



EUROCHAMBRES

# Position on Better Regulation

## Eurochambres position on Better Regulation

**Acknowledging the crucial role of Better Regulation as a driver for Europe's competitiveness, Eurochambres calls for a more consistent application of the existing Better Regulation guidelines and toolbox across the European Commission services, alongside a clear commitment of the co-legislators to legislate from the SME perspective.**

**The Better Regulation agenda must combine sound governance procedures with effective law-making tools that enhance the quality of impact assessments and consultations. High-quality evidence and stakeholder input should not be compromised in the rush to table new legislative proposals (less is more). At the same time, embedding "simplicity by design" throughout the legislative cycle would help streamline negotiations with co-legislators without undermining regulatory quality. Before drafting any new legislative initiative, the Commission should assess its necessity and explore whether the intended objectives could be achieved through alternative approaches (regulatory restraint).**

### **Eurochambres general messages**

Eurochambres welcomes the Commission's intention to modernise the EU Better Regulation framework in order to strengthen the ex-ante law-making process, while maintaining high-quality stakeholder engagement and evidence-based legislation grounded in the "think small first", inclusiveness, and transparency principles.

To this end, persisting shortcomings of the current framework must be addressed to deliver a more simpler, clearer and more practical regulatory environment, rather than relying only on ex-post actions through omnibus packages. Recent simplification initiatives demonstrate that insufficient consideration of SMEs, representing 99.8% of European businesses, in the design of EU legislation continues to create avoidable regulatory burdens. This confirms that prevention remains more effective than cure.

While the non-binding nature of the Better Regulation guidelines and toolbox has allowed the Commission to develop a regulatory infrastructure – labelled by the OECD as best in class globally – it has also resulted in uneven and inconsistent application across its services in practice. As a result, potential impacts on SMEs and competitiveness are often insufficiently addressed, and Impact Assessments (IA) reports provide limited and uneven information concerning the preferred policy options, as highlighted in our [analysis on the application of the SME test](#).

New legislative initiatives should always comply with core Better Regulation requirements, including consultations and impact assessments. Eurochambres therefore calls for closer coordination between the Commission Secretariat-General and Commission services, as well as early and meaningful stakeholder involvement in defining annual priorities and identifying initiatives aimed at businesses.

The use of urgency and exemption procedures should be strictly limited and properly justified. For example, where simplification needs are already identified and examined through dedicated stakeholder dialogue, accelerated corrective procedures could be considered, provided that the Commission establishes a close collaboration with the European Parliament and member states, and guarantees continued stakeholder involvement.

### 1. Consultation process and stakeholder engagement

Eurochambres encourages more coherence in the law-making life cycle, including better coordination and timing of calls for evidence, open public consultations, surveys, and related activities such as Implementation Dialogues and reality checks. The Commission must maintain the current bottom-up approach to consultations and ensure greater participation by companies, in particular SMEs, and business representatives. To this end, several elements of the consultation process need to be reinforced rather than weakened.

- **Calls for evidence (CfE)** are the initial step of the cycle and should not overlap with open public consultations, as this creates uncertainty and confusion among respondents. Based on the results of the SME filter, calls for evidence should systematically reflect on the potential impacts on SMEs and micro companies before a consultation is launched.
- The **SME filter** should be strengthened as a mechanism and play a more central role in flagging initiatives with a high impact on SMEs at an early stage of the process. Since the introduction of the filter in 2022, the Network of SME Envoys has screened more than 183 announced legislative initiatives and found that 80% of them are relevant to SMEs. This was also highlighted in the Draghi report, which warns EU institutions and member states to pay much closer attention to the impact of legislation on SMEs. Systematically identifying such initiatives early in the process would enable a more coherent, targeted approach to proposal design.
- In addition, the timing of calls for evidence should be considerably extended from the current 4-week period to guarantee meaningful stakeholder engagement. Calls for evidence should also clearly set out the Commission's consultation strategy, including the need for public or targeted consultations, the timeline of the process, and should be available in all 24 EU languages.<sup>1</sup>
- **Open public consultations (OPCs)** must respect the 12-week period and should not be carried out during holiday periods. The Better Regulation guidelines should clearly define the periods during which consultations should be held, as well as those to be avoided. The 12-week calculation should exclude the period from mid-July to the end of August, while the New Year's break runs from 24 December until 1 January.
- In the exceptional cases where this cannot be avoided, Eurochambres stresses the importance of **extending the consultation period** by several weeks. While this is clearly stated in the current Better Regulation guidelines (tool #55)<sup>2</sup>, Commission

<sup>1</sup> As an example, the Commission's call for evidence on the revision of the Better Regulation framework was conducted in only three languages (EN, DE, FR).

<sup>2</sup> Pag 498: "It is strongly recommended to prolong this period by 2 weeks if it overlaps with holiday periods".

services often limit the consultations to the standard 12-week period. This constitutes a clear limitation of the process, with several examples from the current mandate<sup>3</sup> confirming this well-known trend. In a [letter to the Commission Secretary-General](#) from July 2025, Eurochambres called for a more measured and realistic approach by the Commission in the preparatory phase of new initiatives.

- Questionnaires must be **concise and avoid leading questions** in order to support the collection of impartial information. For SME-relevant initiatives, open public consultations should consider simple, clear, and accessible questionnaires tailored to SMEs and their representative organisations. In this regard, the Regulatory Scrutiny Board (RSB) should be tasked with reviewing open public consultation questionnaires before they are launched to guarantee their impartiality, as well as reviewing the consultation results to ensure that sufficient evidence is collected to carry out a satisfactory, fact-based IA.
- While **SME panel consultations** via the Enterprise Europe Network (EEN) have proven beneficial in gathering input directly from SMEs, they, however, present considerable limitations linked to the geographical distribution and representativeness of the respondents. Consultations should provide a balanced and representative picture of the overall European economy, particularly in cases where a regulation is under consideration as the legal instrument. Chambers of commerce and industry, being active in every European region, can contribute to facilitating this process. At the same time, Eurochambres urges the Commission to avoid the systemic use of this network, as it would inevitably contribute to consultation fatigue among participating SMEs. The core role of the EEN (and the future EU for Business Network) must remain the support of SMEs in innovating, growing on an international scale, and in complying with EU legislation.
- Eurochambres welcomes the introduction of other targeted consultation methods, such as the **Implementation Dialogues**. However, to maximize their impact, such platforms should ensure the systematic participation of SMEs and their representative organisations, such as chambers of commerce and industry. Similarly, Eurochambres welcomes the Commission's approach of **involving practitioners in the reality checks**. Entrepreneurs have hands-on experience in the implementation of EU and national legislation and can provide concrete examples of the hurdles and challenges linked to EU law. At the same time, better planning of such activities is strongly encouraged, as entrepreneurs are required to take time away from their business activities to contribute. It is therefore important to consider the financial implications and the need for timely planning. Travel and accommodation costs for participating entrepreneurs should be covered, and interpretation should be provided. Moreover, the increased use of online participation, as well as more Implementation Dialogues and reality checks, also in member states, should be considered.
- Open public consultations must be available in **all EU languages** from the first day of the process<sup>4</sup>. Information on the availability of the consultation in all EU languages

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<sup>3</sup> Some examples of consultations highly relevant for SMEs and carried out during holiday periods – without any extension – are: 28<sup>th</sup> regime, European Innovation Act, (12 weeks, over summer), revision of EU public procurement rules, simplification of EU rules for defence and sensitive security procurement, Update of the governance of the Energy Union and climate action, revision of the New Legislative Framework (12 weeks, over New Year).

should be clearly stated in the call for evidence and subsequently reported in the IA report.

- In 2017, the Commission launched the “**Have Your Say**” portal, a single online entry point for public consultations, call for evidence, and stakeholder input on EU policy- and law-making. While the portal centralised various existing consultation tools, its design should be improved to make the information gathered more transparent and easily accessible. The more frequent and at times incoherent use of surveys outside the scope of the consultation in preparation of a proposal and its follow-up activities needs to be fully tracked on this platform.
- The “Have Your Say” portal should clearly signal those legislative initiatives that are considered “relevant” or “highly relevant” for SMEs according to the results of the SME filter and the inter-service group (ISG) discussions.
- SMEs and business associations expect that their contributions are not only formally collected but also duly taken into account. However, there is limited transparency on how their contributions are evaluated by the Commission. Therefore, Eurochambres recommends the consistent publication of more detailed consultation summary reports to demonstrate the usefulness of these procedures. Since 2021, the Commission’s sharing of consultation results has declined every year. Full data sharing dropped from 72.6% in the 2019-2024 Commission term to 15.1% in the current Commission term, while consultations with no published data rose from 17.9% to 47.9%.<sup>5</sup>
- The “Have Your Say” portal should also centralise the views of other EU institutions, including the European Economic and Social Committee (EESC) and the Committee of the Regions (CoR), in order to create a “common evidence register” supporting the compilation of much-needed information.

## 2. Impact Assessments

Impact assessments (IAs) are at the foundation of the Better Regulation system. A high-quality IA could help prevent the need for ex-post simplification actions. In the case of an urgent EU initiative with considerable impacts on businesses, a systematic examination of the SME and competitiveness dimensions remains necessary.

Despite the fundamental role of IAs in the law-making process, several gaps persist, resulting in legislative proposals that disproportionately affect businesses, in particular SMEs. To address these gaps, a revision of the Better Regulation framework should ensure that IAs are proportionate to the challenges faced by SMEs, by taking due account of the SME filter process and by performing a comprehensive SME test when assessing preferred policy options.

- **The SME test must become truly mandatory** for every new initiative. At present, the Better Regulation guidelines provide a clear methodology to guide Commission services in carrying out this assessment. Regrettably, this methodology is not yet applied consistently, partially contributing to the creation of overlaps and contradictory requirements in legislation. To address this shortcoming, Eurochambres invites the

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<sup>5</sup> See [EU Commission Transparency Analysis 2017-2025](#) by Adam Urosevic.

Commission to ensure stronger coordination and cooperation across its services.

- **The new SME check is a valuable summary** of the findings of the SME test. It must not, however, replace the actual SME test. Instead, it should clearly and schematically report the main results of each step of the SME test to support the co-legislators during negotiations.
- The **Regulatory Scrutiny Board (RSB) provides independent quality control** of the Commission's impact assessments. While Eurochambres has welcomed the reinforcement of the RSB in recent years, its capacity and resources should be considerably increased further, and its opinions should be systematically considered. There are several examples of key initiatives, such as the CSDDD, that moved on in the legislative process, despite negative opinions issued by the RSB. Such opinions provide quality assurance of the Commission IAs, and respecting these evaluations is crucial to producing proportionate and well-informed legislation.
- Whenever a legislative initiative is considered as relevant for SMEs, the IA must provide **quantification of costs and benefits**, ideally broken down by company size (micro, small, medium enterprises). According to the RSB, on average, only 40% of IAs fully estimate costs, while benefits are quantified even less frequently.
- **The systematic use of SME-friendly provisions** in new legislation is essential to facilitate compliance by smaller businesses. SME-friendly provisions should include, but not be limited to, simplified reporting requirements, streamlined permitting procedures, and principles such as “guiding before sanctioning”. Longer transition periods should be consistently foreseen for smaller businesses. For example, SMEs should be required to comply with new legislation only once appropriate IT systems and infrastructures have been made available by the Commission or national authorities.
- An important shortcoming of the current design of legislation is the absence of a clear **summary table of the obligations** imposed on businesses. Building on well-functioning examples from member states, such as in the Czech Republic, Eurochambres strongly encourages the Commission services to introduce a summary table of the obligations as an Annex to the legislative proposal. This summary should then be published in the Official Journal, together with the legal act, and should be legally binding. If a legal act is amended during negotiations and/or during transposition into national law, then the summary of obligations would need to be amended as well.
- In parallel with the introduction of such a table of obligations, the Commission should **develop an EU-wide digital tool to create a metadata database for such obligations**. Such a tool could be used to automate understanding and compliance for entrepreneurs, trace interactions and inconsistencies between obligations in related laws, and reduce the time and costs of compliance. This would contribute to the Commission's aim to respond more rapidly to policy developments and deliver on the simplification agenda.
- Building on the recommendations of Enrico Letta, Eurochambres invites the Commission to **introduce a method for Dynamic Impact Assessments** for changes to the Commission proposal introduced by the co-legislators, and to make full use of

the potential offered by artificial intelligence to enhance transparency, efficiency, and accountability in law-making. This approach could be envisioned as a regulatory triangle composed of the legal text, the impact assessment, and the summary of obligations, with all three elements evolving throughout the legislative process.

### 3. The co-legislative process

Given the misalignment between political objectives, such as the need for a simple and flexible regulatory framework, and evidence from law-making practices, it is time to realign them. Within the legislative cycle, the co-legislative process stands to benefit the most from the effective use of digital tools and artificial intelligence.

- Eurochambres has consistently emphasised that **Better Regulation is a shared responsibility** among the EU institutions, and therefore requires an equal commitment to ensuring that legislation is negotiated from the perspective of SMEs and delivers legal certainty for businesses. Many EU legal acts include requirements that are not clearly defined, which makes implementation more challenging and increases overall administrative costs. Key terms and provisions in EU legal acts are often vaguely defined, resulting in differing interpretations. This results in an increasing need to compensate for binding legal acts with FAQs, guidelines, and other non-binding interpretative tools by the Commission, which do not provide the needed legal certainty.
- The ten-year-old **Interinstitutional Agreement on Better Lawmaking (IIABLM)** offers a solid basis to guarantee the more systematic and rigorous commitment to evidence-based policy making and cost-benefit analysis throughout the legislative process. Nevertheless, the Commission, the European Parliament, and member states should urgently agree on a **simple methodology to assess amendments** that have a substantial economic impact and affect SMEs as well as competitiveness. A standard template to capture all compliance costs and benefits added to the Commission proposal should be developed and adopted by the co-legislators during negotiations. Leveraging the potential of digitalisation would help avoid engulfing the legislative process.
- In addition, the summary of obligations drafted by the Commission as an Annex to the proposal should be at the centre of negotiations, to ensure that legislative amendments do not add even more obligations compared to the ones already identified.
- Member states should have **full access to the resources of the RSB** in order to review their position before agreeing on negotiating mandates. At the same time, the RSB should act as an independent evaluation body to carry out a final assessment of the cost-benefit analysis prior to the adoption of a legal act, ensuring that no additional costs are introduced compared to the initial estimations of the Commission.
- The European Parliament must follow through and establish a much more reasonable and evidence-based process for amending legislative proposals. The **European Parliament Research Service (EPRS)**, in collaboration with the Commission and the RSB, should assess the validity of proposed amendments with substantial economic impact and affecting SMEs, without delaying the legislative process.
- While **delegated or implementing acts** allow for technical adaptation of EU legislation, their use should be limited in the basic legal act, as they have a

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considerable cumulative impact on business. Furthermore, their preparation should become more transparent through stakeholder involvement and the performance of an impact assessment if substantive impacts on businesses are likely. In the case of regulatory and implementing technical standards, the Commission should scrutinise more strictly whether they go beyond the requirements of the basic legal act. The co-legislators should also play a more active role in reviewing the use of delegated and implementing acts.

- The Commission should **strengthen the implementation and enforcement** of single market rules to ensure their consistent application across all member states. It should also address gaps in enforcement by clarifying notification and compliance requirements, particularly for services and posting of workers, and reinforce legal remedies for breaches of EU law.
- The Commission should provide clearer, more operational guidance to member states, supported by the use of databases, digital tools, and early-warning systems, to reduce legal uncertainty, prevent divergent national interpretations of EU law, and detect implementation gaps and enforcement failures at an early stage.



# EUROCHAMBRES

Eurochambres – the association of European chambers of commerce and industry – represents more than 20 million businesses through its members and a network of 1700 regional and local chambers across Europe. Eurochambres is the leading voice for the broad business community at EU level, building on chambers’ strong connections with the grass roots economy and their hands-on support to entrepreneurs. Chambers’ member businesses – over 93% of which are SMEs – employ over 120 million people.

Previous positions can be found [here](#).

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