

# Eurochambres contribution to the identification of reporting requirements in EU legislation

**Eurochambres welcomes the European Commission's commitment to rationalise and simplify reporting requirements for companies and administrations with the objective of reducing them by 25%. It is crucial to drastically reform, simplify, and fast-track administrative procedures in a predictable regulatory environment, particularly for SMEs and to provide the necessary incentives to drive investment in the twin transition.**

## 1. Executive summary

European businesses are struggling with their post-pandemic economic recovery, amidst a severe energy crisis and rising labour market concerns. Meanwhile, EU legislation imposes increasing regulatory requirements, which are having a worrying cumulative effect on the competitiveness of businesses.

Eurochambres welcomes the European Commission's commitment to rationalise and simplify reporting requirements for companies and administrations with the objective of reducing them by 25%. However, there is a need for immediate action to provide businesses with relief. To deliver on this commitment, the Commission should set short-term targets and not limit the objective to 25%.

The chamber network welcomes a number of the first proposals presented by the Commission in October 2023 and appreciates the opportunity to provide additional comments on these via the dedicated consultation launched separately.

For the purpose of this consultation, the chamber network has identified 29 initiatives that merit the streamlining of their reporting obligations. Eurochambres has also provided comments on other proposals and initiatives to reduce

reporting obligations adopted by the Commission since March 2023 as in Annex II of the Commission work programme 2024.

In the context of how to strengthen the long-term competitiveness of the EU, we support the announced introduction of the mandatory competitiveness check, including a methodology for assessing the cumulative impact of policies and a more innovation-friendly approach to regulations, as it is announced in the EC Communication on Competitiveness beyond 2030.

Digitalisation must be advanced rigorously and must be present at all stages of the legislative process. Eurochambres acknowledges the commitment to accelerating such a process to standardize the mapping of reporting obligations through AI to achieve coherence and build up a baseline.

Finally, in order to relieve the burden and accelerate investment, we need a consistent regulatory environment in which individual legislative initiatives from different policy areas are not viewed in isolation but rather in the context of their interaction with other regulations, and coordinated with a view to their overall effect.

### 2. Why chamber network considers the reduction of reporting requirements relevant.

The [results of the EES2024](#) continue to reflect the challenging conditions encountered across the nonetheless resilient European economy. The overall economic climate for 2024 remains uncertain for the 43,000 entrepreneurs who responded to the survey. The results reveal that affordable access to energy and raw materials, labour costs, skills shortages and regulatory burden are among the main challenges for 2024.

The challenge of regulatory burden is in line with the feedback of the chamber network with businesses reaching the regulatory saturation point. In addition to the number of requirements and the excessively detailed requests for disclosing information, the burden results from the little time for implementation, duplications and overlaps between different requirements, and lack of clarity of new reporting requirements.

Eurochambres therefore welcomes the objective of reducing reporting obligations by 25% as presented in the Communication on “Long-term competitiveness of the EU looking beyond 2030”. However, we ask the Commission to focus not only on existing reporting obligations but also on legal acts that are in the process of emerging. All new legislation should systematically foresee an analysis to quantify in detail the expected administrative burden. We support the Commission’s effort to determine a baseline for such an exercise which should include all the existing and upcoming obligations on businesses. Such process is crucial to calibrate the 25% reduction according to a clear and precise methodology.

However, the interpretation of the "25% target" as a long-term target is particularly critical, as the economy needs an ambitious reduction in EU bureaucracy in the near future. Instead, the 25% should only be a starting signal for an urgently needed turnaround and a target to be achieved at some point in the future. In order to achieve the target set, further and, above all, more concrete measures must be presented.

The reduction of reporting burdens is a necessary measure to enhance the competitiveness of the European economy. EU policy should complement the needs of the business community and stimulate innovation and growth. Policymakers should fully take into account the contribution of European businesses to the economy and limit reporting requirements. This would strengthen rather than undermine EU policy objectives, allowing businesses to dedicate more resources to investing financial and human resources to implementing digital and sustainable practices.

### 3. Summary of Eurochambres’ policy recommendations on reporting obligations:

- We urge the Commission to map burdensome areas and swiftly proceed with implementing a European regulatory burden reduction programme. Such a programme should tailor measures by targeting sectors and areas according to country-specific needs. It will be extremely important to produce easily accessible information and indicators on how the Commission intends to monitor the progress of its implementation by, for instance, setting up a web page for the transparent consultation of information and results. Furthermore, a calibrated review of the target and objective should be performed periodically, ideally every quarter/semester.
- Eurochambres considers the current configuration of the “One-In-One-Out” principle as not

feasible and rather unclear. To be consistent with the Commission's intentions of reducing reporting requirements, we call for more clarity in the methodology applied. The chamber network is concerned about how the Commission will find the data to analyse and quantify the efficacy of offsetting compliance cost in one regulatory area vis-à-vis the savings in other areas not necessarily related. In addition, the list of exemptions attached to overarching political decisions or other "exceptional circumstances" carry the threat of rendering the OIOO exercise largely ineffective.

- The Annual Burden Survey that the Commission publishes every year to summarise the achievements in the application of the OIOO principle oftentimes lacks clarity in the information provided. More specifically, the main aim is "*to raise the quality of legislation and avoid any unnecessary and, where possible, any additional costs*", with administrative costs (whether one-off or recurrent) identified as the costs related to fulfilling reporting obligations, notifications, information labelling, authorisation, permits or certificates. However, Eurochambres questions the way that such costs are identified when – for example – considering the Proposal for a Directive on Corporate Sustainability Due Diligence. Considering the enormous impact of such a proposal on the business community, it is questionable whether an amount equal to zero in the costs reflects the actual reality. Such an approximate (if not entirely wrong estimate) risks undermining the entire exercise of offsetting new burdens in one area by reducing the burden imposed by existing legislation in the same policy area.
- Whilst the Commission does not always include SMEs in the direct scope of its legislative files, the risk of trickle-down effects for SMEs is not negligible. Each time this materialises is a contradiction to one of the principles enshrined in the Small Business Act: to "Think Small First". Our [joint SME Test Benchmark 2022 exercise with Business Europe and SMEunited](#) is a reflection of the importance that business representatives attach to an evidence-based approach to in EU policy-making as a means of delivering policy objectives in a manner that avoids unnecessary or disproportionate burdens on SMEs. Regrettably, the better regulation guidelines are still not applied consistently across all Commission services and must be improved.
- We very much welcome the appointment of a dedicated EU SME Envoy to advocate SME's interests and enable an SME-friendly regulation. In particular, this will mean consistently performing impact assessments and conducting the competitiveness check as well as the SME Test with clear cost-benefit assessments (especially for any new additional burdens), notably in a context of increased international competition and especially for legislations where mirror measures are not envisaged.
- Co-legislators also have an important part to play, and it is disappointing from a business perspective that the 2016 Interinstitutional Agreement between the European Parliament, the Council of the European Union, and the European Commission on Better Law-Making seems to have gained little or no traction.
- An early and comprehensive involvement of all important business representatives as well as transparent procedures for well-arranged consultation processes will raise the acceptance of new legislative acts and will subsequently also facilitate their implementation. Thus, it is important to ensure the consultation of representative national and European business associations.

**TEMPLATE FOR INDUSTRIAL FORUM TASK FORCE 1**  
**RECOMMENDATIONS on STREAMLINING REPORTING OBLIGATIONS that companies face in the**  
**Single Market**

The chamber network has identified 29 initiatives that merit streamlining reporting obligations (*Eurochambres' proposals presented below are not ranked by relevance*).

1. REACH Regulation
2. CLP Regulation
3. Deforestation Regulation
4. Circular Economy Package
5. Proposal for a Green Claims Directive
6. Environmental Liability Directive (ELD)
7. Regulation on fluorinated greenhouse gases, Art 10: abolition of the certification for air-conditioning equipment in motor vehicles
8. Emissions Trading Directive
9. EPREL - European Product Registry for Energy Labelling
10. Eco-design for Sustainable Products Regulation (ESPR)
11. Pay Transparency Directive
12. Directive on work-life balance for parents and carers
13. Consumer Rights Directive
14. Simplification of the European VAT system
15. Directive on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union
16. Directive regarding the disclosure of income tax information by certain companies and branches
17. Regulation laying down the Union Customs Code
18. Regulation on cross-border parcel delivery services
19. Taxonomy Regulation
20. Corporate Sustainability Reporting Directive (CSRD)
21. Proposal for a Directive on Corporate Sustainability Due Diligence and amending Directive (EU) 2019/1937
22. Single Market Emergency Instrument (SMEI)
23. Prohibition of products made with forced labour on the Union market
24. Critical Raw Materials Act (CRMA)
25. Regulation establishing Horizon Europe – the Framework Programme for Research and Innovation
26. Communication on digitalisation in social security coordination: facilitating free movement in the Single Market
27. Implementation of a common form in electronic format to facilitate posted workers declarations
28. Proposal for a decision of the European Parliament and of the Council amending Directive 2013/34/EU on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings (Accounting directive), as amended by Directive 2022/2464 (for the sustainability reporting standards)
29. Commission Delegated Directive amending Directive 2013/34/EU (Accounting Directive) of the European Parliament and of the Council as regards the adjustments of the size criteria for micro, small, medium sized and large undertakings or groups

RECOMMENDATION NO 1	
<b>1.1 Legislative reference</b>	<p><b>REACH Regulation</b></p> <ul style="list-style-type: none"> <li>• SCIP-notification acc. art. 9, WFD (Waste Framework Directive) in combination with art. 33 REACH regulation</li> <li>• Downstream user (DU) notification acc. art. 66 REACH regulation</li> <li>• Downstream user (DU) notification prepared for the revision of REACH regulation</li> <li>• Gruelling unclear rules need to be clarified or - even better - deleted</li> </ul>
Reference to the legislation (number, title) generating the reporting obligation	<p>Regulation (EC) No 1907/2006</p> <p>Directive 2008/98/EC</p>
<b>1.2 Explanation of reporting requirement</b>	<p><b>SCIP-notification:</b> this obligation requires every supplier of an article to make certain information available to ECHA. Consequently, there is an enormous duplication of this duty in individual supply chains.</p> <p><b>DU notification:</b> The authorisation holder is aware of his customers and the added value of this obligation is questionable.</p> <p><b>DU notification for revision of REACH:</b> A new general obligation for the submission of data on substance on the REACH candidate list is being prepared. Some crucial data requirements, e.g. available alternatives to the used substance, are not realistically collectable by SMEs. Furthermore, there are existing legal instrument within the REACH-regulation to improve the data-basis for substances, e.g. articles 37, 38 and 39, which are now not properly implemented and enforced.</p> <p><b>Clarification or deletion of unclear rules:</b> The REACH-regulation provides for articles - ie finished goods such as chairs, laptops, microphones - obligations. These obligations are unworldly and unworkable. No one - neither companies nor public authorities - can clearly say what an article in the regulatory-sense really is. That means, is it a microphone or is it its individual components and if it is the components, then also the components of the components?</p>
<b>1.5 Suggested improvements</b>	<ul style="list-style-type: none"> <li>• A threshold should be introduced below which an enterprise is exempted from this SCIP obligation. We suggest the annual turnover for a medium-sized enterprise (€ 50 million) as defined in the SME-recommendation.</li> <li>• This request for DU notification in Art. 66 could be deleted.</li> </ul>

	<ul style="list-style-type: none"> <li>• This obligation for DU notification in the revision of REACH should not be a general obligation. It should be triggered when the information is needed on a specific substance.</li> <li>• This unclear situation is a burden for companies that try to act in line with legal requirements. Such rules should be deleted without replacement.</li> </ul>
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RECOMMENDATION NO 2	
<b>1.1 Legislative reference</b>	<p><b>CLP Regulation</b></p> <ul style="list-style-type: none"> <li>• Classification and labelling inventory notification (CLI) acc. art. 40 CLP-regulation:</li> <li>• Poison center notification (PCN) acc. art. 45 CLP-regulation:</li> </ul>
Reference to the legislation (number, title) generating the reporting obligation	Regulation (EC) 1272/2008
<b>1.2 Explanation of reporting requirement</b>	<p><b>Art 40:</b> this notification has no threshold and consequently every substance placed on the market needs to be notified to ECHA. This includes very small quantities of few grams, e.g. for R&amp;D, analytical standards, test material.</p> <p><b>Art. 45:</b> This notification has no threshold and consequently every mixture placed on the market needs to be notified. This includes very small quantities, e.g. for R&amp;D, analytical standards, test material.</p>
<b>1.5 Suggested improvements</b>	<p><b>Art. 40:</b> We suggest to set a threshold of 50 kg below which a substance does not have to be notified.</p> <p><b>Art. 45:</b> We suggest to set a threshold of 50 kg below which a mixture does not have to be notified</p>

RECOMMENDATION NO 3	
<b>1.1 Legislative reference</b>	<b>Deforestation Regulation</b>
Reference to the legislation (number, title) generating the reporting obligation	Regulation (EU) 2023/1115
<b>1.2 Explanation of reporting requirement</b>	<p><b>Article 12</b> Establishment and maintenance of due diligence systems, reporting and record keeping</p> <p><b>Para 3 first part</b></p> <p><i>“Operators who do not fall within the categories of SMEs, including microenterprises, or natural persons shall, on an annual basis, publicly report as widely as possible, including via the internet, on their due</i></p>

	diligence system, including on the steps taken by them to fulfil their obligations as set out in Article 8.”
<b>1.5 Suggested improvements</b>	<p>Deforestation Regulation (EU) <a href="#">2023/1115</a>, delete Art. 12 para 3 first part:</p> <p>It is an <b>unnecessary bureaucratic burden for operators to publish in detail their due diligence systems</b> and does not help consistently to reach the objectives of the regulation to combat deforestation.</p>

RECOMMENDATION NO 4	
<b>1.1 Legislative reference</b>	<p><b>Circular Economy Package</b></p> <ul style="list-style-type: none"> <li>• Priority for the implementation of existing waste standards in all Member States before creating new targets and obligations</li> <li>• Recycling or prevention targets must be based on solid data</li> </ul>
Reference to the legislation (number, title) generating the reporting obligation	COM(2020) 98
<b>1.2 Explanation of reporting requirement</b>	<p>Within Europe, there is a big gap between the Member States when it comes to the implementation of existing waste standards. It is a fact, that ambitious EU waste targets have been established in EU legislation for decades. However, only a small number of Member States has implemented them adequately. The costs and the administrative burden of waste management lead to competitive disadvantages in these countries.</p> <p>The implementation of the already existing EU waste legislation in all Member States should therefore be given priority before adopting new targets and obligations which again only a small number of Member States would implement properly. Otherwise the gap between Member States in the field of waste policy continues to become wider. Therefore, in the coming years, the focus should be placed on creating incentives for the implementation of the already existing law and on checking compliance without red tape.</p> <p>Recycling or prevention targets should be based on solid data and should be technically and economically feasible in all Member States. Furthermore, implementation gaps between Member States should not become bigger.</p>
<b>1.5 Suggested improvements</b>	<ul style="list-style-type: none"> <li>• Priority for the implementation of existing waste standards in all Member States before creating new targets and obligations</li> <li>• Recycling or prevention targets must be based on solid data</li> </ul>

RECOMMENDATION NO 5	
<b>1.1 Legislative reference</b>	<b>Proposal for a Green Claims Directive</b>
Reference to the legislation (number, title) generating the reporting obligation	COM(2023) 166
<b>1.2 Explanation of reporting requirement</b>	<p>EC proposal brings numerous burdens which are threatening the ability of companies to communicate about the environment; these burdens are impossible to fulfil especially for SMEs: before claiming green properties of products a wide-ranging number of obligations have to be covered:</p> <ul style="list-style-type: none"> <li>• substantiation of claim (full life-cycle analysis “LCA”)</li> <li>• then a verification of the substantiated claim and finally</li> <li>• a recognition by the authority</li> </ul> <p>Exemptions are provided for micro-enterprises and for certain environmental claims based on other EU legal acts listed in a taxative list. But they are by far not sufficient and complaint-handling and penalties are way too strict. Labels, especially private labels, are treated prohibitively.</p>
<b>1.5 Suggested improvements</b>	<p>Articles 3, 4 and 5: extension of exemption for micro-enterprises to medium enterprises</p> <p>Article 1(2): extension of EU legislative acts forming an extension</p> <p>Article 3: LCA aspect to be deleted in substantiation</p> <p>Article 8: no prohibitive restrictions to private labels</p> <p>Article 9: Re-evaluation after 5 years of the original audit is required, 10 years should be the relevant deadline</p> <p>Article 10: verification and certification as well as authority recognition need to be eliminated.</p>

RECOMMENDATION NO 6	
<b>1.1 Legislative reference</b>	<b>Environmental Liability Directive (ELD)</b>
Reference to the legislation (number, title) generating the reporting obligation	Directive 2004/35/CE
<b>1.2 Explanation of reporting requirement</b>	<p><b>No unreflected extension of scope:</b> A possible extension of the scope of ELD would lead to additional burden especially, for SMEs, with a very questionable benefit.</p> <p><b>Severity thresholds important and necessary for SMEs:</b> The severity thresholds are necessary especially for SMEs. Furthermore, the competent authorities would suffer of the high number of cases to be expected, where</p>



	<p>the ELD provisions would have to apply. It must be ensured, that only severe damages will be handled under the ELD regime. There is no need for extending this regime for light damages, this would impose huge bureaucratic burdens, especially on SMEs.</p> <p><b>The permit defence and the state-of-the-art defence are very helpful</b> to comply with the ELD. They are fundamental to a system of environmental liability, which promotes prevention by emphasizing the need to show compliance with existing permits and should not be questioned.</p>
<b>1.5 Suggested improvements</b>	<ul style="list-style-type: none"> <li>• No extension of the scope of ELD</li> <li>• Severity thresholds necessary for SMEs</li> <li>• Optional provisions such as permit defence &amp; state of the art defence to be maintained</li> </ul>

<b>RECOMMENDATION NO 7</b>	
<b>1.1 Legislative reference</b>	<b>Regulation on fluorinated greenhouse gases, Art 10: abolition of the certification for air-conditioning equipment in motor vehicles</b>
Reference to the legislation (number, title) generating the reporting obligation	Regulation (EU) 517/2014
<b>1.2 Explanation of reporting requirement</b>	Vocational trainings for handling motor vehicles since 2000 include relevant requirements listed in Art 10 Regulation (EU) No 517/2014 on f-gases. All employees working with motor vehicles are sufficiently qualified. The respective training certificates are recognized EU-wide.
<b>1.5 Suggested improvements</b>	Therefore, a specific certification only for air-conditioning equipment in motor vehicles based on the f-gases-regulation is neither necessary nor beneficial. It constitutes a clear disproportional administrative burden.

<b>RECOMMENDATION NO 8</b>	
<b>1.1 Legislative reference</b>	<b>Emissions Trading Directive</b>
Reference to the legislation (number, title) generating the reporting obligation	Directive 2003/87/EC
<b>1.2 Explanation of reporting requirement</b>	The application of the cross-sectoral correction factor (CSCF) should be avoided through system adaptations. Not only is this necessary to create a fair and level playing field within Europe, doing away with the CSCF would also dramatically increase the planning and investment security for businesses. Currently, the CSCF punishes the best performers with a reduction of their free certificates by up to one fifth. Scrapping the CSCF would furthermore ease the carbon leakage problem. By making the

	<p>allocation system more dynamic and fair, the CSCF could become redundant without jeopardising the long-term climate objective (i.e. the overall EU greenhouse gas cap).</p> <p>In emissions trading, there are numerous reporting, documentation and approval obligations like monitoring concept, methodology, annual activity rate report, 4-year improvement report, certification of sustainable biomass, which mean a lot of bureaucracy and bring little or no benefit from an operational point of view.</p>
<b>1.5 Suggested improvements</b>	At a minimum, the account confirmations and improvement reports should be eliminated.

**RECOMMENDATION NO 9**

<b>1.1 Legislative reference</b>	<b>EPREL - European Product Registry for Energy Labelling</b>
Reference to the legislation (number, title) generating the reporting obligation	Regulation (EU) 2017/1369
<b>1.2 Explanation of reporting requirement</b>	Since January 1, 2019 manufacturers, importers and authorized representatives have to register and enter their products, affected by the Energy Label Regulation, before they can be sold on the EU market in the European Product Registry for Energy Labelling (EPREL). This has become very complex and bureaucratic. Especially for SMEs this leads to enormous burdens, as the data transfer requires increased manpower and is associated with technical challenges.
<b>1.5 Suggested improvements</b>	There should be exemptions for SMEs offering a small number/certain number of units per year.

**RECOMMENDATION NO 10**

<b>1.1 Legislative reference</b>	<b>Ecodesign for Sustainable Products Regulation (ESPR)</b>
Reference to the legislation (number, title) generating the reporting obligation	COM(2022) 142
<b>1.2 Explanation of reporting requirement</b>	<p>The ESPR introduces ecodesign requirements for almost all physical products in the EU. Products will be divided into specific product groups, which are regulated by delegated acts. Additionally, the ESPR provides for the introduction of a Digital Product Passport (DPP) containing information on the environmental sustainability performance of products.</p> <p>As the European Green Deal also introduces a variety of new reporting standards (Taxonomy, Corporate Sustainable Reporting Directive,</p>

	Corporate Sustainability Due Diligence Directive) the DPP is intended “to help public authorities to better perform checks and controls”.
<b>1.5 Suggested improvements</b>	<p>The varying information requirements need to be aligned in such a way that the information provided will satisfy the varying purposes and not be contradictory. Ideally information requirements demanded in one area should preclude having to provide the same information additionally in other areas. (Once-only principle).</p> <p>Otherwise companies run the risk of not being able to legally meet their reporting standards due to inconsistent demands.</p> <p>Information requirements (such as the unique product identifier) need to be reasonable in such a way that SMEs may provide them without unduly stretching their resources.</p>

**RECOMMENDATION NO 11**

<b>RECOMMENDATION NO 11</b>	
<b>1.1 Legislative reference</b>	<b>Pay Transparency Directive</b>
Reference to the legislation (number, title) generating the reporting obligation	Directive (EU) 2023/970
<b>1.2 Explanation of reporting requirement</b>	The directive brings massive reporting obligations in very narrow periodic intervals. Further there are no limits in which a worker can exercise his rights.
<b>1.5 Suggested improvements</b>	<p>Art 7/1 - Right to ask for information should be limited to once every 3 years.</p> <p>Art 7/2 - limit right to ask again to once per request.</p> <p>Art 7/3 - inform workers every 5 years about their right.</p> <p>Art 9 contains massive reporting obligations, which should be amended as follows: 100 – 149 workers every 6 years. 150 – 249 workers every 6 years. 250 workers or more every 4 years. All changes in Art 9 should apply to Art 10 (joint pay assessment).</p> <p>Art 10/1/a - pay assessment only for pay gaps of at least 9%.</p> <p>The following analysis are not necessary and therefore excessive and should be deleted: Art 10/2 d, e, f, g. The lit a – c are sufficient for the directives goal.</p>

RECOMMENDATION NO 12	
<b>1.1 Legislative reference</b>	<b>Directive on work-life balance for parents and carers</b>
Reference to the legislation (number, title) generating the reporting obligation	Directive (EU) 2019/1158
<b>1.2 Explanation of reporting requirement</b>	Various justification requirements for the employer if he denies/postpones a worker's request, which leads to administrative burden.
<b>1.5 Suggested improvements</b>	Delete justification requirements like Art 5, 9.

RECOMMENDATION NO 13	
<b>1.1 Legislative reference</b>	<b>Consumer Rights Directive</b> <ul style="list-style-type: none"> <li>• exemption for contracts under the provisions on contracts negotiated away from business premises, if the consumer himself has initiated the business contact with the entrepreneur (e.g. he has called the craftsman into his flat)</li> <li>• no double information obligations</li> <li>• exemption from the right of withdrawal for downloads of digital content</li> </ul>
Reference to the legislation (number, title) generating the reporting obligation	Directive 2011/83/EU
<b>1.2 Explanation of reporting requirement</b>	<p>The <b>provisions on contracts negotiated away from business premises</b> do also apply if a craftsman is called into a customer's flat because of an order (e.g. paintwork, electrical installations, hairdressing in a flat, etc.) and the contract is concluded there. The complex provisions (enormous information obligations which must be given on paper) cannot be accomplished by SMEs and are connected to an enormous bureaucratic effort but also to potentially totally disproportionate sanctions. Also consumers do have no comprehension for this bureaucracy (if the consumer wants a service to be provided quickly meaning during the withdrawal period, he must explicitly "request that on paper").</p> <p><b>Clarification (in article 8.2 of the directive) is required</b> that in the order overview before the button "BUY", not all essential characteristics of the goods/services have to be displayed again, but rather the identifiability of the goods must be ensured. If, according to article 8.2, information on all essential characteristics was again to be provided to the same extent as in article 6.1a, this overview would lead to bureaucracy and total confusion, especially if several goods are ordered.</p>

	<p><b>Exemption from the right of withdrawal for downloads of digital content:</b> the fact that in the case of digital content a right of withdrawal is not appropriate, is recognised by the possibility of its loss (Art 16 point m of the directive). But the requirements for an effective loss of the right of withdrawal are intensely complex and make downloads highly bureaucratic.</p>
1.5 Suggested improvements	<p><b>Exemption for contracts under the provisions on contracts negotiated away from business premises,</b> if the consumer himself has initiated the business contact with the entrepreneur (e.g. he has called the craftsman into his flat)</p> <p><b>No double information obligations: clarification</b> (in article 8.2 of the directive) is required that in the order overview before the button “BUY”, not all essential characteristics of the goods/services have to be displayed again, but rather the identifiability of the goods must be ensured.</p> <p><b>Exemption from the right of withdrawal for downloads of digital content:</b> It is therefore necessary and conducive to digitalisation, to exclude digital content from the right of withdrawal in general.</p>

**RECOMMENDATION NO 14**

1.1 Legislative reference	<b>Simplification of the European VAT system</b>
1.2 Explanation of reporting requirement	Simplification must represent an essential requirement within the reform of the current European VAT system, which would benefit all companies and especially SMEs. Simple and clear rules can be comprehended and followed more easily. Thus, a simple VAT system leads to a reduction of the European VAT gap automatically.
1.5 Suggested improvements	In connection with the EU initiative ViDA ("VAT in the Digital Age", COM(2022) 701), burdens from new or extended VAT reporting obligations are to be avoided.

**RECOMMENDATION NO 15**

1.1 Legislative reference	<b>Directive on ensuring a global minimum level of taxation for multinational enterprise groups and large-scale domestic groups in the Union</b>
Reference to the legislation (number, title) generating the reporting obligation	(EU) 2022/2523
1.2 Explanation of reporting requirement	This EU directive must be transposed into national law by the member states by 31 December 2023 and applied by taxpayers from 1 January

	<p>2024. Pillar II aims to introduce an effective minimum tax rate of 15% for large corporations.</p> <p><b>Pillar 2 Reporting:</b></p> <p>There should be a list of states that have introduced a national supplementary tax/domestic top-up tax as well as a list of third countries stating the national corporate tax rate. The concrete form of the obliged reporting should be published as soon as possible to enable enterprises to implement a corresponding internal group reporting.</p>
<p><b>1.5 Suggested improvements</b></p>	<p><b>Pillar 2 Reporting:</b></p> <p>The reporting should be <b>only one reporting for the whole group for all countries</b>. If <b>safe harbours</b> can be applied <b>only reduced information</b> should be necessary to be delivered.</p>

<p style="text-align: center;"><b>RECOMMENDATION NO 16</b></p>	
<p><b>1.1 Legislative reference</b></p>	<p><b>Directive regarding the disclosure of income tax information by certain companies and branches</b></p>
<p>Reference to the legislation (number, title) generating the reporting obligation</p>	<p>(Directive (EU) 2021/2101)</p>
<p><b>1.2 Explanation of reporting requirement</b></p>	<p>Directive (EU) 2021/2101 amending Directive 2013/34/EU (Accounting Directive) as regards the disclosure of income tax information by certain companies and branches had to be transposed into national law by June 22, 2023 (public country by country reporting).</p> <p>The amending directive aims to ensure that those income tax information reports that multinational groups are required to submit to the tax authorities in accordance with the requirements of Directive <u>2011/16/EU</u> on administrative cooperation in the field of taxation and repealing Directive 77/799/EEC (implemented in Austria by the Transfer Pricing Documentation Act), are also submitted to the respective commercial registers (in Austria: the Commercial Register Court) at the same time, so that they can be <b>publicly</b> accessed via these registers. These income tax information reports show which sales revenues and profits a group generates in the respective territories and which income taxes it pays there. This should enable a "<b>public debate</b> (...) on the degree of tax honesty" of these groups, namely whether the group also pays taxes where it generates large sales revenues, or whether the profits are shifted to low-tax countries.</p>

	Reporting is to be abolished as the regulations on the EU/global minimum tax will come into force at the beginning of 2024 and the groups that fall under the public country by country reporting will have to pay a minimum tax rate of 15%. This makes the publication of this sensitive data, which could lead to misinterpretation, obsolete
<b>1.5 Suggested improvements</b>	Evaluation of the disclosure requirements; simplification, streamlining and harmonization of the submission process; more member state options at EU level (currently only: to allow delayed publication and exemption from website publication); less severe penalties and more legal safeguards (at national level)

RECOMMENDATION NO 17	
<b>1.1 Legislative reference</b>	<b>Regulation laying down the Union Customs Code</b>
Reference to the legislation (number, title) generating the reporting obligation	(EU) 952/2013
<b>1.2 Explanation of reporting requirement</b>	<p>The EU intends to finally implement the decisions on binding customs valuation information, which are already provided for in the UCC, for practical application. The customs value is an essential part of the customs declaration and determines the assessment basis for customs duty and duties with equivalent effect as well as import VAT. Binding information has a binding effect for three years and offers the importer a maximum of legal certainty, prevents subsequent accounting entries, the complaints raised against them, preliminary investigations under fiscal criminal law and, subsequently, fiscal criminal proceedings.</p> <p>The deadlines for decisions in connection with customs regulations are by no means close to the economy and can even be considered hostile to the economy:</p> <ul style="list-style-type: none"> <li>- No later than 30 days from submission, the customs authority shall notify whether the conditions for acceptance of the application are fulfilled.</li> <li>- At the latest 120 days, the authority must take a decision.</li> <li>- Extension of the aforementioned deadline by a further 30 days is possible.</li> </ul>
<b>1.5 Suggested improvements</b>	Binding ad valorem customs information, which must also be provided for individual cases, is an extraordinary measure to reduce bureaucracy for both the administration and those subject to the standard. Due to the expected number of applications, the customs administrations of the Member States and the European Commission must also provide these offices, which are yet to be established, with the appropriate personnel (number and knowledge).

	Due to the almost complete electronic working environment between economic operators and the administration, a shortening to a close-to-economy period of maximum 60 days should be possible.
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RECOMMENDATION NO 18							
<b>1.1 Legislative reference</b>	<b>Regulation on cross-border parcel delivery services</b>						
Reference to the legislation (number, title) generating the reporting obligation	Regulation (EU) 2018/644						
Level of reporting obligation (who is under the reporting obligation to whom)	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Business to business <input type="checkbox"/></td> <td style="width: 50%;">MS authority to MS authority <input type="checkbox"/></td> </tr> <tr> <td>Business to MS authority <input checked="" type="checkbox"/></td> <td>MS authority to COM <input type="checkbox"/></td> </tr> <tr> <td>Business to COM <input type="checkbox"/></td> <td>Business to consumers <input type="checkbox"/></td> </tr> </table>	Business to business <input type="checkbox"/>	MS authority to MS authority <input type="checkbox"/>	Business to MS authority <input checked="" type="checkbox"/>	MS authority to COM <input type="checkbox"/>	Business to COM <input type="checkbox"/>	Business to consumers <input type="checkbox"/>
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<b>1.2 Explanation of reporting requirement</b>	<p><b>Article 4: Provision of information</b></p> <p>3. By 30 June of each calendar year, all parcel delivery service providers shall submit to the national regulatory authority of the Member State in which they are established the following information, unless that national regulatory authority has already requested and received it:</p> <p>b) the number of persons working for them over the previous calendar year involved in the provision of parcel delivery services in the Member State in which they are established, including breakdowns showing the number of persons by employment status, and in particular, those working full-time and part-time, those who are temporary employees and those who are self-employed;</p>						
<b>1.5 Suggested improvements</b>	<p>Delete Article 4 (3) (b)</p> <p>For the purpose of the regulation the provision of this information is not needed.</p>						

RECOMMENDATION NO 19	
<b>1.1 Legislative reference</b>	<b>Taxonomy Regulation</b>
Reference to the legislation (number, title) generating the reporting obligation	(EU) 2020/852
<b>1.2 Explanation of reporting requirement</b>	The EU taxonomy is a classification system, establishing a list of environmentally sustainable economic activities. Companies, which are obliged to reporting according to NFRD or CSRD also have to disclose



	<p>whether their financial flows are sustainable (taxonomy-compliant). But this obligation could concern further business within the value-chain of obliged larger companies. Tighter reporting and disclosure requirements lead to significant additional work for companies. This is especially true for the EU taxonomy as it covers so many and different economic activities.</p> <p>Proportionality must be taken into account to ensure that the value for the consumer is not counteracted by high administrative workload for the concerned companies. Currently those burdens seem too high: For example, due to additional taxonomy requirements the volume of the taxonomy reporting section of one company’s report more than doubled from the financial year 2021 to the one of the year 2022 without much more useful information for an informed reader.</p>
<p><b>1.5 Suggested improvements</b></p>	<p>We would therefore respectfully request that the Commission retains a close supervision of the taxonomy regime and its associated reporting requirements so that its original aims can be met while ensuring that the taxonomy remains manageable for businesses especially for SMEs.</p>

<p style="text-align: center;"><b>RECOMMENDATION NO 20</b></p>	
<p><b>1.1 Legislative reference</b></p>	<p><b>Corporate Sustainability Reporting Directive (CSRD)</b></p>
<p>Reference to the legislation (number, title) generating the reporting obligation</p>	<p>Directive (EU) 2022/2464</p>
<p><b>1.2 Explanation of reporting requirement</b></p>	<p>EU law requires all large companies and all listed companies (except listed microenterprises) to disclose information on what they see as the risks and opportunities arising from social and environmental issues, and on the impact of their activities on people and the environment.</p> <p>With the CSRD, a broad set of large companies, as well as listed SMEs, will be required to report on sustainability – approx. 50.000 companies. The first companies will have to apply the new rules for the first time in the 2024 financial year, for reports published in 2025. The CSRD also makes it mandatory for companies to have an audit of the sustainability information that they report. In addition, it provides for the digitalisation of sustainability information.</p> <p>Companies subject to the CSRD will have to report according to European Sustainability Reporting Standards (ESRS), drafted by the EFRAG, adopted by the Commission mid-2023 and soon to be published in the OJ (<a href="#">first set</a>). The formal reporting requirements do not come into effect until the financial year 2024 for</p>

	<p>companies, so it is not possible to know how its application will be interpreted by auditors and users of the information. Furthermore, the sectoral European sustainability reporting standards currently foreseen for June 2024 are proposed to be adopted 2 years later (see <a href="#">COM(2023) 596, EC Work Programme 2024</a>). The postponement of sector-specific reporting obligations by 2 years is generally welcomed; however, this measure is (evidently) not sufficient to provide long-term relief. Additionally, there is potential for further simplification of sector-agnostic standards (ESRS).</p> <p>We would request in advance that care is taken to ensure that the ESRS / CSRD regime remains focused on its core principles and purpose and is not allowed to evolve into an excessively detailed, prescriptive or burdensome compliance regime.</p>
<p><b>1.5 Suggested improvements</b></p>	<p>simple, usable and practice-oriented design of the reporting standards</p>

<p style="text-align: center;"><b>RECOMMENDATION NO 21</b></p>	
<p><b>1.1 Legislative reference</b></p>	<p><b>Proposal for a Directive on Corporate Sustainability Due Diligence and amending Directive (EU) 2019/1937</b></p>
<p>Reference to the legislation (number, title) generating the reporting obligation</p>	<p>COM(2022) 71</p>
<p><b>1.2 Explanation of reporting requirement</b></p>	<p>The Corporate Sustainability Due Diligence Directive is to oblige and hold companies liable for tracing the intermediate goods or finished products procured abroad at all stages of their supply chain for any production processes that are harmful to the environment or violate working conditions.</p> <p>It is to apply to companies with 500 or more employees and more than 150 million euros in turnover and to companies with more than 250 employees in risk sectors. Due to the trickle-down effect, however, there will be massive additional bureaucracy, especially for SMEs.</p>
<p><b>1.5 Suggested improvements</b></p>	<p>The European legislator must address this problem with a sense of proportion, taking into account the "think small first" principle.</p>

RECOMMENDATION NO 22							
<b>1.1 Legislative reference</b>	<b>Single Market Emergency Instrument (SMEI)</b>						
Reference to the legislation (number, title) generating the reporting obligation	COM(2022) 459						
Level of reporting obligation (who is under the reporting obligation to whom)	<table border="0" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Business to business <input type="checkbox"/></td> <td style="width: 50%;">MS authority to MS authority <input type="checkbox"/></td> </tr> <tr> <td>Business to MS authority <input checked="" type="checkbox"/></td> <td>MS authority to COM <input checked="" type="checkbox"/></td> </tr> <tr> <td>Business to COM <input checked="" type="checkbox"/></td> <td>Business to consumers <input type="checkbox"/></td> </tr> </table>	Business to business <input type="checkbox"/>	MS authority to MS authority <input type="checkbox"/>	Business to MS authority <input checked="" type="checkbox"/>	MS authority to COM <input checked="" type="checkbox"/>	Business to COM <input checked="" type="checkbox"/>	Business to consumers <input type="checkbox"/>
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<b>1.2 Explanation of reporting requirement</b>	<p>This initiative aims to create a flexible and transparent mechanism to respond rapidly to emergencies and crises that threaten the functioning of the Single Market. The initiative aims to ensure coordination, solidarity and coherence of the EU crisis response and to protect the functioning of the Single Market by ensuring the following: Continued free movement of goods, services and people, smoothly functioning supply chains, availability and access to goods and services.</p> <p>From the point of view of the WKÖ, the proposed regulation is to be assessed very ambivalently: The good basic idea is only partially implemented in a meaningful way (e.g. planning for crisis situations and measures to secure supply chains). The following points are assessed critically:</p> <p>Mandatory information obligations for companies in the event of serious disruptions of the internal market, imposition of fines for non-response. Additional burdens through reporting obligations or even direct intervention in economic activity.</p>						
<b>1.5 Suggested improvements</b>	<ul style="list-style-type: none"> <li>Art 24: voluntary requests of information instead of obligatory requests</li> <li>clarification of the criteria for determining the monitoring mode</li> <li>deletion of the strategic reserves in Art 12 as well as the priority rated orders in Art 27</li> </ul>						

RECOMMENDATION NO 23							
<b>1.1 Legislative reference</b>	<b>Prohibition of products made with forced labour on the Union market</b>						
Reference to the legislation (number, title) generating the reporting obligation	COM(2022) 453						
Level of reporting obligation (who is under the reporting obligation to whom)	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Business to business <input type="checkbox"/></td> <td style="width: 50%;">MS authority to MS authority <input type="checkbox"/></td> </tr> <tr> <td>Business to MS authority <input checked="" type="checkbox"/></td> <td>MS authority to COM <input type="checkbox"/></td> </tr> <tr> <td>Business to COM <input type="checkbox"/></td> <td>Business to consumers <input type="checkbox"/></td> </tr> </table>	Business to business <input type="checkbox"/>	MS authority to MS authority <input type="checkbox"/>	Business to MS authority <input checked="" type="checkbox"/>	MS authority to COM <input type="checkbox"/>	Business to COM <input type="checkbox"/>	Business to consumers <input type="checkbox"/>
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<b>1.2 Explanation of reporting requirement</b>	<p>The conditions which are to be regulated by this proposal are in the most cases outside of the direct control of EU companies. Due to the complex global supply chains, companies cannot verify all environmental or labour related conditions in regard to their products.</p> <p>Companies, regardless of size, must submit responses to the competent authority within 15 working days. Therefore, in order to comply with these requirements or to avoid the competent authority banning the sale, import or export of the product, companies must ensure in advance, despite the complexity of supply chains, that they can prove, if necessary, that the product was not produced under forced labour. This poses major challenges for micro and individual companies, as they do not have the same human resources as larger companies, which can have their own legal department to oversee compliance with all sustainability regulations.</p>						
<b>1.5 Suggested improvements</b>	<p>An exemption for SMEs is needed, following the model of the EU Due Diligence Directive. In any way, there must be "disengagement" in those cases where companies could not influence the supply chain. Also, an economic operator following due diligence should be always excluded from investigations. However, SMEs must be supported on setting up due diligence processes.</p> <p>The proposed regulation states that the regulation shall apply 24 months from its entry into force. Since the implementation of the regulation poses a major challenge, especially for SMEs, a longer transition period should be provided.</p>						
Please indicate the type of change your suggested improvement would require (removal of legal obligation, simplification of legal requirements, reduced scope,	<p>SME exemption</p> <p>Longer transition period</p>						

reduced requirements or other simplifications reducing the reporting burden). Please specify, if relevant.	
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RECOMMENDATION NO 24							
<b>1.1 Legislative reference</b>	<b>Critical Raw Materials Act (CRMA)</b>						
Reference to the legislation (number, title) generating the reporting obligation	COM(2023) 160						
Level of reporting obligation (who is under the reporting obligation to whom)	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Business to business <input type="checkbox"/></td> <td style="width: 50%;">MS authority to MS authority <input type="checkbox"/></td> </tr> <tr> <td>Business to MS authority <input checked="" type="checkbox"/></td> <td>MS authority to COM <input type="checkbox"/></td> </tr> <tr> <td>Business to COM <input type="checkbox"/></td> <td>Business to consumers <input type="checkbox"/></td> </tr> </table>	Business to business <input type="checkbox"/>	MS authority to MS authority <input type="checkbox"/>	Business to MS authority <input checked="" type="checkbox"/>	MS authority to COM <input type="checkbox"/>	Business to COM <input type="checkbox"/>	Business to consumers <input type="checkbox"/>
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<b>1.2 Explanation of reporting requirement</b>	<p>The measures proposed therein (e.g. promotion of the use of secondary raw materials and new recycling technologies, establishment of a critical raw materials board, acceleration of the permit granting process for strategic projects which we also support) may well contribute to a better security of supply of raw materials in Europe. Nevertheless, there are some concerns: Many of the measures lead to new information requirements for companies and thus generate additional bureaucratic burden. Furthermore, it must be noted that the proposal does not take business and trade secrets into account.</p> <p>The proposal provides for the execution of stress tests which shall consist of an assessment of the vulnerability of the Union’s supply chain of the relevant strategic raw material to supply disruptions by estimating the impact of different scenarios that may cause such disruptions and their potential effects, taking into account at least the following elements:</p> <p>(a) where the raw material concerned is extracted, processed or recycled;</p> <p>(b) the capacities of economic operators along the value chain as well as the market structure;</p> <p>(c) factors that might affect supply, including but not limited to the geopolitical situation, logistics, energy supply, workforce or natural disasters;</p> <p>(d) the availability of alternative supply sources and of substitute materials;</p>						

	<p>(e) the users of the relevant raw material along the value chain and their share of demand, with special attention to the manufacturing of technologies relevant for the green and digital transitions as well as defence and space applications.</p> <p>Therefore, Member States shall identify key market operators along the critical raw materials value chain established in their territory and shall monitor their activities through regular and proportionate surveys with a view to gathering information required for this monitoring tasks.</p> <p>Member States shall also submit to the Commission information on the state of their strategic stocks of strategic raw materials. The information shall also cover stocks held by all publicly owned companies or economic operators charged by a Member State to build up strategic stocks on its behalf and shall at least include a description of:</p> <p>(a) the level of stocks available for each strategic raw material, measured both in tonnes and as a percentage of annual national consumption of the relevant materials, as well as the chemical form and purity of the materials stocked;</p> <p>(b) the evolution of the level of stocks available for each strategic raw material over the preceding 5 years;</p> <p>(c) any rules or procedures applicable to the release, allocation and distribution of strategic stocks.</p>
<b>1.5 Suggested improvements</b>	<p>We propose that companies identified shall submit the data they collect as parts of already existing monitoring exercises or stress tests. This shall happen to the extent that such data is available. Companies must not be obliged to submit any data that includes business risk or information that can lead to the reveal of such risk.</p>

RECOMMENDATION NO 25							
<b>1.1 Legislative reference</b>	<b>Regulation establishing Horizon Europe – the Framework Programme for Research and Innovation</b>						
Reference to the legislation (number, title) generating the reporting obligation	Regulation (EU) <a href="#">2021/695</a>						
Level of reporting obligation (who is under the reporting obligation to whom)	<table border="0" style="width: 100%;"> <tr> <td style="width: 50%;">Business to business <input type="checkbox"/></td> <td style="width: 50%;">MS authority to MS authority <input type="checkbox"/></td> </tr> <tr> <td>Business to MS authority <input checked="" type="checkbox"/></td> <td>MS authority to COM <input type="checkbox"/></td> </tr> <tr> <td>Business to COM <input type="checkbox"/></td> <td>Business to consumers <input type="checkbox"/></td> </tr> </table>	Business to business <input type="checkbox"/>	MS authority to MS authority <input type="checkbox"/>	Business to MS authority <input checked="" type="checkbox"/>	MS authority to COM <input type="checkbox"/>	Business to COM <input type="checkbox"/>	Business to consumers <input type="checkbox"/>
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<p><b>1.2 Explanation of reporting requirement</b></p>	
<p>Explain the concerned reporting requirement, the impacted sectors, and what practical obligations they entail for businesses /administrations</p>	<p>The traditional cost-based system for projects is complex and prone to error, this applies particularly to SMEs. Therefore the Commission intends to extend the funding of projects with lump sums.</p> <p>While this lump sum model reduces administrative tasks during the project, it requires more detailed budget information upfront, necessitating robust European and national support systems to help applicants manage this initial increase in effort.</p>
<p><b>1.5 Suggested improvements</b></p>	<p><b>Lump Sum funding</b> in Horizon Europe offers significant benefits for applicants, especially SMEs, by substantially <b>reducing the reporting burden during the project implementation phase</b>. This funding model eliminates the need for detailed financial reporting, enabling SMEs to focus more on project development and innovation. At the same time, it is crucial to address the concerns highlighted in the ECA Annual Report 2022 to <b>ensure the effectiveness and suitability of this funding approach</b>.</p>

**RECOMMENDATION NO 26**

<p><b>RECOMMENDATION NO 26</b></p>	
<p><b>1.1 Legislative reference</b></p>	<p><b>Communication on digitalisation in social security coordination: facilitating free movement in the Single Market</b></p>
<p>Reference to the legislation (number, title) generating the reporting obligation</p>	<p><b>COM(2023) 501</b></p>
<p><b>1.2 Explanation of reporting requirement</b></p>	<p>One may wonder why this initiative (which is a 'simple' communication from the European Commission and therefore non-binding for the member states) is classified under Section A of the 2024 Work Programme of the European Commission, which pertains to initiatives related to <b>reporting</b> obligations. According to our understanding, it aims to encourage the continued digitalization of <b>administrative formalities</b> (in the context of Regulation 2018/1724 of October 2, 2018, establishing a single digital gateway).</p>

<b>RECOMMENDATION NO 27</b>	
<b>1.1 Legislative reference</b>	<b>Introduction of a common form in electronic format to facilitate reporting for posted workers</b>
<b>1.2 Explanation of reporting requirement</b>	This is a targeted initiative that focuses on the obligation of prior declaration regarding secondment/posting of workers.
<b>1.3 Economic benefit of removing/ simplifying the reporting requirement</b>	<p>While in all these three countries the posting declaration is indeed in digital form, the declarations are not uniform. The initiative, therefore, moves in the right direction by firstly implementing a uniform form.</p> <p>Digitalization and the introduction of a common form will simplify and facilitate declarations on the posting of workers. This administrative simplification would be complemented by the development and provision of a multilingual and public interface through which service providers can declare the posting of workers, for those Member States that choose to use this public interface.</p>
<b>1.4 Examples</b>	
Please provide examples of how the reporting obligations work in practice for your business/administration	<p>Currently, for example, in the case of posting to Luxembourg: the foreign company must submit a declaration to the ITM (Luxembourg's labor inspectorate) at the start of work in Luxembourg. This involves providing essential information on the "e-Détachement" electronic platform to obtain the social badge and designating a natural or legal person present in Luxembourg as the reference person for communication with the ITM and other competent authorities regarding compliance with posting conditions.</p> <p>In the case of posting to Belgium: the foreign company must submit a mandatory electronic declaration, known as Limosa.</p> <p>In the case of posting to France: the foreign company must submit a declaration to the Ministry of Labor via a portal ("24eleservice SIPSI").</p>
<b>1.5 Suggested improvements</b>	<p>If, in a second phase, there were to be the establishment of a public and multilingual (presumably European) interface, it would be regrettable that the use of the interface remains optional for the member states.</p> <p>Additional digitalization in the posting of employees is fundamentally positive. In practice, companies experience a range of different data requirements from the EU member states. However, the effectiveness of the proposed portal would be diminished if only a few countries were to use it. The focus should therefore be on the broad use of the tool and the optionality should be reconsidered.</p>



RECOMMENDATION NO 28	
<b>1.1 Legislative reference</b>	<b>Proposal for a decision of the European Parliament and of the Council amending Directive 2013/34/EU on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings (Accounting Directive), as amended by Directive 2022/2464 (for the sustainability reporting standards)</b>
<b>1.2 Explanation of reporting requirement</b>	The proposal postpones the deadline for the adoption of the sectoral European sustainability reporting standards (ESRS) by two years (currently June 2024) to provide an immediate reduction in the reporting burden for in-scope companies, including SMEs.
<b>1.3 Economic benefit of removing/ simplifying the reporting requirement</b>	This proposal will allow the companies in the scope of the CSRD to focus on the implementation of the first general set of ESRS adopted on 31 July 2023 and give time to EFRAG to develop sector-specific ESRS that are efficient and limit the reporting requirements to the minimum necessary.
<b>1.5 Suggested improvements</b>	This proposal will probably not really rationalise the reporting obligations nor reduce the administrative burdens, as it is just a postponement of the reporting obligations for two years. Also, the reporting under the sector agnostic ESRS will remain with all related obligations, such as preparing the management report including sustainability reporting in the electronic reporting format and providing the opinion of an independent assurance services provider. Sectoral standards must be proportional and practicable. It should be noted that for the vast majority of companies subject to reporting requirements, the reporting obligation imposed solely by “Set 1” of the EU sustainability reporting standards must still be regarded as disproportionate. From the predominant point of view of the business community, readjustments are needed here with the aim of achieving proportionate and practicable sustainability reporting standards, including those of “Set 1”. The impact on non-reporting companies in the value chain must also be taken into account.

RECOMMENDATION NO 29	
<b>1.1 Legislative reference</b>	<b>Commission Delegated Directive amending Directive 2013/34/EU (Accounting Directive) of the European Parliament and of the Council as regards the adjustments of the size criteria for micro, small, medium sized and large undertakings or groups</b>
<b>1.2 Explanation of reporting requirement</b>	The delegated directive provides for the adjustment to inflation (25%) of the size criteria applicable to the definition of micro, small, medium-size and large undertakings or groups.
<b>1.3 Economic benefit of removing/ simplifying the reporting requirement</b>	<ul style="list-style-type: none"> <li>- reduction of the accounting reporting obligations and administrative burdens</li> <li>- no more auditing accounts for some companies</li> <li>- some companies will be out of the scope of the CSSRD and will not be required to provide the non-financial report (large companies becoming medium sized companies)</li> </ul>

<p><b>1.4 Examples</b></p>	<p>The Accounting Directive requires that the annual financial statements of all medium and large undertakings are audited. However, it does not require an audit of the annual financial statements of small undertakings. Therefore, the medium undertaking which will categorize small after the adjustment criteria are applicable will escape the audit.</p>
<p><b>1.5 Suggested improvements</b></p>	<p>It should be noted that inflation has been close to 30% over the last decade. This questions the relevance of the proposed adjustments, in particular in the face of the risks of future inflation. We therefore recommend a more significant increase in financial thresholds (30%).</p> <p>In addition, however, there is a need for a fundamental discussion on a new definition to distinguish between medium-sized and large companies within the framework of the Accounting Directive. Many companies that are currently considered large companies within the meaning of the directive are medium-sized companies with a lean management structure. These companies are not comparable with actual large and mostly capital market-oriented companies.</p> <p>In the opinion of the majority of companies, the threshold for the Accounting Directive should therefore be set at a minimum of 500 employees to differentiate between medium-sized and large companies. In addition, threshold values for net sales and total assets that are significantly higher than the inflation-related adjustment should be defined. A significant increase in the threshold values beyond the inflation adjustment and taking productivity into account in the Accounting Directive could also support the EU Commission’s goal of significantly reducing bureaucracy.</p>

**Eurochambres’ comments on other proposals and initiatives to reduce reporting obligations adopted by the European Commission since March 2023 as in Annex II of the Commission work programme 2024**

**Green: high approval**

**Yellow: positive, but potential for improvement**

Proposals and initiatives	Brief description of the content	Eurochambres’ assessment
<p><b>4 Proposal for a Regulation amending Regulation 223/2009 on European statistics – COM (2023) 402</b></p>	<p>The proposal provides for a reduction in the burden on businesses through the increased use of new digital and administrative sources and the digitization of secure data exchange platforms. Significant savings can be achieved by reducing the size of data collection, which will reduce the burden on businesses and citizens. The simplification will affect all sizes of businesses, including SMEs. SMEs will benefit from a larger number of more up-to-date statistics, especially as they make up the majority of respondents in business surveys.</p>	<p>Further digitization of official statistics is just as welcome as reducing the sample size of statistics. Automating the provision of data would also speed up reporting by the statistical authorities, which would also benefit all users.</p>
<p><b>5 Proposal for a Regulation of the European Parliament and of the Council concerning labor market statistics of enterprises in the European Union and repealing Council Regulation (EC) No 530/1999 and Regulations (EC) No 450/2003 and (EC) No 453/2008 - COM (2023) 459</b></p>	<p>The proposal will lead to simplifications and efficiencies while encouraging the use of alternative administrative sources and modern digital techniques, including automatic transfer of payroll data and web-scraping, which will help to reduce the burden on businesses in general and SMEs in particular.</p>	<p>Further digitization of official statistics is to be welcomed. Automated data delivery also speeds up reporting by the statistical authorities, which also benefits all users.</p> <p>In general, more digitalization in the context of business statistics is needed.</p>
<p><b>6 Commission Implementing Regulation (EU) 2023/1472 of 17 July 2023 amending Regulation (EC) No 1055/2008 as regards the frequency with which Member States submit their quality report on balance of payments, international trade in services and foreign direct investment statistics</b></p>	<p>The Implementing Regulation streamlines reporting obligations by simplifying and harmonizing metadata reports and by reducing the frequency of quality reports produced by all statistical authorities of the European Statistical System (Eurostat, EU Member States, European Free Trade Association and European System of Central Banks – ESCB).</p>	<p>According to the Federal Statistical Office, the statistics on intra-European and non-European trade create a high compliance burden for companies. In line with the previous two points, a reduction in reporting obligations for the areas mentioned is fundamentally positive.</p>

<p><b>8 Proposal for a Regulation of the European Parliament and of the Council on detergents and surfactants, amending Regulation (EU) 2019/1020 and repealing Regulation (EC) No 648/2004 – COM (2023) 217</b></p>	<p>The proposal simplifies and digitizes reporting obligations, in particular by introducing a digital product passport and an ingredient data sheet for hazardous substances.</p>	<p>Simplifying reporting obligations is a positive step, but the digital product passport (DPP) itself must not be too bureaucratic. A holistic concept for the DPP is therefore required, which allows every market participant to access the relevant information. The plan is to embed information in an overarching system. Interfaces between existing databases should prevent duplication. The Commission wants to avoid excessive bureaucracy, overloading and fragmentation. If successful, the DPP offers the potential for increased transparency, efficiency and sustainability.</p>
<p><b>9 Proposal for a Regulation of the European Parliament and of the Council on the safety of toys and repealing Directive 2009/48/EC - COM (2023) 462</b></p>	<p>The proposal provides for the digitalization of reporting and compliance for toys (digital product passport).</p>	<p>Simplifying reporting obligations is a positive step, but the digital product passport (DPP) itself must not be too bureaucratic. A holistic concept for the DPP is therefore required, which allows every market participant to access the relevant information. The plan is to embed information in an overarching system. Interfaces between existing databases should prevent duplication. The Commission wants to avoid excessive bureaucracy, overloading and fragmentation. If successful, the DPP offers the potential for increased transparency, efficiency and sustainability.</p>

<p><b>13 Reform of the Union Customs Code:</b></p> <p>Proposal for a Regulation of the European Parliament and of the Council laying down the Union Customs Code and the European Union Customs Authority and repealing Regulation (EU) No 952/2013 – <b>COM (2023) 258</b></p> <p>Proposal for a Council Regulation amending Regulation (EEC) No 2658/87 as regards the introduction of simplified tariff treatment for goods sold at a distance and Regulation (EC) No 1186/2009 as regards the abolition of the duty-free threshold - <b>COM (2023) 259</b></p> <p>Proposal for a Council directive amending Directive 2006/112/EC as regards the VAT treatment of taxable persons facilitating distance sales of imported goods and the application of the special arrangements for distance sales of goods imported from third territories or third countries and the special arrangements for the declaration and payment of import VAT - <b>COM (2023) 262</b></p>	<p>The proposed reform simplifies and streamlines customs and VAT reporting obligations for traders, for example by reducing the time needed to complete import procedures, creating a single EU interface and facilitating the reuse of data.</p>	<p>Reduction of reporting obligations and reuse of data is fundamentally positive. However, a final assessment depends on the specific proposals.</p> <p>A reduction in the number of commodity codes (combined nomenclature) is needed as part of Regulation No. 2658/87 – at least from Chapter 25 of the customs tariff. Specifically, duty rates should be clustered, decimal places should be deleted and de minimis duty rates below 2 percent should be abolished. The adjustment of the Common Customs Tariff in the UK after Brexit or the “buckets” proposal in the EU customs reform can serve as a blueprint for this.</p>
<p><b>19 Commission Implementing Regulation amending Commission Implementing Regulation 2018/2066 on the monitoring and reporting of greenhouse gas emissions pursuant to Directive 2003/87/EC</b></p>	<p>The Implementing Regulation reduces the frequency with which operators in the electricity sector, energy-intensive industries and aviation must report on improvements to their greenhouse gas emissions monitoring methods, without compromising the necessary completeness of the data.</p>	<p>In principle, this proposal is to be welcomed, but efforts should be made to reduce the scope of the reports to an appropriate level. For example, with regard to the simplification of procedures or the abolition of account confirmations and improvement reports.</p>

<b>21 Commission Implementing Decision granting derogations to certain Member States under Regulation 1099/2008 (energy statistics)</b>	The implementing decision grants time-limited derogations from the transmission of certain national statistics for the development of new methods, data collection, IT systems and access to new data sources in the energy sector to eight Member States that have requested such derogations.	Simplifying energy statistics would also be a relief for companies. Energy statistics are very time-consuming for those involved.
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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.

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