

## Deloitte Banking Alert

November 2023

### EU's Ambitious Vision: Progress and Pathways to a Stronger Future

The upcoming European Parliament elections in June mark a vital democratic event with over 400 million eligible voters, including many first-time young participants. Europe faces **challenges and opportunities** in many fields, the Commission's ambitious agenda focuses on **climate neutrality, digital innovation, economic growth, global leadership, citizen protection, and democracy strengthening**. Progress has been made in green and digital transitions, NextGenerationEU implementation, and economic resilience, with initiatives like the European Green Deal and Digital Decade being central to the Commission's work. NextGenerationEU is vital for energy security, industry competitiveness and a sustainable economy. Economic governance reforms, budget proposals, migration priorities, Ukraine support and global engagement are ongoing. The EU remains dedicated to the 2030 Agenda for Sustainable Development and better regulation.

### Better Regulation, implementation, and enforcement of EU law:

- **Better regulation and burden reduction:** The Commission aims to reduce administrative burdens associated with reporting requirements by 25% while not compromising policy objectives. This involves streamlining and rationalizing reporting requirements to reduce costs, particularly for businesses, including SMEs. Various measures have been adopted, such as reforming the Union Customs Code and revising the Regulation on European statistics. These changes are expected to result in cost savings.
- **Specific Proposals:** The Commission will adjust accounting thresholds, review benchmark Regulations, facilitate data sharing, streamline reporting requirements in various sectors, and promote digitalization of reporting processes.
- **Ongoing Efforts:** Streamlining reporting requirements will be an ongoing effort, with consultations and feedback collection from stakeholders, including SMEs and Member States. An EU SME envoy will participate in Regulatory Scrutiny Board hearings.
- **Artificial Intelligence and Evaluation:** The Commission will utilize artificial intelligence tools and large language models to identify reporting requirements and their effects in EU legislation. Evaluations and fitness checks will be conducted to simplify legislation and reduce burdens.
- **Enforcement and Implementation:** Ensuring the correct and timely implementation of EU law is a top priority. The Commission will focus on addressing implementation challenges and providing

guidance to Member States to prevent issues. It will also take steps to rectify breaches and infringements.

- **Transparency and Monitoring:** The Commission will work closely with Member States to improve enforcement and support the implementation of new legislation. Transparency in enforcement actions will be increased, with more information and data made available to the public.

## Implementation and Enforcement of EU Law:

- **Enforcement Priority:** The Commission recognizes the importance of enforcing EU law to ensure its benefits are fully realized by people and businesses. Greater attention will be given to implementation and enforcement tasks.
- **Prevention and Engagement:** The Commission will work with Member States to prevent implementation problems at an early stage and engage with them to address breaches and infringements effectively.
- **Stocktaking and Improvements:** A stocktaking exercise was conducted with Member States in 2022 to assess enforcement tools' effectiveness. The Commission is implementing the findings and recommendations to enhance its enforcement efforts.
- **Support and Transparency:** The Commission will provide increased support to Member States at the national level and monitor the implementation of regulations systematically. Greater transparency in enforcement actions will help the public engage in the process and encourage Member States to comply with EU law.

## Delivery on the Six Headline Ambitions

The European Commission has delivered on over 90% of its commitments made in the 2019 Political Guidelines of President Von der Leyen. **Efforts are needed in 2024 to agree on outstanding proposals in areas that will benefit Europe's citizens and businesses.**

- **A European Green Deal**
- **A Europe Fit for the Digital Age**
- **An Economy That Works for People**
- **A Stronger Europe in the World**
- **Promoting Our European Way of Life**
- **A New Push for European Democracy**

## Conclusion

The European Commission has a comprehensive agenda that includes achieving climate neutrality, fostering digital innovation, economic growth, assuming global leadership, safeguarding citizens and reinforcing democracy. Significant strides have been taken in advancing the **green and digital transitions**, executing the **NextGenerationEU plan**, and bolstering economic resilience. A top focus is on enhancing regulation and ensuring the enforcement of EU laws, with a strong emphasis on reducing administrative complexities and enhancing transparency. The EU remains firmly committed to its **six overarching goals**, although continued efforts are required to address pending initiatives in 2024, ultimately benefiting Europe's citizens and businesses.

For further questions regarding the aspects mentioned in this alert, please don't hesitate to contact us.



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