

Ms Ursula von der Leyen  
President of the European Commission  
Rue de la Loi 200  
1040, Brussels  
Belgium

Brussels, 14 March 2024

**Subject: The reduction of reporting obligations must serve its purpose and strengthen the competitiveness of European businesses**

Dear President von der Leyen,

One year ago, you committed to simplify reporting requirements and reduce them by 25%. On the same occasion, you acknowledged the complexity of the task as “*an effort we have to make*”. After twelve months, it is important to take stock of the progress made and step up efforts to achieve tangible results.

Eurochambres promptly mobilized the European network of chambers of commerce and industry to support the European Commission in this endeavour. Through their unparalleled contact with the grass roots business community, chambers are well-placed to identify burdensome reporting obligations emanating from existing EU legislation. In May 2023, Eurochambres submitted a list of EU legislation imposing excessive reporting requirements on businesses via the European Commission Industrial Forum. The same recommendations were also shared with you in June 2023. Following the dedicated consultation launched by the European Commission in October 2023, Eurochambres provided additional comments.

A reduction of the cumulative regulatory burden would alleviate pressure on businesses as they continue to contend with unfavourable economic conditions and a challenging environment. The urgency of this was underlined by over one thousand entrepreneurs recently surveyed by Eurochambres<sup>1</sup>, who identified “administrative costs” as a major obstacle to doing business across the single market. Handling increasing volumes of record-keeping and paperwork demands time and manpower from companies. Entrepreneurs also confirm how these costs result in operational slowdown and competitive disadvantage. We therefore regret that, after one year, we see limited improvements in the reporting regime that businesses face and that our suggestions have on the whole not been taken into account by the Commission services.

Your commendable goal was reiterated on several occasions – including in the Communication on the EU’s long-term competitiveness and in the SME Relief Package with the “once-only principle” – and reaffirmed in the Commission’s work programme for 2024 containing 26 additional rationalisation proposals. These actions can only be a first step towards cutting the excessive reporting requirements on businesses stemming from EU legislation. Worryingly though, many current legislative proposals go in the opposite direction by adding additional burden. Examples are the upcoming Critical Raw Materials Act, the regulation to ban products made using forced labour, the new Ecodesign Regulation and the Corporate Sustainability Due Diligence Directive. Only by performing an overall

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<sup>1</sup> [2024 Eurochambres Single Market Survey: overcoming obstacles, developing solutions - Eurochambres](#)

assessment of administrative burden, including reporting obligations, can an aggregate reduction be measured and delivered.<sup>2</sup>

Eurochambres and its network are convinced of the urgent need for a sound and transparent methodology and a forward-looking strategy that goes beyond a rationalisation of reporting obligations. The efforts to rationalise and avoid overlapping compliance obligations across different pieces of legislation are of a certain value, but are a small part of the solution and are insufficient to deliver the -25% objective.

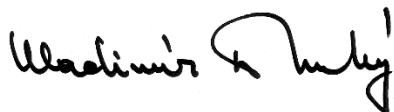
Thus far, business organisations have not been adequately involved in this exercise and our efforts are undermined by the scattered information available regarding the prioritisation of the work and its timeline. In this regard, it would be helpful to receive further information on how the European Commission intends to go forward based on the feedback to the Call for Evidence on reducing reporting obligations. A more collaborative approach and an active involvement of stakeholders are crucial to achieving the quantitative targets and the broader objective of strengthening European competitiveness.

Stronger focus should also be placed on the quality, proportionality, and practicability of EU legislation, and coherence with the "think small first" principle. In this regard, I am confident that the newly appointed EU SME Envoy will play a key role in ensuring that the cumulative burden of legislation on SMEs is reduced.

The next EU term must deliver relief to businesses after a mandate marked by unprecedented economic challenges and an excessive wave of new legislative initiatives. To deliver on this, a flexible and predictable regulatory framework should represent the guiding principle of Europe's sustainable competitiveness. I strongly hope that a European regulatory burden reduction strategy and an improved implementation of the better regulation agenda more broadly will be central to the Commission's political guidelines and actions for the years to come.

Yours sincerely,

Vladimír Dlouhý



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<sup>2</sup> The EU Standard Cost Model defines administrative obligations as a broad range of administrative activities including labelling, reporting, registration, certification of products or processes, application for general/individual authorization, notification of activities/events, provision of data, as well as monitoring and assessments needed to generate the information.