

Statement by the Committee on Industry and Trade 2023/24:NU16

Subsidiarity check of the Commission's proposal for a regulation on a mechanism to resolve legal and administrative obstacles in a cross-border context

Reasoned opinion from the Riksdag - courtesy translation

The Riksdag has examined the Commission's amended proposal for a regulation of the European Parliament and of the Council on a mechanism to resolve legal and administrative obstacles in a cross-border context (COM(2023) 790).

One of the EU's tasks is to contribute to economic, social and territorial cohesion within the Union, which includes, reducing regional disparities, promoting social inclusion and contributing to growth and development. In this context, the Riksdag would like to point out that a well-functioning internal market is of crucial importance in order to strengthen competitiveness, growth and employment throughout the EU to the benefit of businesses, employees and consumers. The Riksdag furthermore considers that a well-functioning single market requires the removal of obstacles from internal borders. In order to resolve administrative and legal obstacles in border regions, the Commission proposes a regulation containing a mechanism with the purpose of facilitating the resolution of cross-border problems. The Commission's proposal is an amendment to a previously presented proposal that did not end up being considered in the Council, as a majority of member states considered that the proposal was neither voluntary nor proportional. The Riksdag considered the previous proposal in the spring of 2018, and considered that it conflicted with the principle of subsidiarity (Statement 2017/18:NU28, Communication from the Riksdag 2017/18:448). Some of the objections expressed by the Riksdag then were that the previous proposal was complex and unclear on a number of points, and that the Commission's justification as to why a regulation to resolve cross-border obstacles should be raised to EU level was not fully substantiated. In addition, the Riksdag noted that the proposal contained an insufficient impact assessment, which contributed to the lack of clarity.

As regards the current proposal, the Riksdag considers, like the Commission, that facilitation of cross-border cooperation is a matter of importance. The Riksdag further agrees with the Commission that it would create added value for citizens, businesses and institutions if the obstacles that exist in these border regions were

identified and resolved. At the same time, the Riksdag considers that the Commission's proposal involves the introduction of a supranational process for border obstacles of an intergovernmental nature, which are based on national legislation. In addition, the Riksdag considers that the proposal verges on legislation falling within national competence. The Riksdag furthermore considers that the need for, and added value of, the proposal can be questioned, in view of the fact that the member states can already resolve possible cross-border obstacles based on national legislation among themselves. As regards border obstacles arising from the fact that member states have implemented EU legislation in different ways, the Riksdag notes that there are special single market tools, such as Solvit, that are designed to resolve such problems. In the opinion of the Riksdag, therefore, it has not been clarified why the member states should depart from dealing with obstacles and problems in these border regions intergovernmentally and within already existing forms.

The Commission furthermore states that it remains voluntary for the member states to apply the mechanism that is presented in the proposal, at the same time as it seems, in the opinion of the Riksdag, that the mechanism also contains binding detailed regulation. In the opinion of the Riksdag, a recommendation would therefore be more proportionate for a voluntary mechanism than binding legislation in the form of a regulation to resolve the problems that the Commission wishes to deal with. Furthermore, the Riksdag considers that the proposal may lead to significant administrative burden for the member states, which means that without a thorough impact assessment, it is possible to question whether the proposal may be considered to be in proportion to the problems it seeks to resolve.

In view of the above, the Riksdag therefore considers that the proposal in its current form does not comply with the principle of subsidiarity.