

EUROPEAN ECONOMIC AREA

STANDING COMMITTEE OF THE EFTA STATES

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EEA EFTA Comment

on Better Regulation

1. We, the EEA EFTA States (Iceland, Liechtenstein and Norway) would like to voice our support for the EU's new Better Regulation agenda. Modernisation and simplification of the EU's legislative framework will benefit citizens and businesses alike in their daily lives, and in our view Better Regulation is an important step in this direction. We agree that it is essential to ensure that the common legislative framework is fit for purpose and has added value. At the same time, it is vital to avoid unnecessary regulatory burden on the economy, without lowering standards. This should also be seen in the context of the principle of subsidiarity, according to which decisions should be taken as closely as possible to the citizen.
2. Given that a large portion of EU acquis concerns the Internal Market and is incorporated into the EEA Agreement, our citizens and businesses also stand to benefit from effective and predictable EU legislation which achieves its objectives at minimum cost. It is important to keep in mind the EEA dimension of the Internal Market when new projects are launched at EU level and to make sure that stakeholders in the EEA EFTA States have an equal possibility to contribute to the policy-making process.
3. We agree that a special focus should be placed on creating a friendly environment for small and medium-sized enterprises (SMEs) as they are vital to economic growth. This means taking their interests into account when designing and evaluating policies, and envisaging a lighter regime for them, including an outright exemption for micro-businesses, wherever it is possible and makes sense. At the same time, high social and environmental standards should of course be maintained. Indeed, the EU's Better Regulation agenda corresponds to ongoing efforts in the EEA EFTA States to cut red tape and create a more business friendly environment.
4. The EEA EFTA States have extensive experience in administrative burden reduction, for example concerning e-Government. Electronic communication and web-based services/interaction between the public sector and citizens/businesses have become the default solution. This frees public sector employees from "paperwork", resulting in a more efficient use of public resources. In this respect, the Norwegian system for the electronic prescription of drugs is a good example. This system allows patients to

receive prescription drugs from their pharmacy of choice, without the need to bring the prescription in paper form. This policy is more convenient for patients and practitioners, and the system is less vulnerable to fraud and forgery.

5. It is essential to ensure that proposals for new legislation are based on the best available evidence and contain a credible cost-benefit analysis. Improved explanatory memoranda containing such information will also help stakeholders throughout the Internal Market to understand why the EU is acting and will be helpful in order to interpret legal acts. It is important that substantial amendments by the Council or the European Parliament to Commission proposals are also evidence-based and are accompanied by detailed explanations which are available to stakeholders.
6. The EEA EFTA States note with interest that the Impact Assessment Board will be transformed into an independent Regulatory Scrutiny Board to further strengthen the existing system of quality control for legislative proposals. In fact, Norway is currently in the process of establishing its own independent Better Regulation Council, which will be based on some of the same principles as the new EU body. Its main role will be to scrutinise the quality of and issue public opinions on all impact assessments relevant to businesses carried out by the legislator. Furthermore, similar ideas on independent scrutiny are on the agenda in Iceland.
7. It is equally important to refresh, and in certain cases consolidate, the existing stock of EU legislation, ensuring that it remains fit for purpose and delivers the intended results. In this context, the EEA EFTA States support the Commission's Regulatory Fitness and Performance Programme (REFIT) and welcome the establishment of the new REFIT Platform, which consists of a government group and a stakeholder group and will provide regular input on how to improve EU legislation.
8. The EEA Agreement has been in force for over 20 years. Throughout this period, the EEA EFTA States have contributed actively to the formulation of new EU legislation as well as the assessment of existing policies, through our participation in the Commission's expert groups and committees in areas falling under the scope of the EEA Agreement. We highly value our close cooperation with the Commission and the EU Member States and would like to continue to contribute to their work.
9. Most of the legislation that will be proposed and scrutinised under the Better Regulation procedures will concern the Internal Market and, as such, will be EEA relevant. Therefore, our participation in the REFIT Platform would be beneficial to the further development of the Internal Market as a whole. We believe that we have valuable insights to bring to the table, and allowing the participation of the EEA EFTA States would strengthen the competence of the Platform. In fact, one of the EEA EFTA States, Norway, has previously attended meetings and participated actively in discussions of the high-level group on Better Regulation, which was the predecessor of the government group of the REFIT Platform. We would therefore like to express our wish to continue our participation in the new Platform and are confident that this would be beneficial to all parties concerned.¹

¹ Indeed, the Norwegian Government has already conveyed its interest in participating in the REFIT Platform, in a letter to Vice President Timmermans dated 30 June 2015.

10. On a related topic, we are pleased to note that the Commission intends to improve procedures for involving stakeholders and for taking their feedback into consideration at every stage of the process – from inception to implementation and beyond. We believe that roadmaps will be particularly useful tools for external parties with a vested interest to follow and join in the drafting process in the initial stages. We would like to emphasise that the Commission’s commitment to openness should fully extend to feedback from citizens and stakeholders of the EEA EFTA States, as they are generally subject to the same conditions as their counterparts in the EU. Therefore, their views, experiences and opinions should be given equal consideration.
 11. In sum, we welcome Better Regulation as an important initiative and remain ready and willing to contribute to the task at hand.
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