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on Simplification, Implementation and Enforcement

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on Simplification, Implementation & Enforcement



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1. Forewords

Foreword by the President



European companies face an increasingly volatile global economy. In this new age, administrative delays and unnecessary costs can determine whether an investment goes ahead, or a new job is created. If our companies are to compete, they need an environment that allows them to move quickly and invest with confidence. That is why, since the beginning of this mandate, we have put ***simplification*** *at the centre of our work. Our aim is to make our Union faster and simpler, with rules that are better* ***designed****, better* ***implemented****, and better* ***enforced****.*

We are already seeing results. Since the beginning of this mandate, the Commission has proposed ***12 omnibus packages****. Together with our* ***other simplification initiatives****, once fully implemented, these measures will lead to annual savings of more than* ***EUR 22.3 billion****. These are not abstract figures. These are resources that can instead be put into research, innovation, and creating new jobs – exactly the investments that Europe needs to grow and compete globally.*

Delivering on this agenda is a shared responsibility. Europe cannot afford unnecessary complexity, overlapping obligations or additional national requirements that add uncertainty. That is why we are working with Member States on a new ***pact against gold-plating****, to ensure that our common rules are implemented without adding unnecessary obligations that add costs and fragment the single market.*

Designing and implementing effective rules also means working closely with those that they affect. During the period covered by this report, college members engaged with almost ***1,000 stakeholders through 49 implementation dialogues****. By working closely with Member States, regional and local authorities, social partners, businesses and civil society, we can identify problems earlier and improve how rules are implemented.*

Finally, for rules to be effective, they must be properly ***enforced****. When Union law is not respected, the Commission acts. Over the last year, the Commission has launched* ***874 Infringement cases*** *- the highest number in a decade – while closing* ***499*** *after Member States resolved the shortcomings identified. This matters because effective enforcement builds trust. A rules-based Union depends on the confidence that rules are applied equally across Europe.*

In the coming years, we will continue to simplify and clean up our regulatory framework, remove unnecessary complexity, and tackle gold-plating. A simpler and faster Europe is one better equipped to compete in a volatile world. And it is only a competitive Europe can that deliver where it matters most - in the everyday lives of Europeans.

Ursula von der Leyen

President of the European Commission

Foreword by Commissioner Valdis Dombrovskis



Europe's competitiveness depends not only on the policies we pursue, but on how well we regulate and implement those policies. Our businesses — especially our SMEs — need rules that are clearer, simpler and less scattered across multiple pieces of legislation. They also need more efficient administrative procedures, including faster permitting, if they are to invest, innovate and grow in the EU. That is why ***simplification is at the heart of this Commission's competitiveness agenda****.*

Our work to date, including the ***12 omnibus packages*** *and other simplification measures, has the potential to bring about* ***EUR 22.3 billion*** *in annual savings for businesses and public administrations. Through these measures, the Commission has proposed making requirements more proportionate to the size of each company, simplifying procedures, streamlining reporting requirements, making greater use of digital solutions, pursuing more realistic and efficient implementation, and reducing the cumulative impact of EU legislation. Step by step, this is producing tangible results:* ***more clarity****,* ***greater legal certainty****,* ***lower compliance costs****,* ***less paperwork****, and* ***more time for doing business****. Of course, the responsibility for realising the full potential of the Commission's proposals also depends on the European Parliament and Council, given their crucial role as co-legislators.*

Simplification is about improving the quality of legislation and achieving better results in practice. It therefore goes hand in hand with better regulation and improving the way in which we make new rules. This year, the Commission ***upgraded its better regulation system*** *so that more proposals — including urgent or targeted initiatives — are accompanied by impact assessments. The main policy options and their main economic, social and environmental impacts are now identified at an earlier stage, providing policy makers and stakeholders with more meaningful analysis.*

Reducing regulatory fragmentation is also an important priority. Take public procurement, where dozens of pieces of sectoral legislation contain specific procedures, making the system very cumbersome for public administrations and businesses. That is why our recent proposal for a Public Procurement Act consolidates much of this framework into a single piece of legislation. We must continue this work of consolidation and codification in the years to come.

The success of this agenda depends on ***listening carefully to all stakeholders****. Alongside other consultation tools,* ***implementation dialogues*** *allow every Commissioner to hear directly from businesses, social partners, public authorities and civil society about how EU rules work in practice — and where they do not. At the same time, every institution and every level of government —* ***European, national, regional and local*** *— has an important role to play. We are working intensively on tools to help Member States avoid unnecessary or disproportionate burdens. That is also why we welcome the emergence of coalitions of national and regional authorities exchanging best practices.*

Finally, effective implementation and enforcement are equally important to meet our goals in practice. Common rules only deliver if they are applied consistently across the Union. In 2026, we have therefore significantly stepped up our ***enforcement action*** *— including in key areas of importance* ***for the functioning of the EU's Single Market*** *— placing a particular* ***focus on minimising gold-plating*** *while safeguarding rights and protections.*

The work continues. The 2027 Commission Work Programme is taking our simplification agenda further. Our ambition is clear: a Europe that is easier to invest in, easier to innovate in and easier to do business in. This is not only fully compatible with, but also necessary for, a Europe that protects and empowers its citizens and businesses.

Valdis Dombrovskis

Commissioner for Economy and Productivity; Implementation and Simplification

2. Executive summary

The European Commission continued to place simplification, implementation and enforcement at the core of its work, so that **EU rules deliver better for people and businesses**, and strengthen Europe's prosperity and competitiveness. In April 2026, the Communication '*A Simpler, Clearer and Better Enforced EU Rulebook*' further raised this ambition, with simplicity by design, a stronger better regulation framework, an Action Plan for regulatory deep cleaning, and steps to tackle the issue of gold-plating and achieve faster and more robust enforcement.

Our priority is to keep turning this ambition into results. The simplification momentum must be sustained and the timelines agreed in the **'One Europe, One Market'** roadmap must be met by all Institutions. This **second annual overview report** covers the period 1 August 2025 – 31 July 2026 and summarises the main progress and results achieved, in line with the agenda set out by President von der Leyen in her **letter to the EU Leaders**, in the context of their retreat in Alden Biesen on 12 February 2026, and the ensuing **European Council conclusions** of 19 March 2026. Complementarily, each Member of the College has prepared an annual progress report on simplification, implementation and enforcement in their area of responsibility, covering the same reporting period.

Delivering this agenda requires a **shared responsibility** of all institutions and levels of government. The European Parliament and the Council have a key role in translating political ambition into tangible legislative results, while Member States are called to match the simplification carried out at EU level, including by ensuring a timely and correct application of EU law, and by avoiding and addressing gold-plating harmful to the Single Market. Sustained ambition at every stage is essential to deliver a simpler rulebook and a more prosperous and competitive Europe.

Key achievements:

The Commission proposed, during the reporting period, **six omnibus** packages and 15 other **simplification** initiatives, generating an estimated **EUR 13 billion** in yearly administrative costs savings, including **EUR 4.3 billion** for SMEs. Since the Commission took office in December 2024, the total potential net savings of all **12** omnibus packages and other simplification initiatives has reached more than **EUR 22.3 billion** every year, representing **59.5%** of the target for the end of the mandate.

49 implementation dialogues have been held by Members of the Commission. Implementation support has been strengthened through various tools and programmes to help Member States, businesses and stakeholders achieve effective transposition and implementation of the EU rules and policies. More than **60 reality checks** have been conducted to gather operational perspectives.

Significant progress has also been made on **enforcing EU law**, removing barriers that undermine the fundamental freedoms of the Single Market, upholding the rule of law, and ensuring EU rules work effectively to the benefit of people and businesses in Europe. The Commission launched **874 infringement procedures** in the reporting period, which is the highest number in the last 10 years. It also closed **499** infringement procedures after Member States addressed the issues identified. Overall, the Commission is pursuing **1909** cases where Member States have breached EU rules.

3. Delivering results: key measures

A. Simplification and cost savings

Since the start of this Commission's term of office *"making it easier to do business in Europe"* has become one of the key priorities to unlock the EU's competitiveness and ensure its continued prosperity for generations to come.

The Commission is pursing comprehensive action to foster EU competitiveness, as set out in the Competitiveness Compass. This includes simplifying EU rules and cutting red tape, with a target of reducing administrative burden for all companies by at least 25%, and by at least 35% for small and medium enterprises, by the end of the mandate.

Several simplification proposals are already in force, including Omnibus I (on sustainability reporting and due diligence), Omnibus II (on EU investment instruments), Omnibus III (on simplifying the common agricultural policy), parts of Omnibus VII (on digital AI component) and part of Omnibus X (on biocidal products). These acts are expected to deliver a swift reduction of administrative burden for economic operators and national authorities. Other proposals are expected to enter into force soon, following the political agreements reached on Omnibus IV (on small mid-caps, digitalisation and common specifications), Omnibus V (on defence) and Omnibus VI (on chemicals).

The substantial **progress achieved so far** shows that the EU can deliver fast when there is resolve. But **challenges persist**, including in terms of speed of adoption and of maintaining the **level of ambition** during the legislative process. This can sometimes undermine the cost savings proposed by the Commission, delay the positive effect of the changes on the ground, and detract from the political commitment taken by the three institutions under the 'One Europe, One Market' roadmap to adopt measures to simplify EU rules by the end of 2026.

During the reporting period, the Commission has proposed **six omnibus packages** that specifically aim to reduce the administrative burden and simplify the EU legislative framework. These packages – called omnibus proposals due to their cross-cutting and targeted nature – are expected to reduce the administrative burdens by over **EUR 5.2 billion** in recurrent administrative cost savings for SMEs, larger companies and public administrations.

Omnibus VII – digital package aims to simplify the current rules on data, cybersecurity and artificial intelligence. The entire package is estimated to bring approximately **EUR 1.2 billion** in recurrent administrative cost savings every year. It intends to improve access to data, supporting competitive and responsible AI applications in Europe, through targeted amendments towards clearer and simpler obligations under the General Data Protection Regulation and a consolidation of the Data Act. Targeted adjustments to the Artificial Intelligence Act aim for a more effective application of the rules, and to provide legal certainty to AI innovators. The package also aims to streamline incident reporting frameworks across the Union, cutting costs for businesses, particularly SMEs. The proposed measures will also deliver tangible benefits for citizens, by addressing cookie banner fatigue – a concrete simplification that could benefit millions of Europeans in their daily lives. While the proposed changes on artificial intellingence (Digital AI component) have already been adopted and entered into force on 27 July 2026[1], the rest of the package (Digital component) is still under negotiation with Parliament and Council.

Omnibus VIII – environmental legislation aims to simplify environmental EU legislation governing industrial emissions, the circular economy, environmental assessments linked to permitting procedures and geospatial data. Measures such as streamlining and accelerating environmental assessments or flexibility in the appointment of authorised representatives for extended producer responsibility will reduce red tape and costs for businesses, accelerate permitting, and help public authorities become more efficient. It is estimated that this package would bring approximately EUR 1 billion in cost savings, of which **EUR 890 million** in recurrent administrative cost savings every year, while maintaining a high level protection of the environment and human health.

Omnibus IX – automotive is designed to lower administrative costs for European manufacturers by improving coherence and consistency across multiple regulatory requirements in EU law governing the automotive sector. It includes simplifying the Tachograph Regulation to facilitate the uptake of electric vans, and the Euro 7 Regulation to ease rules for small volume manufacturers and special purpose vehicles. It also introduces a new vehicle category under the Small Affordable Cars initiative. It is estimated that it would bring overall savings of approximately

[1] Regulation (EU) 2026/1744 of the European Parliament and of the Council of 8 July 2026 amending Regulations (EU) 2024/1689, (EU) 2018/1139 and (EU) 2023/1230 as regards the simplification of the implementation of harmonised rules on artificial intelligence (Digital Omnibus on AI).

EUR 706 million, of which **EUR 50.8 million** in recurrent administrative cost savings every year. The proposal could therefore boost the competitiveness of the European automotive industry, notably by simplifying the technical requirements and testing procedures for motor vehicles.

Omnibus X – food and feed safety is a cross-cutting package that aims to simplify EU rules and procedures spanning from plant protection and biocidal products to feed additives, official controls and animal health and welfare. It is estimated that the proposal would bring overall compliance cost savings of over EUR 1 billion, of which **EUR 939 million** every year are recurrent administrative cost savings, while maintaining the EU's strict requirements for food and feed safety, health and environmental protection. The proposal aims to give farmers a greater choice of inputs to produce food, particularly when it comes to innovative biological plant protection products. It would allow farmers to apply environmentally friendly plant protection products sooner, helping them protect crops while supporting more sustainable agriculture. The sector would benefit from digital labelling and streamlined border controls, and more efficient and risk-based renewal procedures for pesticides and biocides. The proposed simplifications would also reduce significantly the administrative burden on Member States authorities.

Omnibus XI – taxation will simplify EU tax rules and reduce reporting and compliance burdens to make it easier for businesses to operate across the EU, while maintaining the strong level of protection against tax fraud, evasion and avoidance. By removing outdated provisions, limiting fragmentation, strengthening tax dispute resolution mechanisms and increasing legal certainty for businesses and tax administrations. It is expected to bolster the Single Market and enhances the competitiveness of European businesses. It is estimated that it would bring overall savings of over EUR 6.6 billion, including recurrent administrative cost savings of **EUR 2 billion** every year.

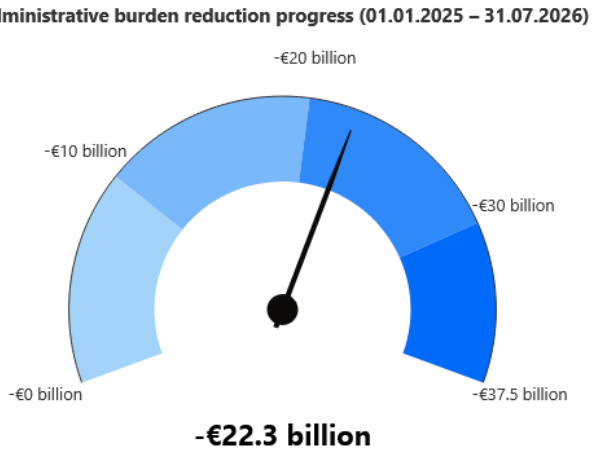
Omnibus XII – energy products will simplify energy and tyre labelling rules, making requirements easier for suppliers and retailers. The proposed changes would allow more flexibility in how labels are displayed, depending on the product while still giving consumers clear and comparable information so they can make informed choices. It is estimated to bring recurrent administrative cost savings of up to **EUR 123 million** every year.

In addition to the omnibus packages, the Commission proposed **other initiatives with a substantial simplification dimension**, such as the revision of the EU rules for medical devices and in vitro diagnostics, the recast of the Directive on Administrative Cooperation in the field of taxation, or the Cybersecurity Act 2 – a new cybersecurity package to further strengthen the EU's cybersecurity resilience and capabilities in the EU. These simplification proposals are estimated to reduce the administrative burden by **EUR 7.8 billion** every year.

Overall, the total recurrent administrative cost savings during the reporting period resulting from the six omnibus packages and those other simplification initiatives could amount to **EUR 13 billion** per year, which includes **EUR 4.3 billion specifically for SMEs**. The latter comprises EUR 861.7 million from Omnibus VII (on digital policy), EUR 1.5 billion from the targeted revision of the EU rules for medical devices and in vitro diagnostics, EUR 972.4 million from the proposal for a Biotech Act (related to parts on genetically modified micro-organisms and the processing of organs), and EUR 227.3 million from Omnibus X (on food and feed safety).

Since the Commission took office in December 2024, it has proposed 12 omnibus packages and embedded a strong simplification dimension into its annual work programmes[2]. Together with other simplification initiatives, once fully implemented, these measures have the potential to bring savings of **EUR 22.3 billion** (including EUR 7.7 billion specifically for SMEs) in recurrent administrative costs savings every year (*see Annex*). This represents 59.5% of the target to be reached by the end of this Commission's term of office in 2029. Moreover, the Commission also cut one-off cost to the tune of EUR 5.6 billion[3].

[2] For example, 25 out of the 47 legislative proposals in the 2026 Commission Work Programme have a significant simplification dimension.
[3] In this reporting period, the one-off cost savings come especially from the 28th regime (EUR 384 million); the Industrial Accelerator Act (EUR 239 million) and the Omnibus VII Digital (EUR 1.6 billion)



Regulatory deep cleaning and stress-testing

The Commission is determined to maintain the simplification momentum. In April 2026 it launched an Action Plan for regulatory deep cleaning of the body of EU law. It aims to create an EU framework that provides legal protection to people and enables EU businesses to grow, by tackling undue costs and potential inconsistencies. The action plan focuses on 12 priority-areas for 2026 and 2027: free movement of goods and services, financial services, customs, taxation, health and food safety, agriculture, transport, energy, climate, environment, digital, housing and permitting.

Several significant measures in the Action Plan have already been taken. For example, with the **Public Procurement Act**, the Commission has brought together provisions that were previously scattered across multiples pieces of legislation. During the reporting period, the Commission also put forward the **energy products omnibus and the taxation omnibus**, the latter accompanied by a **recast of the Directive on Administrative Cooperation**. The recast will help reduce compliance costs for EU businesses by over **EUR 1 billion** annually, while ensuring that tax administrations remain fully equipped to safeguard tax revenues and combat tax fraud, evasion, and avoidance.

The Action Plan is embedded in and builds on the broader drive for simplification, including the work ongoing to **stress test the EU *acquis***. The Commission is screening the entire body of EU legislation to capture its cumulative impacts, potential inconsistencies and potential measures to simplify it. Each Commissioner is carrying out a stress-test of the legislation within their remit, steered by the Commissioner for Implementation and Simplification.

Examples of stress-testing activities carried out during the reporting period include the follow-up to the evaluation of the **National Emissions Reductions Commitments Directive**, helping to identify simplification opportunities such as clarifying the format of the national air pollution control programme or improving the Policies and Measures (PaM) web tool and enhancing ecosystem monitoring. In the area of nature protection, with an open public consultation, the stress testing of the Birds and Habitats Directives has been launched. The **Digital Fitness Check**, currently underway, aims at stress-testing the complementarity, efficiency and effectiveness of the EU digital rules, looking specifically into coherence across specific legal concepts and definitions, the cumulative impact of rules, and their governance systems. The ongoing review of **Markets in Crypto Assets framework** aims to understand whether the current framework is fit for purpose drawing on experience as well as market and policy developments.

The Commission's work on simplification and regulatory deep cleaning will also be supported by a new high-level stakeholder group, the **Simplification Platform**[4]. The Platform will make suggestions on how EU rules and their implementation can be made simpler and easier to apply. It will involve representatives from business associations, civil society organisations, SMEs, social partners, consultative committees and government experts in this work.

In addition, a comprehensive review of **delegated and implementing acts** has led to approximately **30% of planned acts being deprioritised**. The review helped ensure that secondary legislation remains proportionate and avoids creating unnecessary complexity, so as to best meet the objectives of the primary legal acts. The **principle of regulatory discipline** should, in the future, be central to the assessment of when new empowerments for implementing rules are needed. The Commission will carefully assess their usefulness, to prevent the accumulation

[4] Decision - 2026/3005 - EN - EUR-Lex - Commission Decision of 28 April 2026 establishing the Simplification Platform.

of unnecessary costs or complexity and only propose well-designed empowerments for delegated and implementing acts that are strictly necessary to implement and enforce EU rules or international obligations effectively.

Simplicity by design

The aim of the 'simplicity by design' principle is to improve the **quality, clarity and enforceability** of EU law. New legislative proposals must avoid unnecessary complexity and fragmentation from the earliest stages of preparation. Legislation should be drafted so that those affected by it can easily understand the policy goal, identify who needs to act and by when, see how new rights and obligations relate to existing ones, and understand how compliance and enforcement will work in practice. Clearer and more accessible rules lead to more consistent implementation, greater legal certainty and a better functioning Single Market. At the same time, **digital-ready** policymaking contributes to more coherent rules, their smoother digital implementation, and progress in reducing administrative burdens.

Good proposals need to be built on **solid evidence**. To this end, in its Communication of April 2026, the Commission strengthened its better regulation framework to ensure that proposals, including those urgent or targeted, are built on high-quality evidence and input from stakeholders, and are scrutinised by the Regulatory Scrutiny Board.

'Simplicity by design' requires **stronger regulatory discipline**, with greater focus on the principles of subsidiarity and proportionality and more restraint in empowerments for delegated and implementing acts. It also favours, where legally feasible and appropriate, more systematic use of exhaustive regulations and complete harmonisation in single market matters, to reduce fragmentation and the risk of gold-plating. It promotes future-proof and adaptive regulation by using monitoring and evaluation clauses, as well as sunset clauses where appropriate, so that outdated or unnecessary rules do not remain in force indefinitely. More focused recitals will set out the reasoning behind the legal act and how it is to be interpreted, instead of merely paraphrasing provisions of the act or referencing unrelated policy initiatives or objectives. Greater recourse to codification and recast techniques, and stronger efforts to ensure coherence between sectoral and general legislation, and between new and existing provisions, will also facilitate implementation. In parallel, it will seek to set more realistic transposition and implementation timelines, with systematic consideration of measures such as grandfathering clauses, grace periods and gradual phase-in where appropriate. The Commission will seek the support of the European Parliament and the Council in these respects.

The Commission has started to put these principles into practice. An internal **'simplicity by design' checklist** now guides Commission departments in their work, from the start of the policymaking process. A network of **legal quality** correspondents has been set up, alongside mandatory training programmes and updated legal drafting guidance. Good practices and model legal clauses for **SME-friendly provisions** are also under preparation.

Listening to stakeholders

Implementation dialogues

All Members of the Commission continued to seek feedback from stakeholders to facilitate the implementation of EU policies and the simplification of EU rules and spending programs. Over the reporting period, **49 implementation dialogues were held**[5] involving almost 1 000 stakeholders from all Member States.

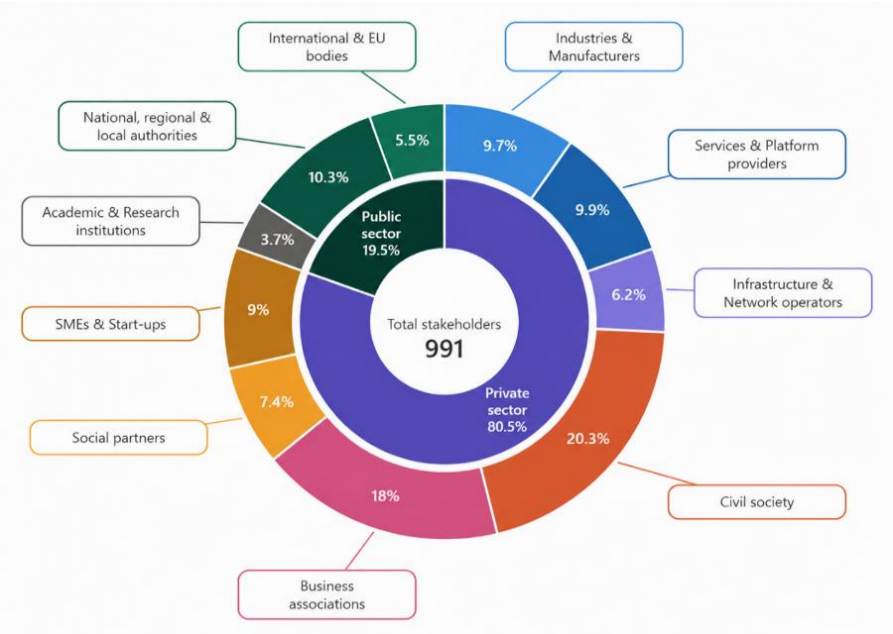
Many spoke on behalf of extensive networks of members and affiliates[6], considerably broadening the reach and representativeness of the discussions. The dialogues reflected diverse views from both the private and public sectors, notably companies, SMEs, start-ups, national authorities, social partners, civil society, and research organisations.

Since the launch of the implementation dialogues, over **1500** stakeholders have been consulted in that way. The main insights provided during the dialogues have fed into the Commission's simplification initiatives, new proposals and greater understanding of the implementation challenges.

[5] The information about the topics of the Implementation Dialogues, list of stakeholders invited, summary conclusions are regularly published here: Implementation Dialogues - European Commission.

[6] For instance, among the participants that represent exclusively SMEs, the implementation dialogues benefited from the views from: European DIGITAL SME Alliance that is the largest network of ICT representing more than 45,000 digital SMEs across Europe; SME4SPACE gather more than 900 SMEs active in the space sector; and SME United, a recognised social partner, speaking on behalf of the 26,1 million SMEs in Europe.

Stakeholders of Implementation Dialogues by sub-categories



Reality checks

The Commission conducted **over 60 'reality checks'** during the reporting period. They help identify good practices, unintended consequences, support measures, implementation obstacles, and opportunities to ensure that regulatory objectives are met in an efficient manner, including by identifying potential for burden reduction. The checks are conducted with practitioners who apply EU rules, giving the Commission the opportunity to gather **direct operational experience** and first-hand feedback on how rules and policies are implemented in a wide range of policy areas. This targeted and more technical tool complements other consultation activities[7] carried out by the Commission.

Examples of questions addressed in reality checks include whether and how complexity across the EU's banking regulatory architecture affects efficiency, consistency and the functioning of the Single Market. Practitioners further provided insights to the Commission into their experience in applying the rules set out in the energy products legislation framework. The results were used to prepare the Omnibus XII on energy products. In agriculture, a reality check held in March 2026 gathered practitioners' insights on the implementation of the Directive on unfair trading practices in the agricultural and food supply chain. The reality check on State aid private enforcement and the use of State aid rules in national courts gathered insights from judges, lawyers, academics and other stakeholders on the practical challenges and opportunities in enforcing State aid rules at national level. In the EU statistics legislation, reality checks organised in 2025 and 2026 looked at the feasibility of reusing data collected for official statistics and highlighted the need to align statistical concepts with those used in other areas such as business or accounting.

B. Implementation

The Commission stepped up its efforts to track implementation gaps and support Member States in ensuring that EU laws and policies are implemented swiftly, effectively and consistently, by issuing guidance, technical assistance, providing capacity-building support and engaging in structured dialogue. It also supported businesses and people in applying EU rules, helping to reduce unnecessary burdens. We placed particular emphasis on strengthening administrative capacity, on advancing digital tools and AI to facilitate implementation, on addressing gold-plating and on promoting consistent application of rules across the EU, including through the work of European agencies.

Across strategic priorities, the Commission provided implementation support for **legislative and non-legislative initiatives**, turning EU policies into results on the ground. On **competitiveness**, the focus was on preventing and removing barriers to the Single Market, by cutting administrative burdens for cross-border services and averting new

[7] OECD Regulatory Policy Outlook 2025 (EN).

barriers. We also proposed actions to implement the **Critical Raw Materials Act** and **RESourceEU** agenda, including on demand aggregation, matchmaking between supply and demand, and reporting obligations.

On **energy**, we provided targeted guidance and workshops to support Member States' phasing out of Russian energy imports. On **environment**, new guidance – coupled with structured dialogues in several Member States – provided greater clarity and flexibility for applying EU water legislation. Similarly, we also issued guidance and frequently asked questions clarifying the interpretation of packaging rules. On **defence**, we supported the fast implementation of the Security Action for Europe (SAFE), including over 200 bilateral meetings to help draw up national plans.

On **cohesion policy**, the Commission supported Member States in using the greater flexibility introduced by the mid-term review to swiftly realign EUR 35 billion of investments towards competitiveness, defence, affordable housing, water and energy. It also encouraged greater use of **simplified cost options and financing not linked to costs**, reducing reliance on detailed cost reporting and helping authorities and beneficiaries focus on delivery.

Follow-up measures to the Implementation Dialogues

The Commission translated **stakeholders' views** expressed during the implementation dialogues into **concrete action**, creating thus a direct feedback loop with the effectiveness of EU law. In particular, the lessons learnt during these dialogues helped the Commission prepare several Omnibus packages, including on digital rules and the General Data Protection Regulation, food and feed safety, cybersecurity and data policy, and energy-efficient products. More broadly, we also drew views on how to simplify and accelerate environmental assessments and permitting.

The usefulness of implementation dialogues extends beyond the simplification of existing rules. They are increasingly helping the Commission **shape new policy responses** to existing challenges, bringing implementation realities and stakeholder views and experiences into the appraisal of policy challenges and options. This has been the case across a range of areas, including the Chips Act 2.0, the EU anti-poverty strategy, the European strategy for the outermost regions, or the forthcoming review of the European venture and growth capital funds.

Implementation dialogues are also driving practical changes in the way the Commission supports businesses, facilitates investment and addresses implementation obstacles on the ground. For example, in **competition policy**, following the Implementation Dialogue on Important Projects of Common European Interest (IPCEI), we provided advice to stakeholders to facilitate and simplify IPCEI processes. On 24 November 2025, the high-level meeting of the Joint European Forum of the IPCEI adopted a recommendation on facilitating SME participation in IPCEIs. In **enlargement policy**, building on the Implementation Dialogue on private sector investments, the Commission launched investment calls for Moldova and Armenia, and organised high-level conferences to mobilise investment and turn the EU's investment agenda into projects on the ground. These included the EU-Ukraine Business Summit, where the Commission announced a EUR 1.2 billion investment package for infrastructure, energy resilience and SMEs; and the EU-Moldova Investment Conference, where investment plans and projects worth up to EUR 641 million were announced for energy, digital infrastructure, education and sustainable agriculture. In the field of **external action**, the implementation dialogue on people-to-people initiatives helped refine the Pact for the Mediterranean's Action Plan. It also allowed the Commission to launch an investment call to map European private sector presence and investment interests in the region, with a view to scaling up investments.

Support provided to Member States in implementing EU law and policies

The Commission stepped up cooperation with Member States to implement EU law, as the fastest way to ensure EU rules bring tangible benefits to people and businesses. It also expanded the use of the **transposition roadmap** IT tool to strenghen information flows and better anticipate and overcome implementation challenges. The tool was used for 37 directives with a transposition deadline after 31 July 2025. The Commission has prepared a standard template setting out transposition obligations for Member States and enabling them to specify the national measures taken to fulfil these obligations set out in new EU directives.

The Commission draws up **implementation strategies**[8] and **guidance**[9] more often for major legal acts adopted

[8] For example, on VAT in the Digital Age and on driving licences and driving disqualifications and the Electricity Market Design Directive.
[9] For example, on key provisions of the AI Act, the European Media Freedom Act, on the Net-Zero Industry Act and on the prohibition of products made with forced labour.

by the co-legislators. To design targeted strategies and support measures to facilitate implementation, it is essential that the Commission receives early information from Member State authorities on the specific national legal, administrative or practical effects of proposals and adopted legal acts. At the same time, we are sharpening our focus on producing well-drafted, high-quality legal texts that are easy to understand and implement.

The Commission continued to provide targeted technical support at the request of Member States to implement EU law, strengthen administrative capacity and deliver reforms. Under the **Technical Support Instrument**, we supported 197 projects across all 27 Member States, including on tax systems, the AI Act, use of AI in public services and electricity markets. Multi-country projects improved implementation of EU tax cooperation rules and to boost national capacity to assess the macroeconomic impact of green policies and investments. Under the **Public Administration Cooperation Exchange**, 89 exchanges and study visits involving 492 civil servants from 23 Member States strengthened administrative capacity to implement EU legislation, policies and funding programmes.

The Commission also supported Member States in preparing for the successful implementation of the **Pact on Migration and Asylum**, which entered into application on 12 June 2026. Support was also provided under EU funding programmes and peer-to-peer cooperation. **TAIEX-REGIO Peer2Peer** exchanges reached more than 670 participants, including 360 programme authority staff trained in State aid, public procurement and anti-fraud.

The Commission also continued its close cooperation with Member States to support the implementation of the **Single Digital Gateway** and the **Once-Only Technical System** through regular coordination, technical assistance and practical implementation support to national administrations. We also provided **practical tools to facilitate implementation**. We supported Member States in carrying out interoperability assessments through tools and guidance on the Interoperable Europe Portal, including a reusable application programme interface and public sector digitalisation. This has led to the Interoperable Europe Agenda 2026[10] that sets common priorities, actions for cross-border interoperability with public administrations. Once achieved, improved cross-border interoperability could generate annual savings of EUR 5.7 to EUR 19.2 billion for businesses and EUR 5.5 to EUR 6.3 million for people[11].

Beyond the EU, the **Technical Assistance and Information Exchange** instrument, which celebrated 30 years in 2026, delivered 489 events supporting enlargement and Eastern Neighbourhood countries over the reporting period. This included targeted support to Albania and Montenegro in meeting benchmarks under the accession negotiations.

Support for businesses and people

The Commission also provided direct implementation support to businesses and people, helping them navigate EU rules and benefit from EU policies. The ***Your Europe*** portal continued to provide a single point of access to practical information on single market rights and administrative procedures. We improved this portal further with AI-powered search capabilities, making it easier for users to find information and navigate EU and national requirements.

Support for businesses and people also included improved access to **research and technology** infrastructures for innovative businesses, practical tools to support compliance with the AI Act and Data Act, the EU Age Verification Solution, and measures under the Citizens Energy Package to help households navigate the energy transition.

More specifically, to support **business innovation** across Europe, the Commission adopted a new Charter of Access for Industrial Users to Research and Technology Infrastructures, in line with the EU Startup and Scaleup Strategy. The **guidelines** will help businesses – especially startups, scaleups and small and medium-sized enterprises – gain better access to advanced laboratories, pilot lines, testing environments and large scientific instruments.

To provide greater **protection of minors online,** the Commission made its EU Age Verification Solution technically ready in April 2026, giving Member States and market players a robust, user-friendly and privacy-preserving means of verifying age online. This work was further reinforced by the EU KIDS Act proposal, which introduces an EU-wide, gradual approach to minor's access to social media with no accounts for children under 13, supervised access for 13- and 14-year-olds, and autonomous accounts from age 15. The proposal also strengthens safety by design, placing the burden on providers to demonstrate that their services are safe and age appropriate for children.

The Commission adopted the **Citizens Energy Package** to **help households** navigate the energy transition, including an Implementing Regulation that makes it easier and faster to switch electricity suppliers. In April 2026, it

[10] https://interoperable-europe.ec.europa.eu/interoperable-europe/news/2026-interoperable-europe-agenda
[11] https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=CELEX%3A52022SC0721%20

followed up with a set of recommendations and practical measures for example to prevent disconnections of vulnerable consumers, protect consumers from the risk of supplier bankruptcies, develop energy communities, maximise self-consumption and improve the provision of clear, transparent and comparable information.

To enable successful implementation of the **AI Act**, the Commission created the AI Act Service Desk and Single Information Platform in October 2025, providing online interactive tools to give business, SMEs and stakeholders clarity on the legal obligations they must meet and the steps they need to take. Similarly, to support **Data Act** compliance and help businesses unlock its full value, we put in place tools such as the Guidance on Vehicle Data and the Data Act Legal Helpdesk, which provide guidance for stakeholders on how to apply the Data Act.

Tackling regulatory gold-plating

In its Communication of April 2026, the Commission announced actions to help **prevent, detect and follow up on instances of gold-plating** in the implementation of EU law, while safeguarding rights and protections. Gold-plating is where Member States set rules that go beyond what is required or allowed under EU legislation, for example by extending the scope of implementing measures, introducing stricter substantive requirements, or procedures that are more burdensome than necessary to give effect to EU rules. Preventing unnecessary regulatory burdens of this kind is a **shared responsibility** among all EU institutions and the Member States.

This objective has been underlined at the highest political level. In its conclusions of 19 March 2026, the European Council called on Member States to 'avoid gold-plating and disproportionate national requirements when transposing and implementing EU rules. Following a proposal by President von der Leyen in her 2026 State of the Union address of a **pact against gold-plating**, the European Council of 15 October 2026 called upon the Commission to come forward with an initiative. The aim is to sign the pact at a European Council meeting before the end of the year. This reflects a broader commitment to ensuring that EU legislation delivers its intended objectives **without creating avoidable administrative or compliance costs** for people, businesses and public authorities.

In May 2026, the Commission started work on a toolkit of best practices and practical transposition **guidance to help Member States** avoid gold-plating. We circulated a questionnaire to national authorities to gather information and data on existing transposition practices. We also made a survey available to stakeholders to collect evidence on the types of gold-plating practices encountered in practice, and their costs and impacts. We are currently analysing the responses received and will use this evidence as a basis for the next stage of development of the toolkit.

The **implementation dialogues** provided a complementary channel for business and stakeholders to flag where national implementation adds complexity and costs to operating across the Single Market. For instance, stakeholders have pointed to additional national requirements and divergent implementation in areas such as **audiovisual media, banking, and health data**. In the area of **taxation**, notably digital reporting, stakeholders called for avoiding additonal national layers of requirements. The dialogues also highlighted concerns that go beyond explicit cases of gold-plating, including differences in national interpretation and application of EU rules. These insights can complement the evidence gathered through the Member States' questionnaire and stakeholder survey, to better target the areas where further guidance or follow-up may be needed. Implementation dialogues and targeted consultations will give businesses – especially SMEs and those operating across borders – a direct voice in the **'review and remove' mechanism** proposed by President von der Leyen as part of the pact against gold-plating.

The Commission is also taking action to **reduce regulatory fragmentation** in key areas. One example is the Market Integration and Supervision package, proposed in December 2025 and agreed by the Council in October 2026. It addresses cross-border and supervisory barriers in financial services, helping the companies gain the scale and efficiency required to compete globally. Greater harmonisation, less gold-plating and streamlined regulatory requirements are key to unlocking the full potential of the single market for financial services.

In addition, within the **Single Market Enforcement Taskforce** the Commission, together with Member States, has continued work to remove the 'Terrible Ten' barriers, including gold-plating, and will report developments.

Overall, the Commission is stepping up its work to ensure that EU rules lead to a genuinely Single Market in practice. Better transposition, stronger detection of unnecessary national burdens and fuller use of existing coordination mechanisms, will reduce fragmentation while safeguarding the integrity of the Single Market. In parallel, the Commission will continue to explore the possible use of AI-driven technologies to identify instances of gold-plating.

Initiatives to enhance digitalisation, AI and data access

Over the reporting period, a major way to ease implementation has been to digitalise processes. For example, on 1 January 2026, eAidRegister became operational, a user-friendly platform enabling national authorities to track *de minimis* aid in a few clicks. This is helping Member States avoid IT development and maintenance costs when meeting their State aid transparency obligations under the General, SGEI and Agriculture de minimis regulations.

Europe's businesses will spend less time on administrative work and compliance due to the European Business Wallets proposed by the Commission in November 2025. This tool gives companies a single digital identity to simplify paperwork and make it much easier to do business across EU Member States, with the potential to unlock **EUR 150 billion** in savings each year. Trilogue negotiations with the European Parliament and the Council started in October 2026. Once the Regulation is officially adopted, all levels of public administration bodies across the EU will have two years to implement it. The Commission is working closely with Member States and the private sector to draw up the technical standards and requirements and funding large-scale pilot projects under the Digital Europe programme. The key focus now is on making the Wallet operational in practice across the EU. Implementation support is already available via the European Digital Identity Cooperation Group and the Toolbox.

A special focus was given to simplifying implementation requirements and reducing administrative burdens through digitalisation. Examples include upgrades to the Internal Market Information System, development of AI-supported monitoring and compliance tools and enhanced market surveillance systems. Further simplification efforts were made to digital solutions for the transport sector, Erasmus+, and improved data-sharing platforms. For example, the Commission developed the *eSurveillance* - an **AI-driven system used to detect dangerous and non-compliant products sold online**. Designed to support national market surveillance authorities, the system is currently used by 1 300 inspectors across the EU. *eSurveillance* improves their inspection capacity, strengthens consumer protection and supports fair competition in the Single Market. The Commission also launched *eReporting*, a free AI-based multilingual service helping SMEs and public administrations identify the reporting obligations included in EU and national legislative acts and generate activity reports so to reduce the reporting burden[12].

Specifically on AI, the Commission rolled out the **AI Toolbox for the European public sector** in May 2026 to provide practical support to implement the Apply AI strategy and more broadly, AI in the public sector. The **European Digital Innovation Hubs Network** is supporting SMEs and local public organisations across the EU to develop, adopt and integrate AI solutions to enable more efficient and friendlier public services. In cohesion policy, the Commission continued actively exploring concrete data automation options and AI-based solutions with Member States, to enhance the efficiency and reduce the cost of reporting in shared management.

To deliver on successful AI Act implementation, the Commission continued to support cooperation between Member States' national authorities through the AI Board, to exchange expertise, address implementation questions and promote a coherent approach across the Union.

The Commission is also **modernising how EU law is prepared and managed**, harnessing digital tools and AI to support simpler, more coherent and easier-to-implement rules. **EDIT**, the Commission's collaborative platform for preparing and drafting legislation, has been reinforced to assist legal drafters in streamlining legislative work, while the future **Acquis Management Tool** will help services to better understand the regulatory landscape by providing a structured and integrated way of navigating and managing the EU acquis across the Commission. Work is ongoing to develop AI-supported legal analysis capabilities to identify similarities across legal acts, pointing at potential overlaps, inconsistencies or duplicates, as well as opportunities for simplification. Experience gained with the *e-Accession* tool is contributing to this work. Over time the tool is to provide a stronger evidence base for managing the acquis even more strategically and designing leaner, more coherent and easier-to-implement EU rules.

EU agencies and consistent application of EU law

In the area of **nature protection**, the Commission focused on supporting practical implementation of the Birds and Habitats Directives and the Nature Restoration Regulation. In close collaboration with the European Environment Agency, support was provided to Member States in preparing their draft National Restoration Plan, via the NRR Expert Group as well as guidelines, workshops, a helpdesk and bilateral contacts with Member States and stakeholders.

[12] For more information, see: Digital Europe - AI-based Multilingual Services.

In the area of **migration and security,** the Commission worked with Member States, eu-LISA and Frontex on deploying interoperable border IT systems: the Entry/Exit System, ETIAS, and the revised Visa Information System. The Entry/Exit System became operational on 10 April 2026, replacing passport stamping with digital recording of entries/exits/refusals for non-EU nationals on short stays – improving efficiency, accessibility, and security.

As of 12 June 2026, the EU Pact on Migration and Asylum is in force. The **European Union Agency for Asylum** has developed a range of products to support the implementation of the Pact; these include practical guides and tools, training modules and various information materials strengthening the right to information of applicants.

In the area of **financial services**, the **European Supervisory Authorities** (ESAs) contributed to consistent application of EU financial services rules through supervisory convergence activities, Q&As, guidelines, opinions and monitoring of regulatory and implementing technical standards. This guidance helps create a level playing field and more uniform implementation of the single rulebook across Member States. Furthermore, the ESAs and other EU supervisory bodies are deepening their simplification agendas notably as regards reporting requirements.

In the area of **cybersecurity**, the **European Union Cybersecurity Agency** (ENISA) launched in July 2026 the SME Cyber Resilience Maturity Assessment Model that provides a structured approach for micro, small and medium-sized enterprises to evaluate and strengthen their overall cyber resilience, following the requirements of the Cyber Resilience Act. In addition, ENISA developed procurement guidelines for the cybersecurity of hospitals and healthcare providers to help them integrate cybersecurity objectives into their procurement processes.

In the area of **transport**, the **EU Agency for Railways** supported implementation in the rail sector, including on interoperability and authorisations. The **EU Aviation Safety Agency** contributed to the implementation of the Single European Sky and aviation safety framework, including through the new rules introducing competency-based training and assessment and virtual training for air traffic controllers.

C. Enforcement

In its April Communication, the Commission took significant steps towards better and faster enforcement of EU rules across all policy areas, together with a specific initiative to boost strategic enforcement of the single market rulebook. Many of the actions outlined in the Communication are currently being implemented, so this report highlights a few specific measures taken in the first months after their announcement. The Annual Single Market Enforcement Agenda[13] is further proof of the Commission's determinaton to enforcement in this area.

An improved Europa webpage on infringement cases, pre-infringement dialogues and transposition of directives now provides up-to-date statistical information on the Commission's enforcement activities and Member States' compliance with EU law, including trends per policy area, topic and Member State.

More frequent pre-infringement dialogues

The Commission uses a pre-infringement dialogue, formerly known as 'EU Pilot', when it is likely to lead to swifter compliance than a formal infringement procedure. These dialogues also help the Commission to gather information needed to determine whether there has been a breach of EU law. Over the reference period, the Commission initiated **332 dialogues**, an increase on previous years[14]. Overall, the dialogues led to positive outcomes, with a **resolution rate of 74%**[15]. These include files in very different policy areas, ranging from financial services and the savings and investments union, to transport, taxation, environment and energy policy.

Robust enforcement, including financial sanctions

The Commission aims to help Member States achieve compliance from the outset. But where this approach fails, fast and robust enforcement action is needed so that EU law delivers its intended benefits to people and businesses.

In the period covered by this report, the Commission launched **874 infringement procedures**, the highest number in the last 10 years. There are currently **over 1909 cases open**, an increase on previous years. These figures are

[13] Announced in the Annual Single Market and Competitiveness Report of 30 January 2026.
[14] In 2025, the Commission initiated 276 dialogues over the whole year.
[15] Overall, the Commission closed 269 cases during the reference period, including many long-standing cases from 2023 or before.

testimony of the Commission's efforts and determination to ensure compliance with EU law.

This resolve is also evidenced by the number of referrals to the Court of Justice. In the reference period, the Commission decided to refer **61 cases** to the Court, requesting **financial sanctions in 25 cases**[16]. Over the same period, 14 Member States **paid financial sanctions** imposed by the Court of Justice, amounting to over EUR 500 million[17]. The areas most concerned are, in order of magnitude, EU rules on asylum, urban wastewater treatment, waste landfills, copyright, re-use of public data, work-life balance and habitat conservation[18].

EU law delivering results that benefit people and businesses

The Commission's enforcement action has achieved tangible outcomes for people and businesses across the EU. Over the reference period, the Commission closed **499 infringement procedures**, as Member States achieved compliance. **92% of these cases were closed without the need for referral to the Court of Justice**. This means not only faster compliance than if Court proceedings had been necessary but also that the Commission and Member States in most cases found solutions at the pre-litigation stage. 18% of closed cases were long-standing (open for over 5 years). This shows the Commission is following up on its commitment to give special attention to issues that have remained unresolved for a long time.

Barriers undermining the Single Market were removed after the Commission took resolute enforcement action. For example, significant progress was made on the correct application of EU public procurement rules, with six infringement procedures closed after the Member States concerned complied with EU law[19]. The Commission's enforcement action led to improvements in the recognition of professional qualifications, ensuring that professionals fully qualified in one Member State can freely exercise their profession across the EU[20]. Where issues persist, the Commission has taken the necessary steps to ensure that people benefit from the EU's four fundamental freedoms[21]. On 20 November 2025, the Court of Justice delivered its first-ever ruling on the Proportionality Test Directive, outlining the broad application of the proportionality obligation in preventing unnecessarily disproportionate regulations governing professions. Progress was also made in transposing the Directive on open data and the re-use of public sector information, with all Member States having now fully transposed the Directive[22].

The Commission successfully closed long-standing cases concerning **restrictions to the freedom to provide services** in relation to the posting of workers in international transport in inland navigation[23]. The closure of four of the last five infringements related to streamlining measures for advancing work on the **TEN-T network** contributed to greater coordination and completion of key TEN-T core network projects by making permit granting and public procurement procedures clearer. One case was resolved on discriminatory fuel pricing for vehicles registered in another Member State, and a second case is ongoing. Following enforcement action by the Commission, three Member States[24] removed excessive restrictions on psychotherapists, lifted registration bans for healthcare professionals, and ended discrimination against fixed-term teachers.

The Commission's enforcement actions led to concrete improvements on the transposition of **EU financial services rules**. As a result of these actions, 10 Member States have completed transposition of the Daisy Chains Directive and five Member States have updated rules on bank recovery and resolution improving the ability of European bank to withstand financial shocks and facilitating their resolvability. Nine Member States finalised the transposition of EU rules on non-performing loans and seven Member States completed transposition of EU rules on digital

[16] In all cases where the Treaty on the Functioning of the European Union so provides.
[17] The amounts are definitive only after all legal remedies have been exhausted. The public register provides a constantly updated list of ongoing infringement cases with financial sanctions imposed by the Court of Justice.
[18] The fines paid in the areas of asylum (one case), treatment of urban wastewater, waste landfills and conservation of habitats result from judgements of the Court of Justice under Article 260(2) TFEU (second judgement). The fines paid in the other areas are for incomplete transposition of EU rules (under Article 260(3) TFEU).
[19] Issues resolved concerned equal treatment of economic operators in Luxembourg and Austria, the removal of restrictive procurement practices in Hungary and Portugal, and the application of procurement rules to the postal services in Germany.
[20] For Romanian-trained nurses as regards eleven Member States, health professionals in France and civil engineers in Portugal.
[21] The Commission decided to refer Spain to the Court of Justice concerning the recognition of sworn translators and interpreters and launched infringement procedures against eight Member States for failing to transpose the updated minimum training requirements for healthcare professionals.
[22] The Commission has closed the four remaining infringement procedures.
[23] Against Germany and Austria.
[24] France, Malta, and Portugal.

operational resilience of financial entities across the EU, to tackle the risks associated with the increasing digitalisation of financial services.

The Commission has strengthened the **protection of consumers** as enforcement action led to the transposition of EU rules on representative actions to protect the collective interests of consumers and on the accessibility of products and services. Data protection rules have been strengthened in two Member States as the shortcomings could be solved. The Commission promoted **gender equality** through successful enforcement action in relation to eight Member States that have completed transposition of rules on company boards. Thanks to enforcement action by the Commission, Member States have transposed and followed EU whistleblowing protection rules, which help prevent and address breaches of EU law in a wide range of areas.

The Commission's enforcement action has also increased the **EU's security**. Nine more Member States have completed the transposition of EU cybersecurity rules. Issues persist in a few Member States, where the Commission has decided to take additional steps in the procedure. Enforcement work has resolved all incorrect transpositions of the Directive on attacks against information systems (except for one Member State). This strengthens action to combat cybercrime and promote information security through stronger national laws, tougher criminal penalties and greater cooperation between the authorities.

In **energy policy**, progress has been made on the energy performance of buildings, where it was possible to close 10 infringement cases as Member States had either completed transposition of EU rules on financial subsidies for fossil fuel boilers or had submitted their draft national building renovation plans. On **environment**, Member States have shown progress in complying with their reporting obligations in the area of air quality, where seven infringement procedures were closed, in the area of drinking water, where four cases were closed following the completion of transposition of the Drinking Water Directive into national law and in the area of environmental noise, where the Commission closed five procedures. Progress was also made on industrial emissions, where certain Member States brought their legislation in line with EU law, leading to the closure of the respective cases. In the field of waste management, the Commission, pursued its action against systemic shortcomings, while some Member States achieved compliance concerning illegal landfills[25]. The Commission also closed a longstanding infringement on fisheries control legislation[26].

As regards the **customs union,** correct implementation of EU rules on customs data transmission improved the collection and monitoring of customs data across the European Union, the uniform application of customs controls, effective risk management and compliance with EU border measures. On VAT legislation, the transposition of rules enabling Member States to make wider use of reduced rates (including zero rates for essential products such as food, pharmaceuticals and products intended for medical use) has allowed putting all Member States on a level playing field and has given them more flexibility to implement their policies, helped lower the cost of essential goods, support public health and the green transitions. Transposition of the directive setting a special VAT scheme for SMEs provided a framework to sell without charging VAT and or alleviate VAT compliance rules.

Single market focus areas for enforcement

Unjustified barriers in the Single Market, differing national rules and uneven conditions across Member States prevent businesses from reaching their full potential, weakening **Europe's competitiveness**. As announced in its Communication of 28 April 2026, the Commission is stepping up action to enforce the single market rulebook, with a focus on **eleven key areas for enforcement**. In the first months after this Communication was published, the Commission began enforcement measures in several focus areas and will ramp up action over the upcoming period.

To remove barriers to the **free movement of goods**, enforcement action was necessary in the area of **circular economy, packaging and waste** to tackle non-compliance with **waste targets** set under the Packaging and Packaging Waste Directive and the Waste Framework Directive. The Commission launched infringement cases against three Member States and took the next step in cases against 11 Member States. On **product labelling**, additional or divergent rules adopted by Member States can result in fragmentation of the Single Market and have

[25] Three cases were closed, two of them following full implementation of judgements: Spain has closed and rehabilitated 61 illegal landfills, fully implementing a Court judgement of 15 March 2017 in case C-563/15. Slovenia has closed and rehabilitated the illegal landfill of waste in Bukovžlak and paid the fines imposed by the Court in case C-318/23.

[26] For proper weighing and catch registration for landings of frozen and fresh pelagic and demersal fish stocks in Dutch ports.

a negative impact on the free movement of products across the EU, leading to higher costs for consumers.

The Commission has launched several infringement procedures[27] and is intensifying these efforts. EU rules on **energy** enable household and industrial consumers to adjust or reduce their electricity use in response to higher prices, thereby reducing spikes in wholesale prices. While many Member States have failed to transpose these rules in full, requiring a significant effort in the upcoming period, the Commission's enforcement action has led to positive outcomes in four Member States.

The Commission has also taken enforcement steps to tackle barriers to the **free movement of goods and services**. In its Annual Single Market and Competitiveness Report, the Commission identified two priority areas for horizontal investigations and specific enforcement actions: late payments in transactions between undertakings and public authorities, and obstacles in construction and installation services related to the green transition. On **late payments**, many goods and services are supplied in the Single Market on a deferred payment basis, especially in commercial transactions between businesses and public authorities. This hinders the proper functioning of the Single Market and adversely affects cash flow for SMEs. In addition to eight pending infringement proceedings, the Commission launched pre-infringement dialogues with 24 Member States to investigate the situation.

Many national certification or authorisation schemes governing **construction and installation services** of energy efficiency and renewable energy installations – as well as broader national regulations on construction services – run counter to the Services Directive. They fragment the Single Market, restrict the availability of installation services and hamper the deployment of renewable energy solutions. The Commission has launched infringement procedures against 11 Member States as a first step, with more infringement procedures being considered.

EU rules on the posting of workers (which include the rights of posted workers and ensure fair competition between service providers) are crucial to support the freedom to provide services in the Single Market. After launching infringement proceedings against one Member State over the visa requirement imposed on posted third-country nationals, the Commission continued to examine Member States' legislation in this area, engaging in pre-infringement dialogues with three other Member States. The Commission also continued monitoring implementation of the Posting of Workers Enforcement Directive and took an additional step in the procedure against one Member State.

EU rules on European train control and signalling systems must be implemented by 2030. These rules are crucial for smooth and affordable **cross-border railway services** across Europe, both for passengers and freight. The concerned Member States Member States have not yet removed all the national technical and safety rules on train vehicles, infrastructure and train operation that have been superseded by European specifications or standards under the 4th railway package. They must also ensure access to data such as aviation, rail or public transport timetables and fares using common EU standards to enable multimodal journey planners for European travellers and services such as online ticketing for **multimodal travel**. Member States have not yet met all these obligations, which is why the Commission has launched a pre-infringement dialogue with all Member States.

To give effect to the principles of **freedom of establishment and free movement of capital**, EU rules make it possible to set up new companies, register new branches online and follow harmonised procedures for cross-border mergers, divisions and conversions. The Commission is pursuing infringement cases to enforce the Company Law Digitalisation Directive, where progress has been made with three Member States and pre-infringement dialogues launched with seven other Member Staes. On taxation, the EU provides for **tax neutral treatment** in case of company restructuring and dividend payments streams in group companies. The Commission initiated infringement action against one Member State for violating the free movement of capital for discriminatory treatment of dividends distributed to other Member States. Enforcement action will continue to address discriminatory tax treatment of cross border investments, and savings and investment accounts. National legislation often leads to incorrect application of the Parent Subsidiary Directive and the Tax Merger Directive. Tax incentives for employment, research and development can also face unjustified geographical restrictions in certain instances. The Commission is tackling these shortcomings through several new infringement cases.

The Commission supports measures to create better opportunities for people who wish to invest, which is a key pillar of the **Savings and Investments Union strategy**. Geographic and currency restrictions in national savings

[27] Issues concern requirements on the affixing of sorting instructions on household packaging in Spain, mandatory labelling concerning 'shrinkflation' practices in Italy and labelling requirements concerning waste sorting instructions in France.

and investment account schemes[28] are contrary to EU law. In the area of **bank consolidation**, the Commission launched an infringement case to ensure that national laws on government interventions in banking transactions are targeted, proportionate and clearly defined. The Commission continued to call on another Member State to comply with EU banking regulations and single market freedoms through another step in the infringement procedure.

Barriers prevention

The Commission and Member States have also stepped up action **to prevent barriers to the free movement of goods and services.** In cooperation with Member States, the Commission has drawn up an action plan[29] to improve implementation of the Single Market Transparency Directive and the Services Directive. The Commission is paying increased attention to situations where identified breaches of EU law in draft national measures notified under the Single Market Transparency Directive remain unaddressed when the act is adopted. To improve enforcement of the Services Directive, concrete measures have been agreed with Member States[30].

The first results are encouraging: proportionality assessments under the Single Market Transparency Directive have improved, and the share of draft-stage notifications under the Services Directive has increased. The Commission intends to build on these results in close cooperation with Member States and stakeholders and will continue to monitor the impact of the implementation of the identified measures on preventing barriers in the Single Market.

Other policy areas where greater efforts are needed

The Commission has taken enforcement action to remedy restrictions on the **freedom of establishment and/or freedom to provide services** of craft service providers, managers, veterinarians, lawyers and law firms, on limitations to the multidisciplinary activities of accountants and on the prohibition on advertising pharmacies and their activities. The Commission has also identified and followed up on breaches of the freedom of movement of goods, including discriminatory schemes related to the procurement of biomethane, export restrictions on construction materials, and price margin limitations for drugstore and food retail sectors. It has also addressed tax barriers that affect the right of establishment in retail. To **simplify reporting requirements**, more efforts are needed by Member States for failing to transpose simplified rules on food and food ingredients, outdoor noise, patients' rights, and radio equipment.

In the area of **financial services**, significant implementation delays and gaps persist in several sectors, such as the Sixth Capital Requirements Directive and in capital markets[31]. In the area of **energy**, there are significant implementation shortcomings as regards rules on renewable energy, energy efficiency and energy performance of buildings. On **transport**, more efforts are needed by certain Member States to reduce the number of long-standing infringement cases, for example on tunnel safety and inspections and on rail transport. On **digital services**, most Member States have fully implemented the Digital Services Act. For four Member States, proceedings are ongoing before the Court to ensure that the competent authorities are appointed and empowered to safeguard user rights.

In the area of **home affairs,** the level of compliance with the Directive defining criminal offences and sanctions in relation to money laundering is still insufficient[32]. The necessity and proportionality of **reinstated internal border control by Member States** is also a source of concern. The Commission will follow-up to the nine opinions adopted in June 2026, and discuss alternative measures with Member States.

In the area of **justice and consumers**, there are significant implementation shortcomings on the protection of the

[28] Several Member States make tax incentives for investments conditional upon investments in national markets or national currency. This conditionality may raise questions as to its justification and may in certain cases ultimately create cross-border discrimination.

[29] Including a wide range of measures, such as guidance on proportionality under the Single Market Transparency Directive, capacity-building for national administration and stakeholders through on-line training modules on notification, greater transparency and stakeholder engagement on draft notifications under the Services Directive along with introducing a mechanism allowing stakeholders to flag potential breaches of notification obligations via the Single Market barrier tracker.

[30] The Services Directive Expert Group agreed that at least 50% of requirements falling under the scope of the Services Directive should be notified at the draft stage in 2026, up from around 20% on average in previous years. The 50% goal has been attained during the first three quarters of 2026. We will continue to work with Member States to further increase the proportion of ex-ante notifications beyond 2026.

[31] Such as Directive (EU) 2023/2864 – European Single Access Point Directive, Directive (EU) 2024/790 – Consolidated Tapes, Directive (EU) 2024/927 – review of the Alternative Investment Fund Managers and UCITS Directives, Directive (EU) 2024/2811 – Listing Act, Directive (EU) 2024/2994 – European Market Infrastructure Regulation targeted review.

[32] Infringement cases were opened against 10 Member States in the reference period.

environment through criminal law, on the fight against the violation of Union restrictive measures, on consumers' protection in financial services contracts concluded at a distance, on credit agreements for consumers and on gathering electronic evidence in criminal proceedings. Implementation issues continue to persist on the European Arrest Warrant and on the six procedural rights Directives in criminal proceedings. Half of the Member States also failed to transpose in time the Directive on strategic lawsuits against public participation. Further action is needed to ensure full compliance with EU rules on **equality and non-discrimination**, for example on transposing the European Accessibility Act, gender balance rules for company boards and on equality bodies, with significant enforcement action ongoing. Member States also need to fully transpose the EU's new pay transparency rules, where the Commission continues to provide support.

In the area of **labour law**, a few Member States have not yet complied with EU rules on transparent and predictable working conditions. Issues persist in four Member States[33] concerning fixed-term work, part-time work, working time, and/or working conditions. There are also gaps in implementing the rules on **occupational safety and health**.

Shortcomings in the implementation and application of **environmental law** persist in several areas. A few Member States continue to incorrectly transpose EU rules on waste and on single use plastics, and as a result the Commission has launched or pursued infringement procedures. Several Member States are still failing to observe EU rules on nature protection and restoration under the Birds Directive and the Habitats Directive[34]. Other implementation issues relate to shortcomings in wastewater collection and treatment infrastructure in some Member States[35]. In **climate policy**, several Member States face difficulties in transposing the rules governing the Emission Trading System.

4. Way forward

The Commission has put forward an **extensive set of simplification measures** across key policy areas. The priority now is to ensure that these proposals translate into tangible results on the ground for people, businesses and public administrations across the EU. The work to simplify EU rules will only be meaningful if it is felt in practice: by reducing administrative burden, clearer rules, faster procedures and more effective implementation.

This requires a continuous **shared interinstitutional effort**. Progress will depend not only on the ambition of the Commission's proposals, but also on the speed and drive of the European Parliament and Council when examining and adopting them. Maintaining the simplification potential throughout the legislative process will be essential to ensure that intended benefits are not delayed, diluted or lost along the way. A stronger collective focus on implementation impacts and user experience and clarity should guide the next stage of interinstitutional work.

At the same time, it is important to maintain the **momentum** for simplification. The Commission will sustain its drive to improve regulatory efficiency, as set out in the 2027 Commission Work Programme and with an immediate focus on the priority areas identified in the Action Plan on regulatory deep cleaning. In addition, the Commission is embedding the 'simplicity by design' principles throughout the policy cycle, from design to transposition, application, monitoring and enforcement. 'Simplicity by design' does not end with adoption by the Commission but needs to be further preserved by Parliament and Council, and in the implementation. The Union's rules must be designed with greater attention to their cumulative impact and the realities faced by those applying them on the ground.

Listening attentively to all stakeholders remains central to this approach. The Commission will continue to engage through implementation dialogues, reality checks and other consultation tools to identify obstacles early, understand practical experience and take corrective action where needed – reaching out to a wide set of stakeholders across sectors, interests and geographies across Member States. This constant structured feedback loop is essential for ensuring that EU legislation and policies remain fit for purpose and responsive to evolving needs. It will also help build a stronger evidence base for future policy responses to simplify, implement and enforce EU rules.

[33] Spain, Italy, Greece, and Portugal.

[34] Two Member States failed to adopt conservation objectives and measures for Natura 2000 sites, one Member State did not designate protected sites, and two Member States did not comply with reporting obligations under both Directives.

[35] The Court of Justice confirmed Spain's failure to comply with obligations under the Directive. The Commission pursued two referrals against Portugal.

5. Annex – Administrative burden reduction (01.01.2025 – 31.07.2026)

Recurrent administrative cost savings, proposed by the Commission (EUR million)

Legislative initiative	Date of adoption	TOTAL SAVINGS	Of which for business	Of which for public administrations
2025 Omnibus packages (I-X)				
Omnibus I - Sustainable Finance Omnibus (CSRD/CSDDD)	26/02/2025	-4469.0	-4469.0	0.0
Omnibus I - CBAM simplification	26/02/2025	-1210.5	-1122.9	-87.5
Omnibus II - InvestEU	26/02/2025	-1.2	0.0	-1.2
Omnibus III - Simplification of the implementation of CAP Strategic Plans	14/05/2025	-1790.1	-1580.4	-209.7
Omnibus IV - Digitalisation and common specifications	21/05/2025	-301.0	-301.0	0.0
Omnibus IV - Small Mid-Caps	21/05/2025	-79.4	-79.4	0.0
Omnibus V - Defence Readiness	17/06/2025	-710.0	-702.7	-7.3
Omnibus VI - Chemicals legislation simplification	08/07/2025	-289.7	-289.6	-0.1
Omnibus VII - Digital Simplification Package	19/11/2025	-1204.7	-883.9	-320.8
Omnibus VIII - Environment legislation package	10/12/2025	-890.0	-878.0	-12.0
Omnibus IX - Automotive legislation simplification	16/12/2025	-51.0	-48.5	-2.5
Omnibus X - Food and Feed safety	16/12/2025	-939.6	-278.8	-660.8
Total: Omnibus packages (2025)		**-11936.3**	**-10634.2**	**-1302.1**
2025 Other legislative initiatives				
Proposal for a Regulation - wine sector and for aromatised wine products	28/03/2025	-55.9	-55.9	0.0
Revision of the Roadworthiness Package	24/04/2025	-104.7	51.4	-156.1
Securitisation Regulation Package	17/06/2025	-309.0	-309.0	0.0
EU Space Act	25/06/2025	-32.0	-32.0	0.0
Implementing regulation for electronic instructions for use for medical devices	25/06/2025	-13.2	-13.2	0.0
Revision of the tobacco taxation directive	17/07/2025	4.4	3.2	1.2
Commission proposal for a Regulation on European Fisheries and Aquaculture Statistics (EFAS)	30/07/2025	-1.2	0.0	-1.2
SFDR Review	20/11/2025	-86.1	-86.1	0.0
Market Integration Package (MIP)	03/12/2025	-0.1	-0.1	0.0
Revision of the EU Drug Precursors legislation	03/12/2025	-24.6	-16.8	-7.8
European grid-package - Regulation and Directives	10/12/2025	-2.3	-2.3	0.0
Amendments to Regulation (EU) 2018/848 as regards certain production, labelling and certification rules and certain rules on trade with third countries	16/12/2025	-47.7	-45.8	-1.9

Revision of the CO2 emission standards for cars and vans	16/12/2025	-10.4	-11.0	0.5
Clean corporate vehicles	16/12/2025	0.0	0.0	0.0
Targeted revision of the EU rules for medical devices and in vitro diagnostics	16/12/2025	-2410.4	-2410.4	0.0
Proposal for a Regulation to foster biotechnology in Europe and for a Directive as regards placing on the market of genetically modified micro-organisms and the processing of organs	16/12/2025	-1185.9	-1185.9	0.0
Extension of the scope of the carbon border adjustment mechanism to downstream products and anti-circumvention measures	17/12/2025	25.5	25.5	0.0
Total: Other legislative initiatives (2025)		**-4253.5**	**-4088.2**	**-165.3**
Total: Omnibus + other legislative initiatives (2025)		**-16189.8**	**-14722.4**	**-1467.4**
2026 Omnibus packages (XI-XII)				
Omnibus XI - Taxation	24/06/2026	-1971.5	-1971.5	0.0
Omnibus XII - Energy product legislation	24/06/2026	-122.7	-118.9	-3.8
Total: Omnibus packages (2026)		**-2094.2**	**-2090.5**	**-3.8**
2026 Other legislative initiatives				
Cybersecurity Act 2	20/01/2026	-514.6	-513.1	-1.5
Digital Networks Act package	20/01/2026	-22.1	-34.7	12.6
Additional improvements via the CAP's secondary legislation (Delegated-Implementing Acts)	21/01/2026	-217.5	-213.3	-4.2
Firearms Trafficking	26/02/2026	0.9	0.0	0.9
Industrial Accelerator Act	04/03/2026	-1288.4	1.0	-1289.4
28th Regime	18/03/2026	0.0	0.0	0.0
Revision of the technology transfer block exemption regulation - application of Art. 101(3) of the TFEU	16/04/2026	-5.1	-5.1	0.0
Targeted revision of Regulation (EU) 2021/782 on rail passengers' rights and obligations	13/05/2026	96.1	96.1	0.0
Proposals for a Regulation on Multimodal Booking (RMB) and for a Regulation on rail ticketing (RTR)	13/05/2026	1.5	0.0	1.5
Chips Act 2.0	03/06/2026	1.3	1.3	0.0
Cloud and AI Development Act	03/06/2026	-803.8	-852.3	48.5
Strengthening Europol	24/06/2026	0.0	0.0	0.0
Strengthening Eurojust	24/06/2026	0.0	0.0	0.0
DAC Recast	24/06/2026	-1283.0	-1283.0	0.0
EU ETS review 2026	17/07/2026	5.6	5.6	0.0
Total: Other legislative initiatives (2026)		**-4029**	**-2797.4**	**-1231.6**
Total: Omnibus + other legislative initiatives (2026)		**-6123.2**	**-4887.9**	**-1235.3**
Total: Omnibus + other legislative initiatives (2025 and 2026) (until 31 July 2026)		**-22313.0**	**-19610.3**	**-2702.7**