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Better regulation for a competitive Europe

Executive summary

Predictable, evidence-based law-making is a prerequisite for effective EU action. Stakeholders rely on the Commission's better regulation rules to plan their engagement and inform the preparation of EU law. To this end, better regulation tools must be strengthened and fully embedded across the entire policy cycle, not weakened or more selectively applied.

DIGITALEUROPE participates extensively in the full range of stakeholder consultation mechanisms and values structured, meaningful engagement throughout the policy cycle. However, recent legislative cycles have exposed shortcomings in the application of better regulation principles, notably regarding impact assessments, stakeholder consultation and regulatory burden. These shortcomings risk undermining both the quality of EU law and the EU's simplification and competitiveness objectives.

In 2025, 78 per cent of DIGITALEUROPE members reported higher compliance costs in Europe, while only 8 per cent saw an improvement in the EU business environment.¹ Urgent action is therefore needed to simplify rules, ensure they are applied consistently, and prioritise incentives where possible.

To strengthen better regulation for a competitive Europe, DIGITALEUROPE recommends:

- ▶ Restore discipline and predictability in EU law-making by strengthening legislative planning, limiting the use of urgency procedures, and confirming that necessary standards or secondary legislation are in place before laws start to apply.
- ▶ Raise the quality of impact assessments through consistent SME and competitiveness checks, systematically assessing cumulative impacts, and realistically analysing how provisions can be implemented and enforced.
- ▶ Make impact assessments dynamic by updating them during the law-making process and testing impacts in real-world settings where possible.
- ▶ Improve the quality of stakeholder consultations through realistic timelines, neutral design, inclusive participation and clear feedback on how input is used.
- ▶ Embed 'simplicity by design' in EU law-making through improved interservice and interinstitutional coordination, full accounting of regulatory burdens and consistent application of the digital-by-default and once-only principles.
- ▶ Strengthen implementation and enforcement of EU law against non-compliant Member States, particularly of the single market rulebook, to ensure consistent application and legal certainty.

¹ DIGITALEUROPE Membership Survey December 2025, available at:
<https://cdn.digitaleurope.org/uploads/2025/12/Membership-survey-report-2025-external.pdf>





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Making better regulation deliver

Clear, effective and proportionate regulation is essential to the EU's competitiveness and maintaining public trust. Delivering such law requires clear policy objectives, rigorous impact assessments, meaningful stakeholder consultation and consistent application of Better Regulation tools throughout the policy cycle. It also requires consistent and predictable application of EU laws once they have been adopted.

DIGITALEUROPE has long supported the better regulation framework. We recognise the resource constraints that the Commission and other EU institutions face and appreciate this review of the EU law-making process, which has contributed to complex and overlapping legislation that is costly and difficult to implement.

However, we believe that the response to current law-making challenges should be better, not less, preparation. One EU law is better than 27 national ones, but only if it is well designed and based on solid evidence. Better regulation tools must be applied consistently and transparently.

Strengthen the annual and multiannual legislative planning process

EU legislative planning has become increasingly fragmented and unpredictable. Annual and multiannual planning instruments, including Commission work programmes and sectoral strategies, are often poorly coordinated, contain vague or shifting commitments and are frequently bypassed by new initiatives. At the same time, urgency exemptions in the better regulation framework are used inconsistently and with weak justification to accelerate proposals without consultations or impact assessments.²

This lack of discipline in planning and procedure has clear consequences. It leads to overlapping and sometimes contradictory legislation, higher compliance costs for businesses and increased regulatory uncertainty. Poorly coordinated or insufficiently assessed initiatives require subsequent corrective legislation, wasting institutional resources and undermining confidence in the EU's law-making framework. Over time, these practices weaken the credibility of EU law itself and reduce the effectiveness of EU policies.

To address these shortcomings, the Commission should:

- ▶▶ Strengthen policy coordination between Commission services and cabinets and reinforce the Secretariat-General's central role in legislative planning;
- ▶▶ Improve the consistency and reliability of annual and multiannual planning, including clearer timelines and stronger discipline on introducing new initiatives;
- ▶▶ Systematically identify and prevent overlaps and parallel initiatives at an early stage;
- ▶▶ Clearly define and strictly limit the use of urgency exemptions, ensuring 'accelerated pathways for time-sensitive initiatives' remain exceptional rather than a tool of convenience;³

² See recommendations of the European Ombudsman in Case 983/2025/MAS, available at: <https://www.ombudsman.europa.eu/en/case/en/68856>

³ Call for evidence on a Communication on Better Regulation, available at: https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/16232-Communication-on-better-regulation_en

- ▶▶ Require public justification, additional oversight (for example, interinstitutional approval to waive impact assessments due to urgency) and robust ex-post impact assessments and stakeholder consultations whenever urgency is invoked.⁴

Improve the quality and relevance of impact assessments

Impact assessments are meant to ensure EU legislation is effective and proportionate. In practice, their quality and consistency remain uneven. The mandatory competitiveness check and SME test (Tool #23) are still frequently applied superficially,⁵ cumulative impacts are rarely assessed, and compliance costs are often underestimated. Impact assessments also tend to remain static, despite substantial changes during the legislative process.

These weaknesses contribute directly to poorly designed legislation, increased regulatory burden and unclear or inconsistent rules. When impacts are not properly assessed upfront, laws require later corrections, creating regulatory uncertainty and wasting resources for both public authorities and affected businesses.

To address these shortcomings, the Commission should:

- ▶▶ Apply SME and competitiveness checks consistently, with realistic estimates of compliance costs and account for small mid-caps. This should include the regulatory impact on time-to-market, compliance costs in the EU relative to other geographies and other opportunity costs.
- ▶▶ Prioritise the quantification of impact of any new law on competitiveness, regulatory simplification and economic security. Systematically assess cumulative impacts and interactions (regulatory consistency) with existing legislation;
- ▶▶ Pay attention to whether and how acts can be implemented and enforced consistently across (and beyond) the single market;
- ▶▶ Use more dynamic tools, including testing regulatory impacts in practice (pre-regulatory sandboxes, gradual phase-in of requirements to facilitate regulatory learning) and consulting stakeholders on impact assessment findings before proposals are finalised;
- ▶▶ Dynamically update impact assessments to reflect amendments by the European Parliament and the Council based on a common methodology;
- ▶▶ Strengthen scrutiny of impact assessments, including through a more independent and better-resourced Regulatory Scrutiny Board (RSB), and introduce stricter conditions for resubmitted impact assessments after a first negative opinion by the RSB.

⁴ For example, the Commission cites urgency to amend the Critical Raw Materials Act (see COM(2025) 946 final), bypassing public consultation and an impact assessment. Yet the same amendments remove a deadline for a required delegated act (Art. 29 CRMA). This contradiction calls into question how 'urgency' is being applied in EU lawmaking.

⁵ Appendix to the Better Regulation toolbox – competitiveness check, available at: https://commission.europa.eu/document/download/bab4c97d-c400-473f-a646-0a9c712a354d_en?filename=BRT-2023-Appendix-Competitiveness%20check.pdf

- ▶▶ Formalise the RSB's role in reviewing initial policy options considered by the Commission, to be followed by the review of the final impact assessment.

Make stakeholder consultations more meaningful

DIGITALEUROPE participates in hundreds of stakeholder consultations, calls for evidence, surveys and related activities each year. Whilst the volume of consultations has increased, their quality and impact have declined. Unrealistic timelines, insufficient follow-up, biased survey design and inconsistent stakeholder inclusion reduce the value of evidence collected.

These shortcomings undermine evidence-based law-making and contribute to poorly designed or inconsistent legislation. When consultations are rushed, duplicated or perceived as a box-ticking exercise, they increase administrative burden, waste resources and fuel disengagement and declining trust in EU policymaking.


To improve the quality and impact of consultations, the Commission should:

- ▶▶ Ensure realistic timelines, including full respect of the 12-week consultation period and avoidance of key holiday periods (August, end of December);
- ▶▶ Improve transparency on how stakeholder input is used, with consultation summaries that meaningfully engage with the evidence received and clear feedback loops in Commission expert groups;
- ▶▶ Ensure neutral survey design and transparent reporting of results to safeguard evidence-based policymaking;
- ▶▶ Apply consistent and inclusive criteria for stakeholder participation across consultations, implementation dialogues and expert processes;
- ▶▶ Better align consultations with legislative planning to avoid duplication and inefficient use of resources, particularly where overlapping or merged initiatives are foreseen.⁶
- ▶▶ Reinstate the full EU WhoisWho directory, including all Commission staff, to enhance transparency and facilitate efficient stakeholder engagement in the EU decision making process. Expand it to European Parliament and Council.
- ▶▶ Ensure a common approach across institutions to publishing linked, open data on legislative planning and the legislative process.

Better coordination to avoid complexity

Preventing regulatory complexity requires more – not less – coordination across Commission services and with the co-legislators. Whilst simplification is rightly a political priority, the growing use of fast-track procedures and compressed interservice consultations risks undermining long-term regulatory coherence.

⁶ For example, the Commission launched three parallel consultations on the revisions of Regulation 1025, the New Legislative Framework and the Market Surveillance Regulation, even though it is considering a European Product Act that will merge these instruments.



When EU initiatives are not properly coordinated or evidence-based, they can unintentionally create new obligations, inconsistencies or legal uncertainty. This weakens the clarity of EU law, increases compliance costs and leads to further corrective legislation.⁷ Lasting burden reduction critically depends on high-quality law-making processes and a systematic approach to simplification, implementation and enforcement.

To deliver 'simplicity by design' the Commission should:


- ▶ Strengthen the annual cycle of simplification, implementation and enforcement by introducing clear targets for each Commissioner and strengthening regular reporting (scoreboard) and review by the Parliament and Council;
- ▶ Increase transparency around the continuous review ('stress testing') of the EU acquis by publishing workplans with clear timelines and milestones for burden reduction;
- ▶ Systematically pursue codification to consolidate amendments and improve the clarity of EU law;
- ▶ Better account for interactions between legislation and standardisation by reducing the number of essential requirements in EU product legislation. Long lists of requirements create heavy workloads for secondary legislation and standardisation, causing delays and increasing implementation costs.
- ▶ Better align application dates of new legislation with the availability of harmonised standards and secondary measures;
- ▶ Establish an interservice taskforce to align legal definitions across EU law;
- ▶ Ensure full and transparent accounting of costs under the 'one in, one out' principle;
- ▶ Apply digital-by-default and once-only principles consistently across all EU legislation. Any exceptions should be clearly justified and accompanied by a plan to bring them into line with these principles as soon as possible.

Better regulation needs consistent enforcement

Better law-making does not end with the adoption of legislation. To achieve their objectives, EU laws must be implemented and enforced predictably and consistently across Member States. In practice, uneven transposition and weak enforcement – particularly of single market legislation – against non-compliant Member States continue to undermine the effectiveness of EU law.

For businesses, this results in legal uncertainty, fragmented compliance obligations and higher costs. For policymakers, weak enforcement erodes the credibility of EU rules and squanders resources invested in legislative design. Systematic stakeholder involvement during implementation is essential to identify practical challenges early and ensure laws function as intended.

⁷ The Danish Council Presidency estimated, based on Commission impact assessments, that new EU legislation could add up to €124.2 billion a year in compliance costs (€86 billion for businesses and €38 billion for public administrations), in addition to one-off adaptation costs of up to €69.9 billion for companies and €1.8 billion for authorities. See <https://eutoday.net/denmark-puts-e124bn-price-tag-on-incoming-eu-rules/>.



To strengthen implementation and enforcement, the Commission should:

- ▶▶ Significantly step up enforcement action against non-compliant Member States, particularly on single market legislation;
- ▶▶ Strengthen the Technical Regulation Information System (TRIS) for effective resolution of incompatibilities with EU law and, where necessary, make use of all other enforcement tools available if TRIS does not successfully address these incompatibilities
- ▶▶ Introduce legal obligations for regulators to consult and cooperate across overlapping legal frameworks, ensuring consistent decisions and guidance;
- ▶▶ Ensure national regulators fully take account of the existing EU *acquis* when enforcing new rules;
- ▶▶ Enable more opportunities for structured dialogue between regulators and companies ahead of enforcement to support compliance and reduce uncertainty.



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About DIGITALEUROPE

DIGITALEUROPE is the leading trade association representing digitally transforming industries in Europe. We stand for a regulatory and investment environment that enables European digitalizing businesses across multiple sectors and citizens to prosper from digital technologies. We wish Europe to grow, attract and sustain the world's best digital talents, investment and technology companies. Together with our members, we shape the industry policy positions on all relevant policy matters, and contribute to its development and implementation. Our membership represents over 56,000 businesses who operate and invest in Europe. It includes corporations and scale-ups which are global leaders in their field of activity, as well as national trade associations from across 30+ European countries.

