

# Why the European Parliament should reject the Commission proposed "One in, one out" principle and call instead for sustainability screening of all new initiatives

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The Green 10 is firmly against the introduction of a "One in, one out" principle for new legislation, as planned by European Commission President-Elect Ursula von der Leyen. The proposed principle calls for any new initiative that creates a burden to be compensated by relieving an equivalent existing burden in the same policy area. The principle is inherently incompatible with the increased climate and environmental ambition set out by the Commission President-elect and risks undermining the potential benefits of new initiatives under the European Green Deal.

Environmental, health and social regulations, rules and standards are essential to protecting people and planet. They are crucial to addressing issues that concern Europeans the most, such as halting the climate crisis, improving people's health, ensuring safe working conditions, and preserving the environment and nature.

Analyses by the European Commission and others have repeatedly demonstrated that environmental legislation does not create unnecessary administrative burden (see p. 2). The "One in, one out" principle would force policy-makers to identify measures to be scrapped, which will lead to an arbitrary cut in regulations and a slow-down – or even reverse – of progress in exactly those areas in which increased ambition is desperately needed. The principle would not only undermine von der Leyen's own plans for a European Green Deal, but **even put at risk existing standards that benefit citizens and the environment.** 

The public interest must be at the heart of all political decision-making, and it must be based on solid and transparent evidence to ensure that all new initiatives and existing policies benefit, rather than harm, public interest.

#### What can the European Parliament do?

The European Parliament must make it clear to President-elect von der Leyen that it opposes the introduction of a "One in, one out" mechanism for new initiatives as this risks creating a chilling effect on policies on issues such as climate, environment and health, which bring Europe closer to its citizens. Specifically, it should:

- 1. Fully leverage the Parliament's powers through the hearings, particularly with the Commissioners-designate responsible for 'Interinstitutional relations & Foresight', 'European Green Deal' and 'Environment & Oceans', to ensure that the planned "One in, one out" principle is deleted from the mission letters.
- 2. Call on the President-elect to replace the principle with a "think sustainability first" principle for the Commission's law-making procedures, which will help achieve the objectives of the European Green Deal.

#### Decision-making should be made in the public interest and evidence-based

The "One in, one out" principle outlined in both the mission letters and the working methods of the European Commission indicates that "every legislative proposal creating new burdens should relieve people and businesses of an equivalent existing burden at EU level in the same policy area".

This is the wrong way to approach policy-making. EU policy development should be based on acting in the public interest, and should not be viewed through the narrow lens of burden alleviation. Setting such an arbitrary principle in the absence of a detailed understanding of the costs and benefits associated with existing legislation or of how laws are performing would severely undermine the achievement of the new Commission's policy objectives.

In the face of emerging environmental threats from (bio)plastics, endocrine disruptors or climate-induced extreme weather events, citizens need increased action. **The need for new protections does not imply that existing protections should be discarded.** Yet, the logic of the "One in, one out" principle seems to imply that in order to address emerging threats, citizens would cease to be protected from existing threats such as toxic chemicals, habitat destruction or air pollution.

Furthermore, the "One in, one out" rule runs against the European Commission's own principles of Better Regulation, which provide that regulation should be proposed, revised or withdrawn in an evidence-based manner. The Commission recognised in its stocktaking exercise on Better Regulation in 2019 that upfront reduction targets were not effective and run counter to Better Regulation principles. It stated that "it is essential that a political decision on which costs are legitimate to achieve policy goals and which instead should be eliminated is based on evidence from a case-to-case assessment".

In order to achieve the outcomes promised by the European Green Deal, the EU's Better Regulation rules should instead be adapted to mainstream sustainable development at all stages of the policy life-cycle. A "think sustainability first" principle (which was endorsed by the European Commission's High Level Expert Group on Sustainable Finance<sup>2</sup>) should therefore be applied to all new initiatives, demonstrating how they will contribute to the achievement of the EU's commitment to the Sustainable Development Goals and the European Green Deal.

### Environmental legislation does not create unnecessary administrative burden and has clear EU added value

There is extensive evidence that environmental legislation brings clear EU added-value and does <u>not</u> create unnecessary burdens for businesses, including from the European Commission itself:

 Evidence by the OECD shows that the stringency of environmental policies does not harm productivity growth, and that environmental policies do not pose a barrier to jobs and growth<sup>3</sup>.

<sup>&</sup>lt;sup>1</sup> 'Taking Stock of the Commission's Better Regulation Agenda', April 2019, COM(2019)178, page 34, available here: https://ec.europa.eu/info/sites/info/files/better-regulation-taking-stock-swd\_en\_0.pdf

<sup>&</sup>lt;sup>2</sup> 'Financing a Sustainable European Economy – Final Report by the High-Level Expert Group on Sustainable Finance', 2018,

p. 61, available here: https://ec.europa.eu/info/sites/info/files/180131-sustainable-finance-final-report\_en.pdf <sup>3</sup> 'Environmental policies and productivity growth – a critical review of empirical findings', Tomasz Koźluk and Vera Zipperer, OECD Journal: Economic Studies, Volume 2014, OECD 2015

- The European Commission's High Level Group on Administrative Burdens in its final report found that environmental policy accounts for less than 1% of all administrative burden in the EU<sup>4</sup>.
- Only 3% of SMEs have difficulties in complying with environmental legislation and 41% of them are already going beyond existing environmental legislation or are contemplating to do so<sup>5</sup>.
- In July 2018, the Task Force on Subsidiarity, Proportionality and "Doing less more efficiently", set up by the European Commission to identify policy areas to re-delegate to Member States, concluded in its final report that there is EU added value in all areas of activity and could not identify areas to re-delegate in whole or part. In fact, it concluded that the EU should intensify its action in areas such as climate change<sup>6</sup>.
- Recent evaluations of EU environmental legislation have demonstrated their EU added value, e.g. fitness check of the Birds and Habitats directives<sup>7</sup>.





















## The Green 10 is a coalition of ten of the largest environmental organisations and networks active on the European level.

### To find out more, contact the Green 10:

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<sup>&</sup>lt;sup>4</sup> 'High Level Group on Administrative Burdens – Final Report', 24 July 2014, available here: https://ec.europa.eu/info/law/law-making-process/evaluating-and-improving-existing-laws/refit-making-eu-law-simpler-and-less-costly\_en

<sup>&</sup>lt;sup>5</sup> 'SMEs, resource efficiency and green markets', Flash Eurobarometer 381, December 2013

<sup>&</sup>lt;sup>6</sup> 'Report of the Task Force on Subsidiarity, Proportionality, and "Doing Less More Efficiently", July 2018, available here: https://ec.europa.eu/commission/sites/beta-political/files/report-task-force-subsidiarity-proportionality-and-doing-less-more-efficiently\_en.pdf

<sup>&</sup>lt;sup>7</sup> 'Fitness Check of the Birds and Habitats Directives', available here: https://ec.europa.eu/environment/nature/legislation/fitness\_check/index\_en.htm