

# Simpler rules for a stronger economy

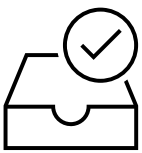
## Progress on simplification

December 2025

Simple and clear rules are vital to Europe's businesses and citizens. They are key for having favourable business environment allowing companies to grow and create new quality jobs, while attracting investment. Less administrative burden helps save time and money and improves the quality of life of citizens.

Businesses of all sizes made this clear during the strategic dialogues the Commission launched over the past year. We have heard their call and are acting on it. This is why simplification is at the heart of our agenda for competitiveness and prosperity. Our goal is to support those who create value in Europe and to tell the world that Europe means business, while maintaining our high standards in terms of protection of consumers, suitability and climate.

**Our objectives** are clear - cutting reporting obligations by at least **25%** for all businesses (an expected saving of **€37.5 billion**) and by at least **35%** for small and medium-sized enterprises (SMEs) by the end of the mandate.



**at least 25% for all businesses**



**at least 35% for SMEs**

And we are delivering. We have delivered **10 Omnibus packages and other simplification measures** across multiple sectors. According to Commission estimates, these simplification efforts will save businesses, industries, farmers and national authorities a total of approximately **€14.3 billion** in annual administrative costs. At the same time, they will stimulate companies to scale up, grow, innovate, invest and become more competitive.



## Simplification packages

**Simplifying in the field of sustainability** to reduce the complexity of EU requirements for businesses while still enabling them to access sustainable financing for their clean transition. It will allow for **€4.5 billion** of savings. In addition, the simplification of the Carbon Border Adjustment Mechanism removes obligations for approximately **90% of importers**, most of which are SMEs, unlocking additional **€1.2 billion** in administrative cost savings. Parliament and the Council reached [a political agreement](#) in early December 2025, with the Parliament's final endorsement in Plenary on 16 December.

**Reducing administrative burdens in investment** and increasing the efficiency of the EU guarantee – expected to mobilise around **€50 billion** in additional public and private investment. It will trigger **€350 million savings**, of which **€324 million** one-off administrative cost savings. The package was approved on 16 December 2025.



**Simplifying the Common Agricultural Policy (CAP)** (CAP) to support farmers' and competitiveness. This set of measures simplify controls, conditionality, and reporting by reducing the administrative load on farmers and administrations and streamlining crisis and flexibility mechanisms. Estimates point to **€1.8 billion** in savings for farmers with an additional **€210 million** for administrations. It also makes access to funding faster and easier, especially for smaller farmers. A political agreement reached on 10 November 2025, with the Parliament's endorsement in Plenary on 16 December.

**Simplifying the Single Market**, thereby boosting incentives for small and medium-sized enterprises to scale up. It also further improves, simplifies and digitalises processes, enabling 38,000 companies across the EU to grow without facing sudden increases in compliance obligations. This legislation is expected to bring around **€380 million** in administrative cost savings. The Council agreed its positions in September 2025.

**Simplifying procedures in the defence industry** including a fast-track regime that could cut waiting times for permits from several years to just 60 days, to enable Member States to respond to threats. It aims to enable faster, easier defence investments and procurement, improve market conditions for the defence industry across the EU, and adapt the regulatory framework (originally designed for peacetime) to current geopolitical realities. It is estimated to bring direct annual cost savings of **€1.2 billion**, of which **€710 million** administrative cost savings.

**Simplifying requirements and procedures for chemical products** to streamline labelling rules for hazardous chemicals, clarify cosmetics regulations and ease registration for fertilising products. The aim is reducing administrative burden while maintaining safety and environmental protection resulting in estimated at least **€290 million** in annual cost savings. The Council agreed simplification positions in September and November 2025.

**Simplifying the rules on artificial intelligence, cybersecurity and data**, with innovation-friendly artificial intelligence and privacy rules, streamlined cybersecurity reporting and simpler data requirements, reducing administrative costs, streamlined cybersecurity reporting and simpler data requirements, reducing administrative

costs for **€1.2 billion** per year. This legislation, currently being a in co-legislative process with Parliament and the Council engagement ongoing, aims to make digital legislation more agile and easier to implement, without compromising on data protection.

**Simplifying the rules on medical devices** to make it easier for companies – most of which are small and medium-sized enterprises – to bring their products to market and benefiting patients. The proposed measures are expected to bring overall cost savings of **€3.3 billion** per year, including **€2.4 billion** in administrative savings.

**Simplifying environmental legislation** to streamline reporting and procedures on industrial emissions, circular economy, environmental assessments and geospatial data, which is estimated to bring approximately **€1 billion** in cost savings, of which **€890 million** administrative cost savings per year.

**Simplifying technical requirements and testing procedures in the automotive industry**, aiming to improve legal clarity for manufacturers. It is expected to save approximately **€50.8 million** per year in administrative cost savings for industry.

**Simplifying the rules for food and feed** under the [Vision for Agriculture and Food strategy](#) to reduce administrative burdens and costs for EU producers while maintaining very high safety and sustainability standards. This newly tabled legislation is expected to bring around **€939 million** in annual administrative cost savings.

