Fit for Future platform, must be strengthened, for example by moving from the current top-down perspective, where the platform's work is largely governed by the Commission's work programme, to a bottom-up approach, where the platform's work to a much greater extent can be based on the areas and simplification proposals received via Have your say: Simplify! or from the platform's members.

NNR also recommends an overview of the limitations of the work on the platform, to allow discussions on how simplification can be made of files that were introduced in the past two years. This is important, as a large number of rules were introduced in very little time in recent years.

In NNR's experience, the Commission's secretariat for the platform is carrying out extensive background work to support the platform in its efforts. However, the secretariat tends to make too narrow interpretations of the limitations of the platform. The Commission's role in interpreting these limitations should therefore be reviewed. In addition to the above, the Commission should make better use of the Fit for Future platform's better regulation expertise and consult the platform in the work on developing better regulation.

#### Recommendations to the Council and Parliament:

- » Take responsibility for the reduction targets, including the 'one in, one out' approach, and keep the introduction of new regulation and regulatory costs to a minimum.
- » Consider cumulative regulatory costs when contemplating potential significant changes to the Commission's proposals and in trilogues.
- » Ensure that the basic acts are sufficiently clear to avoid delegating details of a political nature to the Commission.
- » Take responsibility for ensuring that the implementation is similar in all Member States and that over-implementation, which constitutes a barrier to the Single Market, is avoided.

The application of EU legislation must also be uniform. Existing ineffective implementation and application must be addressed and simplified.

#### 2.3 Ensure consultation and transparency for the business community

#### Consultation

Consultations with the business community provide important information on the applicability and practical impacts of proposed legislation and regulation, based on experience. They may also provide input on more effective alternative solutions for the intended purpose and are an important element in a democratic process.

Consultation with the business community should take place at an early stage and during the entire law-making process in the EU. NNR supports the OECD's recommendation that stakeholder consultations should begin at an early stage of the policy development process, when discussing policy problems and exploring potential solutions.<sup>2</sup>

In NNR's experience, the Commission has sometimes omitted holding public consultations on proposals with significant impact on the business community. This is often the case with the downstream EU legislation.<sup>3</sup> Important information on the impacts of the proposal and potential more effective alternative solutions have therefore not been considered. The input received by the Commission through public or targeted consultations has not always been reported in a transparent manner but tends to be used to underpin the political alternative already selected. Shortcomings have also been noted with regard to the period of time allowed for consultation and the design of questionnaires.

#### Recommendations to the Commission, Council, Parliament and European Union agencies:

#### » Base decisions on all available facts, including input from stakeholders.

Consultations are an important tool to obtain input on the impacts of a proposal. It should be clarified that one objective of the consultation process should also be to discuss the issues and identify additional policy options that may not have been obvious to the decision-makers. The discussion and design of the options should also include those options that were raised or favoured by relevant stakeholder groups and are likely to emerge in the political discussions of the legislators.<sup>4</sup>

Consultations should be held in a transparent and open manner. The Commission and other institutions must continue the development of how to hold consultations with various stakeholders and how to provide feedback on how the stakeholders' input was considered. At the same time, the Commission must ensure that its consultation guidelines are used in a consistent and correct manner.

#### **Recommendations to the Commission:**

#### » Improve the design of the questionnaires used for consultations.

Consultations should be designed to support the collection of facts for impact assessments. Consultation questionnaires should not be too long and open-ended answers and comments should be allowed. Leading questions should be avoided and consultation questionnaires be offered in an editable format. Questions should be clear and simple. It should also be possible to respond to every question in a questionnaire, regardless of which stakeholder group one belongs to.

» Allow sufficient time for consultations and do not hold consultations during holiday periods.

 $<sup>2 \</sup>quad https://www.oecd.org/publications/better-regulation-practices-across-the-european-union-2022-6e4b095d-en.htm \\$ 

<sup>3</sup> Transparency and stakeholder participation in executive EU lawmaking | Centre for European Studies (lu.se)

<sup>4</sup> rsb\_report\_2021\_en.pdf (europa.eu)

- » Expand the mandate of the Regulatory Scrutiny Board to conduct a close review of how the Commission's consultation is performed.
- » Consultations should also be made on draft directives or regulations and the related impact assessments prior to the Commission's decision.

#### **Transparency**

Transparency is a prerequisite for insight, participation and influence and it is therefore important as an element in ensuring a democratic EU and to achieve regulation that is fit for purpose and cost-effective.

#### Recommendations to the Commission, Council, and Parliament:

#### » Increased transparency of trilogues.

Trilogues – negotiations between the Commission, the Parliament and the Council – should be more transparent, as transparency is currently very limited. For example, dates and agendas of trilogue meetings and negotiation positions that have been established for individual negotiation rounds should be made available to the public in an easily accessible manner. In this respect, we refer to BusinessEurope's position paper on the transparency of trilogues.<sup>5</sup>

#### Recommendations to the Commission:

#### » Increased transparency of targeted consultations.

The criteria used to select the participants of a targeted consultation should be more transparent. The Commission website should be more transparent regarding any targeted consultations that are being planned and when they will be held.

#### 2.4 Strengthen impact assessments and the mandate of the Regulatory Scrutiny Board (RBS)

#### Impact assessments

Decisions on regulation must be fact-based. Impact assessment provide decision-makers with vital documentation on whether and how they should regulate to achieve public policy goals in the most effective manner.

In recent years, proposals with major impacts have been presented by the Commission with no impact assessments, such as the Net-Zero Industry Act (NZIA) and the Forced Labour Ban Regulation. Very few impact assessments have been made for proposals for delegated acts, even though many of these are considered by the business community to have significant impacts. This means that proposals have been presented with no knowledge of the impacts that the proposal may entail or whether less far-reaching and more effective alternatives had been possible.<sup>6</sup>

<sup>5</sup> Transparency of trilogues – a BusinessEurope strategy paper | BusinessEurope

By impact assessment, NNR does not refer to the civil servant document that must be established three months after a proposal has been presented by the Commission in cases where no impact assessment was made of the proposal.

Recommendations to the Commission, Council, Parliament and European Union agencies:

» High-quality impact assessments must be made of all regulatory proposals that may have significant impact at all stages of the regulatory process and by all EU institutions, including of EU's downstream legislation (delegated and implementing acts).

#### **Recommendations to the Commission:**

- we Comply with the better regulation guidelines and toolbox and carry out high-quality impact assessments of all proposals for regulations that may have significant impact. Competitiveness checks, effects on innovation and SME tests are analyses that should be included in the impact assessments. The Commission announced reinforcements related to competitiveness checks, but in the business community's experience, this has not yet had any impact, and additional improvements are required from the Commission in this respect.
- » Impact assessments should also be made of all delegated and implementing acts that may have significant effects<sup>7</sup>
- » Establish clear criteria to define significant effects and ensure transparency regarding the Commission's assessment of significant effects.
- » Impact assessments should always be made unless it can be certified that the proposal will not have significant effects on companies or if it is very urgent.
  Assessments should be made public, and it should be possible for stakeholders to challenge them.

#### Recommendations to the Parliament and the Council:

- » The Commission should be required to make an impact assessment before a proposal is subject to negotiations.
- » Take responsibility and make impact assessments of proposed substantial amendments to the Commission's proposals.
  - It should be defined what constitutes a 'substantial amendment.' High-quality competitiveness checks, innovation stress tests and SME tests.

Recommendations to the Commission, Council, Parliament and European Union agencies:

» Ensure that there are sufficient resources and the expertise required to make highquality impact assessments.

#### Review

The Regulatory Scrutiny Board's (the "RSB") scrutiny is important to strengthen and ensure the high quality of the Commission's impact assessments. The RSB reviews and issues opinions and recommendations on all the Commission's draft impact assessments, fitness checks and major

<sup>7</sup> https://nnr.se/wp-content/uploads/NNRs-recommendations-delegated-acts.pdf

evaluations of existing legislation. The RSB also provides cross-cutting advice on better regulation policy to the Commission's Secretariat-General.<sup>8</sup>

#### Recommendations to the Commission, Council and Parliament:

Ensure that there is continued strong support for the Regulatory Scrutiny Board. The RSB's scrutiny is important to strengthen and ensure the high quality of the Commission's impact assessments. It is therefore important that the RSB retains the support of all institutions.

#### **Recommendations to the Commission:**

#### » Strengthen the Regulatory Scrutiny Board's mandate.

The RSB should be given the opportunity to review and comment on any instances where the Commission has elected not to make an impact assessment.

The RSB should also have the mandate to review the Commission's stakeholder consultations. To reduce the risk of political influence, it should be considered how the RSB can be made increasingly independent. For example, the number of external members/experts without links to the Commission could be increased, or the RSB could be given its own secretariat.

A green light from the RSB should be the main rule for proposals before they are taken further and adopted by the Commission. If the RSB still objects to a proposal during its second review, the Commission should make amendments in line with the RSB's opinions and return the impact assessment to the RSB. It is better that the RSB reviews an impact assessment for an additional time than that decisions are made based on flawed impact assessments.

To allow views on the Commission's calculations of a proposal's cost to the business community, the RSB's opinion and the affected impact assessment should be published immediately after the RSB has adopted its opinion.

#### 2.5 Improve evaluations and follow-up of EU regulations

#### **Evaluation**

Evaluations are important to ensure that regulations are effective and meet their intended goals with a cost to society that is as low as possible. Evaluations also help in the determination of what works well and what can be improved.

The Commission performs evaluations of individual rules within the ambit of its REFIT agenda and more extensive fitness checks in certain policy areas. The Fit for Future Platform also allows discussions and advice on proposals aimed at simplifying existing EU legislation. It is positive that there is an evaluation system and that the Commission's major evaluations have been reviewed by the Regulatory Scrutiny Board since 2016. The review includes major standalone evaluations and back-to-back evaluations appended to impact assessments, which are reviewed as part of the associated impact analysis.

<sup>8</sup> Regulatory Scrutiny Board – European Commission (europa.eu)

An in-depth review by the RSB of the Commission's evaluations made a few years ago showed that there is much room for improvement of the Commission' evaluations, particularly in certain parts.<sup>9</sup>

Even if the RSB stated in a more recent Annual Report that there had been some improvement in the evaluations reviewed, it noted that it was not possible to make a proper trend estimation considering the small sample of evaluations included in the RSB's review.

The RSB also stated progress towards moving from an overall 'acceptable' score to an overall good average score will require substantial further efforts and investments. The RSB also found that there was scope for further improvement of the quality and use of back-to-back evaluations. <sup>10</sup> NNR encourages further action to improve the work on evaluations.

#### Recommendations to the Commission:

» Improve the design and methodology of evaluations.

According to the RSB, the main flaws include the design and methodology of evaluations, which affect the ability to make a "proper" evaluation of an action's effectiveness and efficiency. The RSB has regularly reported that the weakest parts are the analysis of effectiveness and the usability of conclusions for future actions.

» Highlight evaluation-related issues already in the impact assessment and use evaluations as a starting point when defining problems.

The RSB mentions that issues related to future evaluations must be highlighted already in the impact assessment. According to the European Court of Auditors in its report on ex-post reviews of EU legislation<sup>11</sup>, evaluations are not always used by the Commission in its impact assessments.

Evaluations/follow-up should be conducted in a transparent and independent manner. It is important that any weaknesses in the facts presented, and the conclusions based upon them, are reported in a transparent manner. Increased transparency is also required for assignments related to follow-up/evaluations.

Most importantly, any weaknesses in the facts presented, and the conclusions based upon them, must be reported in an accurate and transparent manner. With regard to calls for evidence for fitness checks<sup>12</sup>, the choice of legislation to be included must be explained better and be justified. The different consultation channels envisaged should also be clearly stated, especially with regard to any studies prepared by external consultants on behalf of the Commission. In its Annual Report 2019<sup>13</sup>, the RSB also addresses the issue of insufficient transparency regarding weaknesses in the facts presented and the conclusions drawn.

The RSB further draws attention to the issue of resources for evaluation and the fact that the teams responsible for the initiative are the same teams that design and manage the evaluation.

<sup>9</sup> Regulatory Scrutiny Board – Annual Report 2019 – European Commission (europa.eu)

<sup>10</sup> Regulatory Scrutiny Board – Annual Report 2022 – European Commission (europa.eu)

<sup>11</sup> Ex-post review of EU legislation: a well-established system, but incomplete (europa.eu)

<sup>12</sup> https://commission.europa.eu/law/law-making-process/planning-and-proposing-law\_en

<sup>13</sup> Ibid.

The NNR also notes that there are limited incentives for Commission units to make highquality evaluations with a frank assessment of the merits and weaknesses of an initiative.

#### Follow-up

Follow-up plays an important role in ensuring that legislation remains fit for purpose, effective and efficient after a certain period of time.

In the Interinstitutional Agreement between the Parliament, the Council and the Commission on better law-making, it is stated that the three institutions agree to systematically consider the use of review clauses in legislation.

#### Recommendations to the Commission, Council and Parliament:

» Develop the review clauses provided at the end of legislative proposals to ensure greater consistency.

The wording of review clauses must generally be adapted based on the regulatory framework in question, but greater consistency could be achieved with regard to the use of definitions, methods, etc.

#### 2.6 Future-proof EU rules and regulations and ensure effective implementation and application

#### Future-proof rules and regulations

Recommendations to the Commission. Council and Parliament:

» Develop EU regulations with a flexible and neutral design.

The wording of EU regulations must be flexible and technology neutral. Both new and existing EU regulations should also allow for technological innovations and new business models, such as through innovation stress tests. When new regulations are being considered, a careful analysis should be made of whether they are truly necessary. Alternative solutions for solving a problem should also be analysed and considered. Overlaps with other rules and regulations should be identified and avoided. They should also allow for regulatory sandboxes and experimentation clauses.

#### Effective implementation and application of EU legislation

An issue brought up by NNR's members and the business community at large is over-implementation (gold-plating). This is because over-implementation may cause significant costs and impediments to growth and business in the internal market. It also makes it difficult for companies to find out how rules and regulations are implemented and applied in each Member State.

When considering new or amended common EU rules and regulations, the Member States and the Commission should jointly ensure that they are fit for purpose and cost-effective and can be transposed to national legislation in a cost-effective manner that supports the internal market.

EU Directives should also be implemented in a manner that does not fragment the internal market, prevent competitiveness or give rise to unnecessary costs and burdens. It must also be ensured that

the application of EU Regulations is consistent, effective and efficient. Member States have a right to determine how an EU Directive should be implemented in the individual Member State, which in turn requires Member States to be transparent when doing so. NNR's (and the Swedish Better Regulation Council's) report on gold-plating<sup>14</sup> emphasises the need for transparency in the form of a publicly available description of any over-implementation, containing both a description of the over-implementation (in relation to the minimum level in the EU Directive), a justification for why it is deemed necessary and a description of its impact on society, including the business community.

#### Recommendation to the Commission and the Member States:

#### » Highlight over-implementation and report the impact.

The Commission should develop clear guidance on the implementation of EU Directives in the Member States. This effort should be carried out in cooperation with the business community. Based on this, it should be required that Member States report their implementation and any over-implementation in a publicly available manner to the Commission and describe any impacts caused. This would visualise if a Member State's implementation of an EU Directive may cause fragmentation of the internal market, resulting in anti-competitive effects and increased costs for companies. In this respect, the REFIT Platform adopted a recommendation on transparent transposition on 14 March 2019.<sup>15</sup>

#### **Recommendations to the Commission:**

#### » Provide clear criteria for over-implementation.

The Commission's guidelines (and reporting) should define different criteria<sup>16</sup> for when the minimum level of the Directive is exceeded. This should include:

- Adding regulatory requirements beyond what is required by the Directive;
- Extending the scope of the Directive;
- Not taking (full) advantage of any derogations where this would result in Single Market barriers;
- Retaining national regulatory requirements that are more comprehensive than is required by the Directive in question;
- Implementing the requirements of the Directive earlier than the date specified in the Directive; and
- Applying stricter sanctions or other enforcement mechanisms than necessary for correct implementation of the legislation.

<sup>14</sup> https://nnr.se/wp-content/uploads/Clarifying\_gold\_plating\_november\_2012.pdf

<sup>15</sup> https://ec.europa.eu/info/files/refit-platform-recommendations-horizontal-issues-xxii9a-transparent-transposition\_en

The criteria should correspond to the criteria for gold-plating (over-implementation) developed by NNR and the Swedish Better Regulation Council, which were also summarised in NNR's report Improved competitiveness via more efficient implementation and application of EU legislation.

https://nnr.se/wp-content/uploads/improved-competitiveness-via-more-efficient-implementation-and-application-of-EU-legislation.pdf

These are also largely consistent with the criteria developed by the organisation BusinessEurope. https://www.businesseurope.eu/sites/buseur/files/media/imported/2013-00641-E.pdf, https://www.businesseurope.eu/publications/transparent-transposition-businesseurope-strategy-paper

#### » Arrange transposition workshops (implementation workshops).

To avoid Single Market barriers and exchange experiences on effective implementation, workshops on the upcoming implementation should be arranged. NNR recommends that the Commission takes the initiative for the arrangement and invites the Member States.

#### Recommendations to the Council and Parliament:

#### Ensure realistic implementation periods, not least when the regulatory process involves different institutional levels.

Realistic implementation periods are a key factor to help achieve an effective and efficient implementation with legal certainty. Implementation periods that are too short cause onerous and high costs for the affected companies. This issue may be particularly problematic in the financial area, where overarching requirements and the time of entry into force is specified in the framework legislation while technical details, etc. are determined later at various underlying institutional levels.

#### 2.7 Improve the process for EU downstream legislation

#### Recommendations to the Commission, Council and Parliament:

#### » Improve the process for delegated acts.

In addition to making impact assessments of all delegated and implementing acts that may have significant impact, the delegation of issues of a political nature must be avoided.

This requires an improved analysis of the Parliament and the Council. The scope and conditions of the delegation to the Commission of powers to prepare and adopt delegated acts and other downstream legislation should be better defined in the basic acts.

The Council and the Parliament should also ensure that the implementation periods are realistic when delegated acts (and other downstream legislation) are to be prepared following the adoption of a basic act.

The Council should also verify that the proposals for delegated or implementing acts that are adopted by the Commission are consistent with the Commission's powers. The Commission must also check that it does not exceed its powers.

#### **Recommendations to the Commission:**

## Improve transparency and stakeholder participation in the preparation of delegated acts. Additional transparency and opportunities for stakeholders to provide feedback on early drafts of delegated acts or the technical standards (or recommendations/guidelines) of European Union agencies.

The four-week consultation period for proposals for delegated acts should be extended to give stakeholders, including trade associations and companies, sufficient time to consult with various parts of the organisation, perform analyses, make calculations and draft responses regarding the proposed delegated acts.

#### » Create uniform scopes and criteria for the functioning of expert groups.

The purpose is to increase transparency and make it easier for representative of the affected business community to participate in the Commission's expert groups and targeted consultations for delegated acts and other downstream legislation. The Commission must ensure that different interests are properly balanced and represented in its consultations and expert groups.

#### The Board of Swedish Industry and Commerce for Better Regulation, NNR

The Board of Swedish Industry and Commerce for Better Regulation represents the business community on issues related to better regulation. Our tasks include advocating and promoting more effective and less costly rules and regulations, reduced regulatory costs, relevant disclosure of information and a reduced disclosure burden for companies.

NNR organises and coordinates the business community's better regulation efforts on the national, European and international levels. NNR takes the initiative to dialogues with the Swedish Parliament, the Government and EU level representatives and carries out development projects for more effective rules and an effective application of regulations. This focused area of activity makes NNR unique among business organisations in Europe.

The Board of Swedish Industry and Commerce for Better Regulation (NNR) was formed in 1982 and is a politically independent non-profit organisation that is wholly financed by its members. Our members include 25 Swedish business organisations and trade associations that represent approximately 300,000 companies. More information on NNR is available at www.nnr.se.

## Members of the Board of Swedish Industry and Commerce for Better Regulation, NNR, 2024

Drivkraft Sverige | IKEM, Innovation and Chemical Industries in Sweden | Kontakta | KTF - Kemisk Tekniska Företagen | The Employers' Organisation for the Swedish Service Sector (Almega) | The Swedish Property Federation (Fastighetsägarna Sverige) | The Association of Swedish Finance Houses (Finansbolagens Förening) | The Swedish Investment Fund Association (Fondbolagens Förening) | The Swedish Federation of Business Owners (Företagarna) | The Federation of Swedish Farmers (Lantbrukarnas Riksförbund) | The Swedish Aggregates Producers Association (SBMI) | The Swedish Food Federation (Livsmedelsföretagen) | The association for private dental care providers in Sweden (Privattandläkarna) | The Small Business Association (Småföretagarnas Riksförbund) | The Stockholm Chamber of Commerce (Stockholms Handelskammare) | Swedish Private Equity & Venture Capital Association, (SVCA) | The Swedish Food Retailers Federation (Svensk Dagligvaruhandel) | Swedish Trade Federation (Svensk Handel) | The Swedish Industry Association (Svensk Industriförening) | The Swedish Securities Dealers Association (Svensk Värdepappersmarknad) | The Swedish Bankers' Association (Svenska Bankföreningen) | The Confederation of Swedish Engineering Industries (Teknikföretagen) | The Swedish Confederation of Transport Enterprises (Transportföretagen) | The Swedish Federation of Wood and Furniture Industry (Trä- och Möbelföretagen) | Visita – The Swedish Hospitality Industry

