

Brussels, 8.9.2025 COM(2025) 473 final

REPORT FROM THE COMMISSION

ANNUAL REPORT 2024

ON THE APPLICATION OF THE PRINCIPLES OF SUBSIDIARITY AND PROPORTIONALITY AND ON RELATIONS WITH NATIONAL PARLIAMENTS

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2024 ANNUAL REPORT ON THE APPLICATION OF THE PRINCIPLES OF SUBSIDIARITY AND PROPORTIONALITY AND ON RELATIONS WITH NATIONAL PARLIAMENTS

1. Introduction

This is the 32nd report on the application of the principles of subsidiarity and proportionality submitted under Article 9 of the Protocol on the application of the principles of subsidiarity and proportionality (Protocol No 2). Since 2018, the report also covers the Commission's relations with national Parliaments, which play a pivotal role in the application of these principles.

With contributions from the European Parliament, the Council and the European Committee of the Regions, this report takes account of the developments in the application of the principles of subsidiarity and proportionality and in the Commission's relations with national Parliaments in 2024. It also presents some trends observed in the first term of office of President von der Leyen from 2019 to 2024.

The year 2024 marked the 15-year application of the Treaty of Lisbon, which introduced a higher level of parliamentary scrutiny and democratic accountability in the EU. Over the years, national Parliaments have made use of the subsidiarity control mechanism to varying degrees, and the Commission has adapted it to the extent possible to make it more flexible. National Parliaments have called for additional changes¹, which partly would require amending the Treaty. The subsidiarity control mechanism is complemented by the political dialogue, introduced already in 2006. Together, they are part of EU policymaking and ensure that the voices of national Parliaments are properly heard at EU level.

In terms of general trends, the number of national Parliaments' opinions has decreased in recent years², while the importance of the political dialogue with the Commission has increased for national Parliaments in the sense that a number of them are showing a growing interest in engaging in the EU decision-making process at an earlier stage³. The Commission has repeatedly stated⁴ that it is ready to further strengthen the mutually beneficial dialogue with national Parliaments through the well-established channels of communication and cooperation. It has encouraged national Parliaments to continue developing and using the full potential of the instruments already

For national Parliaments' reflections on their own role in EU policymaking and reforming the subsidiarity control mechanism and political dialogue, see as a recent example the 2022 Conclusions of the COSAC Working group on the role of national Parliaments in the EU (https://ipex.eu/IPEXL-WEB/download/file/082d290881a511e50181aac72ddd0080/Conclusions_Cosac_working_group_role_of_NP_in_the_EU_June2022_ENVFinale.pdf). The main requests were reiterated at the LXXII COSAC plenary in Budapest in October 2024 when national Parliaments reflected on 15 years of experience of their activities under the Lisbon Treaty__(https://ipex.eu/IPEXL-WEB/download/file/8a8629a892fab4390192fbf3bf710003/Minutes+of+the+LXXII+COSAC+-+Budapest+-+28-29+October+2024.pdf).

² See statistics in Section 3.1.

See national Parliaments' statement as part of the Contribution of the LXXII Conference of Parliamentary Committees for Union Affairs (COSAC), point 14, that they 'have proved to be active players in ex ante scrutinising EU policies and influencing EU draft legislations by using the means of political dialogue and subsidiarity checks under Protocols No. 1 and No. 2 of the Treaty of Lisbon' (https://secure.ipex.eu/IPEXL-WEB/download/file/8a8629a8930500d90193061c58d60005/LXXII+COSAC+Conclusions+EN.pdf).

See the Commission's reply to the Contribution of the LXVIII Conference of Parliamentary Committees for Union Affairs (COSAC) plenary meeting adopted in Prague, 13-15 November 2022 (https://ipex.eu/IPEXL-WEB/download/file/8a8629a89541775f0195474fb16e0031/Commission+reply+to+the+LXXII+COSAC+Contribution.pdf).

in place in order to strengthen our democratic resilience and effectively tackle key strategic political and institutional challenges.

2024 was a transition year between two terms of office of the Commission. This had an effect on the intensity of national Parliaments' subsidiarity control and political dialogue with the Commission. Typically, in transition years the number of opinions, reasoned opinions, visits and meetings with Members of the Commission, and the participation of Members of the Commission in interparliamentary events, decrease. This was also the case in 2024, although to a lesser degree than in the previous transition year of 2019. The Commission received 252 opinions, 14 of which were reasoned opinions.

2. APPLICATION OF THE PRINCIPLES OF SUBSIDIARITY AND PROPORTIONALITY BY THE **INSTITUTIONS**

2.1. THE COMMISSION

Implementing the better regulation commitments

The Commission's comprehensive better regulation system, ranked at the top level by the Organisation for Economic Cooperation and Development⁵, is based on the guidelines and toolbox adopted in 2021⁶. It was further updated in July 2023 with the introduction of a new competitiveness check as a mandatory annex to impact assessments⁷.

As in the previous two years, the Commission has achieved a positive outcome with the implementation of its 'one in, one out' approach which offsets all new administrative burdens on business and citizens by reducing existing burdens in the same policy area. Moreover, it pursued and strengthened its objective to cut the administrative burden by at least 25-35% 8, as announced in the 2024 Commission work programme, without undermining the related policy objectives.

Input to simplification and burden reduction via the 'Fit for Future' platform

In 2024, the 'Fit for Future' platform⁹ – a high-level expert group that helps the Commission to simplify EU laws and reduce unnecessary regulatory burden – adopted 8 opinions¹⁰. Some of them were timely in the context of the rationalisation of reporting requirements on automated

OECD Regulatory Policy Outlook 2021 | en | OECD.

Better regulation: guidelines and toolbox (europa.eu); see also the Better Regulation Communication COM(2021) 219 final.

As announced in the Commission's Communications on the long-term competitiveness of the EU and on relief for small and medium-sized enterprises (the SME relief package): COM(2023) 168 final and COM(2023) 535 final.

²⁰²⁴ Commission work programme; the target is now a reduction of at least 25% of all administrative burden and at least 35% for small and medium-sized enterprises.

The 'Fit for Future' platform taps into the expertise and experience of national, regional and local levels of governance and stakeholders. It comprises two groups: the government group (representatives from national, regional and local authorities from all EU Member States, and from the European Committee of the Regions) and the stakeholder group (experts on better regulation that represent businesses and non-governmental organisations, plus the European Economic and Social Committee). See https://commission.europa.eu/law/law-makingprocess/evaluating-and-improving-existing-laws/refit-making-eu-law-simpler-less-costly-and-future-proof/fitfuture-platform-f4f_en.

The titles were: 1. Automated sustainability reporting; 2. Actions/methodology to avoid the build-up of unnecessary reporting obligations; 3. Sustainability-related disclosures in the financial services sector; 4. Evaluation of unfair trading practices (UTP) in B2B relationships in the agricultural and food supply chain; 5. Evaluation of the European Social Fund Plus (ESF+); 6. Evaluation of the European Regional Development Fund and the Just Transition Fund; 7. QR codes on products; 8. Organic production and labelling of organic products.

sustainability reporting, actions, and methodology to avoid the build-up of unnecessary reporting obligations and the Sustainable Finance Disclosures Regulation. By way of example: two opinions informed ongoing Commission evaluations of EU funds¹¹; another opinion focussed on policy evaluation¹²; and two opinions related to organic products¹³. Many of these opinions put forward ideas for simplification and burden reduction also at local and regional level.

The European Committee of the Regions' RegHub network¹⁴ contributed to the work of the 'Fit for Future' platform on the opinions on EU funds.

Impact assessments

The Commission analyses compliance with the principles of subsidiarity and proportionality in its impact assessments prepared for politically sensitive and important policy and legislative proposals. According to the European Parliament Research Service¹⁵, there has been a steady improvement in the average quality of this dimension in impact assessments. These assessments are subject to independent quality control by the Regulatory Scrutiny Board¹⁶, which scrutinised three impact assessments in 2024.

In assessing compliance with the principles of subsidiarity and proportionality, cross-border aspects are of particular relevance – as highlighted, for example, in the impact assessment of the proposal for a Directive on harmonised river information services (RIS) on inland waterways in the Community¹⁷. The rationale for public intervention at EU level through the RIS Directive is rooted in the cross-border, international character of the inland waterway transport sector. Over 75% of inland navigation in the EU consists of cross-border transport. EU coordinated actions are needed to strengthen the single market. This would avoid fragmentation between different national RIS implementation approaches.

Evaluations and fitness checks

The principles of subsidiarity and proportionality are also key aspects for evaluations and fitness checks, which assess whether action at EU level has delivered the expected results in terms of efficiency, effectiveness, coherence, relevance and EU added value. Evaluations also help assess whether EU action continues to comply with the principles of subsidiarity and proportionality.

In 2024, the Regulatory Scrutiny Board scrutinised 17 major evaluations and 2 fitness checks.

Thus, the evaluation of the EU Space Programme and the performance of the European Union Agency for the Space Programme ¹⁸, for example, underlines that space matters require a high level of investment to achieve results and bring the necessary independence of Europe; a single country cannot achieve significant results alone or afford a large space programme. The size and

¹¹ European Social Fund + and the European Regional Development Fund, the Cohesion Fund and the Just Transition Fund.

¹² Unfair trading practices in B2B relationships in the agricultural and food supply chain.

¹³ QR codes and organic production and labelling of organic products.

RegHub is a network of local and regional authorities that aims to collect experiences of EU policy implementation by consulting players at local level: https://portal.cor.europa.eu/reghub/Pages/default.aspx. For further information on the work of the RegHub network, see Section 2.4.

EPRS – European Parliamentary Research Service Study (February 2025) <u>Quality analysis of European Commission impact assessments | Think Tank | European Parliament</u>

https://commission.europa.eu/law/law-making-process/regulatory-scrutiny-board_en.

¹⁷ COM(2024) 33 final. This proposal triggered a reasoned opinion from the Swedish *Riksdag*, which is covered in this report under section 3.2.

¹⁸ SWD(2024) 173 final.

complexity of the programmes require implementation at EU level as no viable alternative exists to ensure an appropriate return on investment.

In this respect, the evaluation of the European Border and Coast Guard Agency (Frontex)¹⁹ has shown that the objective of EU policy in the field of external border management has been achieved – namely to develop and implement European integrated border management at national and EU level, which is a necessary corollary to the free movement of persons within the Union. Frontex helps Member States to implement effective border management. Its mandate has been designed within the framework of shared responsibility, with Frontex's tasks aimed at ensuring support to Member States in the effective management of external borders and returns. Frontex brings EU added value to the Member States by providing additional staff and equipment, as well as coordinating joint operations and other operational activities that Member States would not be able to achieve on their own.

2.2. THE EUROPEAN PARLIAMENT²⁰

In 2024, the European Parliament received 152 submissions from national Parliaments under Protocol No 2. Of these, 14 were reasoned opinions and 136 were other contributions that did not raise concerns about subsidiarity. By way of comparison, it received 294 submissions in 2023, of which 22 were reasoned opinions.

Once the European Parliament receives submissions from national Parliaments, they are sent to the relevant committee(s) according to the European Parliament's Rules of Procedure²¹. Mr Gilles Lebreton (ID/FR) and Mr Ton Diepeveen (PfE/NL) were standing rapporteurs for subsidiarity in the Committee on Legal Affairs (JURI) in the first and second halves of 2024 respectively. The reasoned opinions received and confirmed as such by the Committee are included for information in the agenda of the first available meeting of the JURI Committee. The Committee also contributes to the bi-annual reports by the Conference of Parliamentary Committees for Union Affairs of the European Union (COSAC) on questions related to subsidiarity and proportionality.

The European Parliamentary Research Service continued to assist the members and committees of the European Parliament in incorporating subsidiarity and proportionality considerations into their work²² by:

- systematically scrutinising the subsidiarity and proportionality aspects of Commission impact assessments and drawing attention to any concerns expressed, in particular by national Parliaments and the Committee of the Regions;
- ensuring that the European Parliament's own work fully adheres to these principles, for example by carrying out impact assessments of its own substantial amendments or by analysing the added value of its proposals for new legislation based on Article 225 of the Treaty on the Functioning of the European Union, and the cost of no EU action;

¹⁹ SWD(2024) 75 final.

²⁰ Sections 2.2 to 2.4 of this report are based on contributions from the respective EU institutions and bodies.

According to Rule 43, if a national Parliament sends a reasoned opinion to the President of the European Parliament, it is referred to the committee responsible for the subject matter and is forwarded for information to the Committee on Legal Affairs (JURI), which is responsible for respect of the principle of subsidiarity.

²² In 2024, it produced 19 initial appraisals of Commission impact assessments, 1 complementary impact assessment, 8 implementation appraisals, 4 detailed rolling checklists and 1 *ex post* evaluation study. With regard to EU added value, there were also 5 reports on the cost of non-Europe and 1 added value publication. Overall, during the five years of the last legislative period, between July 2019 and June 2024, the European Parliamentary Research Service produced a total of 362 publications supporting parliamentary committees.

 scrutinising subsidiarity and proportionality aspects when drafting impact assessments, focusing on EU added value.

2.3. THE COUNCIL OF THE EUROPEAN UNION

In 2024, the Council of the European Union (the Council) continued to monitor the effective implementation of conclusions that the Council and the European Council had adopted in previous years with regard to the principles of subsidiarity and proportionality²³.

The European Council also addressed issues relevant to the subsidiarity and proportionality principles, in particular regulatory simplification and ways to reduce the regulatory burden on citizens, companies, and Member States. At the Special European Council on 17-18 April 2024, EU leaders stressed that 'The regulatory framework should ensure legal certainty and predictability, be better integrated, coherent across policy areas, open to innovative approaches and digital by default, while reducing the administrative burden that weighs on companies. Taking into account the economic fabric of the Union, the Commission should apply the 'Think small first' principle when designing new legislation.' They also invited the Commission 'to significantly reduce the administrative and compliance burden on companies and national authorities, prevent over-regulation and ensure the enforcement of EU rules, and highlights the importance of timely and correct implementation of EU legislation by Member States, avoiding over-transposition.'²⁴

On 24 May 2024, the Council responded by adopting two sets of conclusions on 'A Single Market for the benefit of all'²⁵ and 'A competitive European industry driving our green, digital and resilient future'²⁶:

- highlighting 'that a fully functioning Single Market must be based on the principle of subsidiarity and proportionality'²⁷;
- highlighting 'the need for urgent and ambitious simplification of Union's regulatory framework ('choc de simplification')'²⁸;
- recalling 'the Council conclusions on the Annual Growth Survey 2023 and Joint Employment Report²⁹ stressing the importance of pursuing policies in line with the principles of the European Pillar of Social Rights, with due regard for respective competencies and the principles of subsidiarity and proportionality, in view of current and upcoming challenges'³⁰.

Especially those already mentioned in Section 2.3 of the previous edition of this annual report: European Council Conclusions on 'Further completing the Single Market Agenda' (EUCO document 17/18, points II/2 and IV/15 and EUCO document 13/20, point II/4; and, in terms of implementation, Council document ST 11654/21); Council Conclusions on 'Better Regulation – ensuring competitiveness and sustainability, inclusive growth' (Council document ST 6232/20, points 2 and 12); Council Conclusions on 'Regulatory sandboxes and experimentation clauses as tools for an innovation-friendly, future proof and resilient regulatory framework that matters disruptive challenges in the digital age' (Council document ST 13026/1/20 REV 1, points 3 and 12); Council Conclusions on 'Data technologies to improve Better Regulation' (OJ C 241, 21.6.2021, p. 13).

²⁴ EUCO 12/24, points 19. and 20.

²⁵ Council document ST 10298/24.

²⁶ Council document ST 10127/24.

²⁷ Council document ST 10298/24, point I/1/4.

²⁸ Council document ST 10298/24, point II/8.

²⁹ Council document ST 6681/23 + COR 1.

Council document ST 10298/24, point III/25.

In 2024, the Council forwarded 1 legislative proposal to national Parliaments that had originated from the European Investment Bank³¹.

In addition to its Treaty obligations, the Council keeps Member States informed of national Parliaments' reasoned opinions on legislative proposals. In 2024, the General Secretariat of the Council distributed 14 reasoned opinions received under Protocol No 2 on 11 different draft legislative acts and 89 opinions issued as part of the political dialogue.

Each year, the Council also receives opinions on non-legislative acts. This number has remained stable in recent years. In 2024, the Council received 72 such opinions.

2.4. THE EUROPEAN COMMITTEE OF THE REGIONS

The European Committee of the Regions (CoR) worked on subsidiarity, proportionality and better regulation guided by the priorities for its 2020-2025 term of office, and promoted an active subsidiarity culture through its actions. It adopted 53 opinions and 4 resolutions³². Half of these opinions³³ and resolutions³⁴ included either explicit references to compliance with the principles of subsidiarity and proportionality, or concrete recommendations to improve such compliance.

The own-initiative opinion 'Active Subsidiarity: a fundamental principle of the EU better regulation agenda³⁵ emphasised the need for a comprehensive and integrated approach throughout the decision-making cycle by systematically, consistently, and continuously using diverse better regulation tools – such as assessments covering subsidiarity, proportionality, territorial impact and rural proofing. As a follow-up, the CoR Better Regulation and Active Subsidiarity Steering Group (BRASS-G) adopted a set of recommendations on 'Developing and enhancing the CoR's policy and toolbox on better regulation'36, aiming to streamline and further consolidate the CoR's better regulation tools. The 11th Subsidiarity Conference³⁷, dedicated to 'Better regulation and active subsidiarity: keys for an EU that delivers', was particularly significant as it coincided with the start of the new institutional term. The Conference Conclusions³⁸ also called for this comprehensive approach under the theme 'Better regulation and active subsidiarity: keys for an EU that delivers'.

BRASS-G steered the CoR's different better regulation tools, ensuring coherence and synergies between them and promoting the contribution of local and regional authorities to better EU regulation throughout its life cycle, from conception to expost evaluation. This included the phases

Available on the Council public register (CM 5236/24).

³² For full details, see <u>EUR-Lex (europa.eu)</u>.

²⁶ out of the total of 53 opinions. Out of the 53 opinions, 10 are on legal acts, with 7 referencing the principle of subsidiarity. The remaining 43 opinions do not concern legislative proposals – and may refer whenever appropriate to the principle of subsidiarity as per CoR Rules of Procedures, Rule 55.2 – of these, 19 mention subsidiarity, while 24 do not explicitly refer to it.

² out of 4 resolutions. The CoR resolution State of Regions and Cities in the EU and the political guidelines for the 2024-2029 European Commission emphasises that active subsidiarity and the full involvement of local and regional authorities are crucial for improving the EU regulatory framework. It supports the Draghi report's proposals to apply subsidiarity smartly and actively, and also highlights the need to strengthen administrative capacity at national, regional and local level.

https://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=OJ:C 202405366&qid=1703059324693.

^{&#}x27;Developing and enhancing the CoR's policy and toolbox on better regulation' recommendations and their annex on 'Ensuring the sustainability and upgrade of the CoR better regulation activities'. Similarly, the study 'Charting the course to better EU law-making: optimisation of EU Treaties through inter-institutional cooperation with the European Committee of the Regions' analysed existing EU and CoR better regulation tools and processes, and examined options for improving them or establishing new ones within the current Treaty framework and with potential Treaty amendments.

https://cor.europa.eu/en/plenaries-events/11th-subsidiarity-conference.

https://webapi2016.cor.europa.eu/v1/documents/cor-2024-03670-00-00-tcd-ref-en.pdf/content.

of early identification of trends and issues (via strategic foresight), policy development (through subsidiarity and proportionality monitoring, territorial impact assessments and rural proofing), legislative review (focusing on implementation via the RegHub network) and possible policy revision (via the CoR's contribution to the 'Fit for Future' platform).

The CoR's subsidiarity monitoring³⁹ was guided by its 2024 annual subsidiarity work programme⁴⁰, which identified three initiatives from the Commission's 2024 annual work programme as monitoring priorities due to their clear political interest for local and regional authorities. The CoR adopted and published opinions on all three of them⁴¹. The exchange of subsidiarity and proportionality observations among local and regional authorities was facilitated by the CoR's Subsidiarity Expert Group⁴² for subsidiarity assessments on initiatives in the subsidiarity work programme and by the Subsidiarity Monitoring Network⁴³, particularly through the contributions of REGPEX partners⁴⁴, who submitted seven contributions⁴⁵.

In line with its renewed territorial impact assessment strategy⁴⁶, the CoR adopted an opinion on the future of European territorial cooperation⁴⁷. It emphasised that the European Spatial Planning Observation Network was a key policy tool for developing territorial knowledge and reducing knowledge gaps.

The CoR continued to highlight the importance of rural proofing by calling for strategies to support rural development and territorial cohesion in its annual report 'The State of regions and Cities' and by adopting the 'Rural Pact Coordination Group Declaration on the future of rural areas and rural development policy in the EU'.

The CoR continued to apply its *ex post* better regulation tools in partnership with the Commission by participating in the 'Fit for Future' platform. Two CoR members were appointed as rapporteurs⁵⁰ for two of the eight 2024 opinions. The CoR RegHub network conducted four consultations in 2024, two of which supported 'Fit for Future' opinions.

The CoR updated its 'Practical guide on monitoring compliance with the subsidiarity principle and

https://cor.europa.eu/en/our-work/cooperations-and-networks/subsidiarity-monitoring-network.

⁴⁰ https://portal.cor.europa.eu/subsidiarity/Publications/Documents/cor-2023-04735-07-00-nb-tra-en.pdf.

⁴¹ ENVE-VII/050 <u>'The future of EU climate policy: aligning mitigation targets and adaptation challenges'</u>; ENVE-VII/047 <u>'Towards a resilient water management to fight climate crisis within an EU Blue Deal'</u>; ENVE-VII/045 <u>'European Wind Power Action Plan'</u>.

⁴² https://portal.cor.europa.eu/subsidiarity/whatis/Pages/Subsidiarity-Expert-Group.aspx.

https://portal.cor.europa.eu/subsidiarity/Documents/SMN%20-%20List%20of%20Network%20Partners/SMN List of Network Partners.pdf.

Subgroup of the Subsidiarity Monitoring Network that gathers parliaments or assemblies representing regions with legislative power.

⁴⁵ These contributions include positions adopted by individual regional parliaments (Upper Austria State Parliaments, Catalan Regional Parliament, Friuli – Venezia Giulia Regional Assembly, and the Bavarian State Parliament) and regional governments (Lower Austrian State Government).

^{46 &}lt;u>https://cor.europa.eu/en/our-work/commissions/coter/territorial-impact-assessment.</u>

⁴⁷ COTER-VII/038 'The future of European Territorial Cooperation post 2027'.

^{48 &}lt;a href="https://ruralpact.rural-vision.europa.eu/news/new-cor-report-regions-call-strategies-supporting-rural-development-and-territorial-cohesion">https://ruralpact.rural-vision.europa.eu/news/new-cor-report-regions-call-strategies-supporting-rural-development-and-territorial-cohesion en.

^{49 &}lt;a href="https://ruralpact.rural-vision.europa.eu/publications/rural-pact-coordination-group-rpcg-declaration-future-rural-areas-and-rural_en">https://ruralpact.rural-vision.europa.eu/publications/rural-pact-coordination-group-rpcg-declaration-future-rural-areas-and-rural_en.

Mr Mark Speich (DE/EPP) for the 'Evaluation of the European Regional Development Fund and the Just Transition Fund' and Ms Anne Karjalainen (FI/PES) for the 'Evaluation of the European Social Fund Plus (ESF+)'.

contesting its infringements' 51. It provides a comprehensive framework for understanding the principle of subsidiarity within the CoR's consultative work in order to reflect the latest developments.

In the context of cooperation with other EU institutions, the CoR signed renewed cooperation agreements with both the Commission and the European Parliament. The former⁵² focuses on multi-level governance and subsidiarity, the latter⁵³ on better regulation and territorial impact assessments. Both highlight the need for greater local and regional involvement in EU policymaking and include strong references to better regulation and effective subsidiarity control.

2.5 THE COURT OF JUSTICE OF THE EUROPEAN UNION

In 2024, the Court of Justice of the European Union (the Court) delivered several judgments on the application of the principles of subsidiarity and proportionality.

On the principle of subsidiarity, the General Court considered that the power of the Commission to initiate proceedings under Council Regulation (EC) No 1/2003, in this case at the request of a national competition authority that had previously already started acting on the case, was exercised in accordance with the requirements of Article 11(6) of Council Regulation (EC) No 1/2003 and such exercise of powers cannot be seen as undermining the prerogatives of the Member State concerned, nor as an infringement of the principle of subsidiarity⁵⁴.

In another case, the General Court clarified that Protocol No 2 on the application of the principles of subsidiarity and proportionality confers a role on national Parliaments only as regards compliance with the principle of subsidiarity and not as regards compliance with the principle of proportionality⁵⁵.

On the principle of proportionality, the Court clarified the requirements following from the principle for the EU's legislature when it exercises its broad discretion in areas involving political, economic, or social choices. In a judgment on the challenges brought by several Member States against the Mobility Package adopted by the EU legislature in July 2020, the Court recalled that the legislature must demonstrate that it correctly exercised its discretion, taking into consideration all the relevant factors and circumstances of the situation that the act was intended to regulate⁵⁶. The legislature must therefore be able to produce and set out clearly and unequivocally the basic facts that had to be taken into account as the basis for the contested measures of that act and on which the exercise of its discretion depended. As regards the form in which those basic data are recorded, the Court held that the legislature may take into account impact assessments and any other source of information. It annulled the provision that introduces the obligation for vehicles used in international carriage to return to an operational centre in the Member State of

Provides a comprehensive framework for understanding the principle of subsidiarity within the CoR consultative work. https://portal.cor.europa.eu/subsidiarity/Publications/SiteAssets/Pages/Publicationsandstudies-/Guide on Subsidiarity Reviewed 2024.pdf.

⁵² Chapter III focuses on the 'Implementation of Subsidiarity and Proportionality, Multi-Level Governance and Better Regulation'.

Collaboration on better regulation and active subsidiarity through territorial impact assessments on EU legislation, where the CoR will provide timely reports to the European Parliament and where both parties may participate in each other's meetings to discuss these reports.

Judgment of 2 October 2024, Crown Holdings and Crown Cork & Seal Deutschland Holdings v Commission, T-587/22, ECLI:EU:T:2024:661, paras 75-81 (appeal pending: Case C-855/24 P).

⁵⁵ Judgment of 27 November 2024, *Nord Stream 2 AG v European Parliament and Council*, T-526/19 RENV, ECLI:EU:T:2024:864, paras 310-311 (appeal pending: C-118/25 P).

Judgment of 4 October 2024, *Republic of Lithuania and Others v European Parliament and Council*, C-541/20 to C-555/20, ECLI:EU:C:2024:818, paras 218-220 and 240-244.

establishment of the transport undertaking concerned every eight weeks⁵⁷, which had been added to the text during the legislative negotiations. The Court held that the co-legislators had not produced and set out clearly and unequivocally the basic data on the basis of which that obligation was adopted and on which the exercise of their discretion depended. They therefore failed to establish that they had sufficient information to enable them to assess the proportionality of the obligation for vehicles to return⁵⁸. Since the co-legislators did not demonstrate that they had examined the proportionality of the provision, the Court did not have to verify whether it was proportionate.

In 2024, a national parliamentary chamber (French *Assemblée nationale*) made, for the first time, use of the possibility envisaged in Protocol No 2 to bring an action before the Court of Justice on grounds of infringement of the principle of subsidiarity, in order to request the annulment of a legislative act (Regulation (EU) 2024/1351 on asylum and migration management)⁵⁹.

3. APPLICATION OF THE SUBSIDIARITY CONTROL MECHANISM BY NATIONAL PARLIAMENTS

3.1 OVERVIEW

National Parliaments continued to check the compliance of legislative proposals with the principle of subsidiarity. This resulted in the Commission receiving **14 reasoned opinions**⁶⁰ from national Parliaments in 2024⁶¹, a year of institutional transition, in which the lower number of new legislative and political initiatives typically results in a lower number of opinions from national Parliaments.

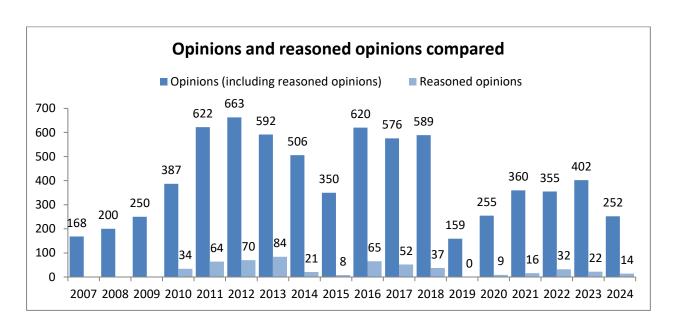
Point 1(3) of Regulation (EU) 2020/1055 of the European Parliament and of the Council of 15 July 2020 (OJ 2020 L 249, p. 17), in so far as it inserted paragraph 1(b) in Article 5 of Regulation (EC) No 1071/2009 of the European Parliament and of the Council of 21 October 2009 establishing common rules concerning the conditions to be complied with to pursue the occupation of road transport operator (OJ 2009 L 300, p. 51).

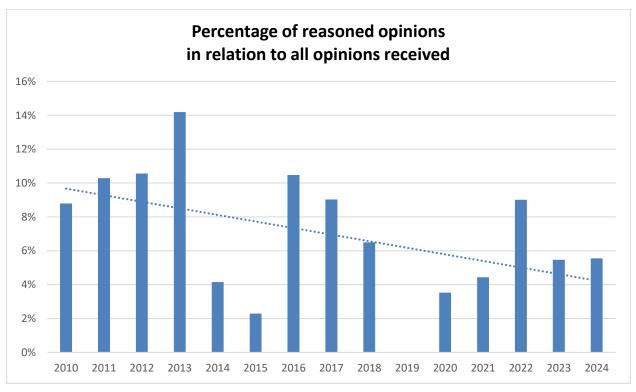
Judgment of 4 October 2024, Republic of Lithuania and Others v European Parliament and Council, paras 718-737.

⁵⁹ Case: C-553/24: https://eur-lex.europa.eu/eli/C/2024/5616/oj/eng; the proceedings are ongoing.

Under Protocol No 2, any national Parliament or chamber of a national Parliament may, within 8 weeks from the date of transmission of a draft legislative act in the official languages of the EU, issue a reasoned opinion stating why it considers that the draft in question does not comply with the principle of subsidiarity. See also footnote 61.

This number refers to the total number of reasoned opinions received from parliamentary chambers under Protocol No 2 in 2024. See also Annex 1 for the list of Commission documents on which the Commission received reasoned opinions.





Note: the dotted line represents the linear downward trend.

In line with the two previous years, in 2024, a large part of all reasoned opinions originated from one single national Parliament, the Swedish *Riksdag*. It issued 6 reasoned opinions in 2024, equalling more than 40% of the total number. The other reasoned opinions in 2024 were distributed among the French *Sénat* (2), Irish *Houses of the Oireachtas* (2), Czech *Poslanecká sněmovna* (1), Italian *Camera dei Deputati* (1), Hungarian *Országgyűlés* (1) and the Maltese *Kamra tad-Deputati* (1). This means that 8 of the 39 national Parliaments or chambers issued reasoned opinions in 2024, a number in line with previous years.

From the thematic perspective, the 14 reasoned opinions received in 2024 were spread out and related to 11 different Commission proposals, none of which received more than 3 reasoned opinions, just like in the previous year. The proposal that triggered the highest number of reasoned opinions was the Business in Europe: Framework for Income Taxation (BEFIT) proposal, with 3

reasoned opinions accounting for 6 votes⁶². This was close to reaching the threshold for the Commission to produce an aggregated response⁶³, but far from a 'yellow card' that would require the Commission to give reasons for maintaining, changing, or withdrawing its proposal. The only other proposal that triggered more than 1 reasoned opinion was the Proposal for a Directive of the European Parliament and of the Council establishing harmonised requirements in the internal market on transparency of interest representation carried out on behalf of third countries, with 2 reasoned opinions accounting for 4 votes. The remaining 9 proposals only triggered 1 reasoned opinion each.

The following Section 3.2 covers the key cases of proposals that triggered more than 1 reasoned opinion. Annex 1 includes full details on all reasoned opinions.

3.2 KEY CASES

The proposal on Business in Europe: Framework for Income Taxation (BEFIT) 64 triggered 3 reasoned opinions⁶⁵ and 4 opinions as part of the political dialogue⁶⁶, expressing concerns on scope, subsidiarity, and timeline. All reasoned opinions and one political dialogue opinion argued that the EU was not competent in direct taxation. Most opinions also argued that the impact of this proposal on Member States had not been properly assessed and was unclear. Several chambers highlighted how they thought this proposal could damage their countries, for instance that profit redistribution would rather benefit large Member States (Irish Houses of the Oireachtas), that a uniform tax base would be to the detriment of the national set-up (German Bundesrat), or that the proposal might limit the impact of own national investment to support innovation (Polish *Senat*). The German Bundesrat also rejected the possibility of cross-border loss relief and suggested that the implementation of the proposal should be delayed, claiming 2028 was too soon to merge all different tax models. The Italian Camera dei Deputati considered that the proposal complied with the principle of subsidiarity and generally supported its objectives, such as establishing common rules to calculate the taxable income of (large) groups of companies operating in the EU. At the same time, it pointed to the need to take further steps towards corporate tax systems as minimum rules limited to taxable bases were not enough on their own to reduce unfair tax competition within the EU. Various Parliaments also pointed to the increase in administrative burden that this proposal would create for both businesses and administrations.

In its replies, the Commission maintained that the proposal respected the principles of subsidiarity and proportionality as it only aimed to set common rules for determining the taxable income of large groups of companies. It has set out that the proposal did not restrict national competence in taxation, as Member States would still have the autonomy to set their own tax rates and policies. On the possible risks of establishing a uniform tax base, the Commission noted that the proposal was designed to reduce compliance costs while creating a level playing field across the EU. Equally, the Commission indicated that simplification and harmonisation through the proposal would make the EU more attractive to investment, therefore preventing any negative impacts. On

⁶² Each national Parliament has two votes. Each chamber in a bicameral system has one vote.

The Commission has made a commitment to reply with an aggregated response if a proposal triggers a 'significant' number of reasoned opinions ('significant' in this context means that the number of reasoned opinions corresponds to at least 7 national Parliament votes), even if the proposal has not triggered enough reasoned opinions to reach the 'yellow card' threshold, which triggers a mandatory review of a draft legal act. The 'yellow card' threshold is reached when the number of reasoned opinions received from national Parliaments is at least a third of all votes allocated to them (i.e. 18 out of 54). For draft legislative acts submitted in the area of freedom, security and justice, the threshold is one quarter of the votes (14 out of 54).

⁶⁴ COM(2023) 532 final.

⁶⁵ The Irish Dáil and Seanad Éireann, the Maltese Kamra tad-Deputati, the Swedish Riksdag.

⁶⁶ The German Bundesrat, the Polish Senat, the Italian Camera dei Deputati and the Czech Senát.

a similar note, it referred to the impact assessment. It had estimated that according to recent data, the proposal could reduce compliance costs by up to 65%. On the timeline, while acknowledging the need for sufficient time for adaptation, the Commission has indicated that the proposal envisages a transition period of four and a half years after its proposed implementation on 1 July 2028. It also drew attention to the simplification of administrative procedures, thereby reducing the administrative burden, through a single and simplified set of rules for calculating taxable income. The Commission also underlined that the proposal did not aim to achieve the highest possible degree of harmonisation among national tax systems.

The proposal on **transparency of interest representation on behalf of third countries**⁶⁷ triggered 2 reasoned opinions and 5 opinions in the framework of the political dialogue. The French *Sénat*, the Hungarian *Országgyűlés*, the Italian *Senato della Repubblica* and the Italian *Camera dei Deputati* raised doubts as to the appropriateness of using Article 114 of the Treaty on the Functioning of the European Union (TFEU) as the sole legal basis for the directive. The *Országgyűlés* as well as the Irish *Dáil* and *Seanad Éireann*, in reasoned opinions, argued that the proposal breaches the subsidiarity principle as it would impose maximum harmonisation and restrict Member States' discretion. This would potentially lead to a reduction in transparency standards for those with stricter regulations. This argument was also shared by the *Camera dei Deputati* and the French *Sénat*. The *Országgyűlés* doubted the need and added value of acting at EU level, noting that existing national regulations were sufficient and that almost half of the Member States did not regulate this area at all. Additionally, the Czech *Senát* asked its government not to support the proposal unless it was substantially modified, and the Dutch *Eerste Kamer* sent a list of questions on the proposal.

In its replies, the Commission explained the use of Article 114 TFEU, indicating that the proposal was appropriate for covering service providers in the single market and addressing differences between Member States' provisions that affect the functioning of the internal market. It pointed out that the proposal respected the subsidiarity principle as it addressed cross-border issues that could not be effectively resolved by Member States individually. It also emphasised that the proposed measures were proportionate to the aim of ensuring transparency. Furthermore, the Commission highlighted the added value of EU-level regulation to prevent fragmentation in the internal market and address the transnational nature of interest representation activities by third countries, which required a coordinated approach. It justified the approach of maximum harmonisation to prevent regulatory arbitrage and create an even playing field, reducing compliance costs and avoiding a 'race to the bottom' in regulatory standards.

4. WRITTEN POLITICAL DIALOGUE WITH NATIONAL PARLIAMENTS

In addition to the subsidiarity scrutiny mechanism established by Protocol No 2, the Commission's relations with national Parliaments encompass a range of activities, notably the political dialogue initiated in 2006. This dialogue facilitates written exchanges on Commission initiatives that national Parliaments wish to contribute to, as well as on matters that they choose to raise on their own initiative. In 2024, the Commission significantly improved the way in which it makes national Parliaments' opinions and reasoned opinions, as well as its replies, publicly available. It launched a new online database⁶⁸ that allows users, with a number of filtering possibilities, to more easily access the complete set of opinions and replies since the beginning of the Commission of President Juncker in 2014.

⁶⁷ COM(2023) 637 final – Proposal for a Directive of the European Parliament and of the Council establishing harmonised requirements in the internal market on transparency of interest representation carried out on behalf of third countries and amending Directive (EU) 2019/1937.

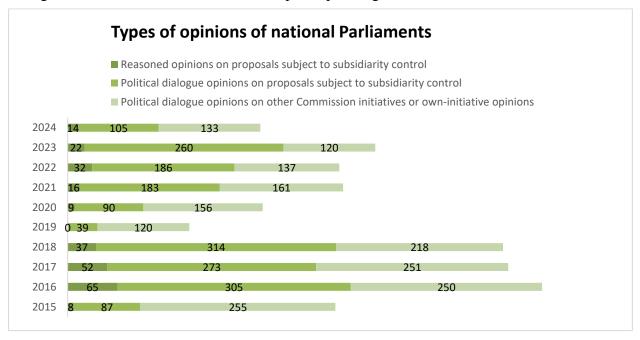
⁶⁸ https://national-parliaments-opinions.ec.europa.eu/home

Furthermore, the political dialogue also comprises an oral dimension, which is described in Chapter 5.

4.1 GENERAL OBSERVATIONS

In 2024, national Parliaments sent **252 opinions** to the Commission, a considerable decrease from 402 in 2023, but typical for a year of institutional transition. Nevertheless, compared to the very pronounced variation seen in 2019 – when there were 73% fewer opinions than in 2018 – the decline in 2024 was more modest – with only 33% fewer opinions than in 2023. The overall number of opinions received during the von der Leyen I Commission remained significantly lower than the number received during the Barroso II and Juncker Commissions.

National Parliaments continued to use the various ways of communicating that the political dialogue offers. Particularly noteworthy in this respect are two own-initiative opinions initiated by the Lithuanian *Seimas*. These were discussed in a dedicated meeting of a group of Parliaments in preparation for the COSAC plenary meeting in November 2024 and were then sent to the Commission co-signed by various chambers (one by 11 additional chambers and the other one by 10 additional chambers). To ensure consistency with the methodology that the Commission has used in previous editions of this annual report⁶⁹, these two documents together account for 23 opinions. This approach has further consequences that are reflected and commented upon in this report, for example the significantly higher share of own-initiative opinions (36 compared to an average of 10 in previous years) or that two chambers that had not participated in the political dialogue with the Commission since 2016, participated again in 2024.



A closer look at these 252 opinions shows that 119 (47%) related to legislative proposals subject to the subsidiarity control mechanism⁷⁰, of which 14 were reasoned opinions (5.6% of the total).

⁶⁹ According to the methodology used in previous editions of this annual report, when an opinion is co-signed by various chambers, it accounts for as many opinions as chambers that have signed it. In the past, it was common for the Commission to receive co-signed opinions from the chambers of Czechia (bicameral), Hungary (unicameral), Poland (bicameral) and Slovakia (unicameral), thereby accounting for six opinions.

For more information on the subsidiarity control mechanism and the political dialogue, see https://ec.europa.eu/info/law/law-making-process/adopting-eu-law/relations-national-parliaments_en. Legislative proposals that relate to policy areas in which the EU has exclusive competence are not subject to subsidiarity scrutiny by national Parliaments.

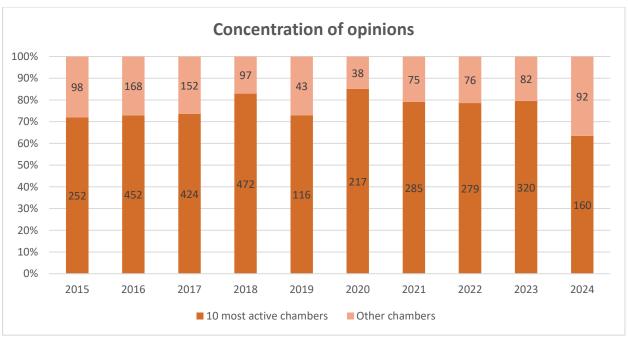
The remaining 133 opinions (53%) mainly concerned non-legislative initiatives (mostly communications, but also white papers and some public consultations) or were own-initiative opinions not directly related to a Commission initiative (36 opinions). The distribution is similar to that in the previous transition year 2019.

Within the Commission, the points raised by national Parliaments or chambers are brought to the attention of the relevant Members of the Commission and Commission departments, who also draft the replies. In the case of legislative proposals, they are thus communicated to the Commission representatives participating in the negotiations between the co-legislators.

4.2 PARTICIPATION AND SCOPE

As in previous years, the number of opinions sent to the Commission varied significantly from one national Parliament to another. In part due to the already mentioned co-signed own-initiative opinions, the number of national Parliaments or chambers that did *not* issue any opinions decreased⁷¹ to 6 chambers⁷² out of 39 in 2024. This means that the Parliaments of only 3 Member States⁷³ did *not* engage in the written political dialogue. Out of the 33 chambers that did participate, 6⁷⁴ did it only through the co-signed own-initiative opinions.

The 10 most active chambers issued 160 opinions (63.5% of the total). This is a noteworthy exception to the trend observed in the previous 9 years⁷⁵, when the 10 most active chambers on average issued about 80% of all opinions. In 2024, the 10 most active chambers were the Romanian *Camera Deputaților* (41), the Italian *Camera dei Deputați* (26), the Spanish *Cortes Generales* (18), the German *Bundesrat* (17), the Czech *Senát* (16), the Romanian *Senat* (15), the Czech *Poslanecká sněmovna* (14), the French *Sénat* (13), the Italian *Senato della Repubblica* (12) and the Swedish *Riksdag* (11). Nine of them had also been among the most active chambers in 2023. See Annex 2 for the number of opinions each chamber sent.



⁷¹ 2023: 9; 2022: 7; 2021: 8; 2020: 12; 2019: 17; 2018: 10.

⁷² See Annex 3.

⁷³ The national Parliaments in Bulgaria, Denmark and Austria. 2023: 6; 2022: 5.

⁷⁴ Cypriot *Vouli ton Antiprosopon*, Estonian *Riigikogu* (previous opinion received in 2016), Latvian *Saeima* (previous opinion received in 2016), Polish *Sejm*, Finnish *Eduskunta* and German *Bundestag*.

⁷⁵ 2023: 80%; 2022: 79%; 2021: 79%; 2020: 85%; 2019: 73%; 2018: 83%; 2017: 74%; 2016: 73%.

As in previous years, the nature of the opinions varied from one national Parliament or chamber to another. Some focused mainly on verifying whether a Commission proposal complied with the principles of subsidiarity and proportionality⁷⁶, while others commented in greater detail on the content of the proposals or sent own-initiative opinions that did not refer to a concrete Commission proposal. In 2024, the Commission received 38^{77} own-initiative opinions covering a wide range of topics – from EU space law, external border protection, water pollution caused by nitrates from agricultural sources to public procurement. Topics covered in more than one own-initiative opinion were the common agricultural policy after 2027, the situation in the Middle East, and the 20th anniversary of the 2004 enlargement, as well as the above-mentioned co-signed owninitiative opinions originating in the Lithuanian Seimas on stopping liquefied natural gas imports from Russia and on external border protection. National Parliaments issued opinions on various white papers on outbound investments, export controls, options for increasing support for research and development involving technologies with dual-use potential and on 'How to master Europe's digital infrastructure needs?'. Although the intensity of the political dialogue decreased in 2024, there was a noticeable concentration on some proposals that attracted a considerable degree of attention by national Parliaments, contrary to the reasoned opinions, which, as pointed out above, were mostly scattered across different proposals.

4.3 MAIN TOPICS OF THE OPINIONS IN THE POLITICAL DIALOGUE

The following proposals triggered most opinions:

- 1. The 2024 Commission work programme (10 opinions⁷⁸).
- 2. The proposal for a Directive on combating the sexual abuse and sexual exploitation of children and child sexual abuse material ⁷⁹ (8 opinions).
- 3. The proposal for a revision of the European Works Councils Directive, the proposal enhancing police cooperation in relation to the prevention, detection and investigation of migrant smuggling and trafficking in human beings, and on enhancing Europol's support to preventing and combating such crimes, the BEFIT proposal * and the proposal on transparency of interest representation on behalf of third countries * (7 opinions each).
- 4. The proposal for a Traineeships Directive and the proposal laying down minimum rules to prevent and counter the facilitation of unauthorised entry, transit and stay in the EU (6 opinions each).

Additionally, the previous edition of this annual report triggered two opinions in 2024, covered at the end of this section.

As in previous years, 8 national Parliaments analysed the **2024 Commission work programme**⁸⁰, which triggered 10 opinions (7 in 2024 and 3 in 2023⁸¹). This equalled the number of opinions received on the 2023 Commission work programme. These opinions reflected the analysis carried

⁷⁶ Such as the Spanish *Cortes Generales* and the Portuguese *Assembleia da República*.

⁷⁷ 23 of them were the two co-signed own-initiative opinions originating in the Lithuanian *Seimas* on stopping liquefied natural gas imports from Russia and on external border protection.

⁷⁸ Three were received in 2023.

Annex 3 lists the Commission initiatives that triggered at least five opinions. The opinions covering the proposals marked with an asterisk (*) have not been included in this section because they have also triggered at least three reasoned opinions and are therefore already covered under Section 3.2 of this report.

COM(2023) 638 final – Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – Commission work programme 2024 – Delivering today and preparing for tomorrow.

The Croatian *Hrvatski Sabor*, the Dutch *Eerste* and *Tweede Kamer*, the Lithuanian *Seimas*, the Luxembourgish *Chambre des Députés*, the Slovak *Národná Rada* and the Romanian *Camera Deputaților* sent opinions in 2024. The French *Sénat*, the Romanian *Senat* and the Swedish *Riksdag* each sent an opinion in December 2023.

out by the different chambers on the programme's priorities in relation to their own national policies. According to the 42nd Bi-annual Report of COSAC⁸², almost 90% of chambers internally discuss the Commission work programme at different levels: almost always at EU affairs committee level, in about half of them in other committees and in more than a third in plenary meetings.

National Parliaments' opinions on the 2024 work programme revealed a consensus on key EU challenges. There was broad support for Ukraine, developing the European Defence Industrial Strategy and accelerating the enlargement process based on merit and EU values. Many chambers emphasised the importance of foreign policy partnerships, such as with Africa, and continued support for the Eastern Partnership and Southern Neighbourhood. There was also agreement on the need to address climate change, with a focus on setting the 2040 reduction target, and ensuring a just transition. Several chambers stressed the importance of water resilience, sustainable agriculture, and food security. Additionally, there was consensus on the need to keep pace with and regulate the use of artificial intelligence, as well as address migration challenges or online child sexual abuse and sexual exploitation of children, with calls for comprehensive frameworks and stronger cooperation among Member States and internationally. Other key areas of agreement included the importance of education, with a proposed joint European diploma, and the need to reduce bureaucracy and administrative burden to promote competitiveness and growth. Overall, the opinions highlighted the need for a coordinated EU approach to address these pressing challenges and promote a stronger, more resilient Europe.

In its replies, the Commission reaffirmed its commitment to continue supporting Ukraine while also preparing for the EU's successful enlargement, aimed at fostering long-term peace and stability in Europe. It emphasised that enlargement would remain merit-based, with respect for fundamental values – including human rights and the rule of law. These would continue to serve as essential conditions for EU accession. The Commission welcomed the support for its actions in the area of defence, highlighting the presentation of the first-ever European Defence Industrial Strategy, and called for increased defence-related investment from Member States. It also referred to its proposal to update the legal framework to combat migrant smuggling, demonstrating its commitment to addressing migration-related challenges. The Commission also underlined its determination to ensure that the green transition is achieved in a just and inclusive manner, and that key initiatives to advance the digital agenda are implemented. These initiatives aim to strengthen Europe's resilience and reduce the administrative burden, helping to boost the competitiveness of European businesses. On agriculture, the Commission highlighted the launch of the Strategic Dialogue on the future of EU agriculture as a valuable opportunity to engage with farmers and other key stakeholders.

The proposal for a Directive on combating the sexual abuse and sexual exploitation of children and child sexual abuse material⁸³ triggered 8 opinions, including 1 reasoned opinion. The Czech *Poslanecká sněmovna* and the Italian *Camera dei Deputati* questioned the need to act at EU level, claiming that some aspects of the proposal exceeded the EU's competence. The French *Sénat* also argued that provisions such as defining 'child sexual abuse material' unduly touched upon national competences. On the other hand, the Romanian *Camera Deputaților* noted that the proposal did not criminalise 'sexual extortion' or 'revenge porn' as stand-alone offences, despite recognising that they are becoming more and more widespread. Several chambers (Italian *Camera dei Deputați*, French *Sénat*, Romanian *Camera Deputaților*) questioned the proposal's provision

https://secure.ipex.eu/IPEXL-WEB/download/file/8a8629a89279be0201927ba2f1630010/42nd+Biannual+Report+of+COSAC+final+version+adopted.pdf.

⁸³ COM(2024) 60 final – Proposal for a Directive of the European Parliament and of the Council on combating the sexual abuse and sexual exploitation of children and child sexual abuse material and replacing Council Framework Decision 2004/68/JHA (recast).

that would allow non-governmental organisations to detect and analyse child sexual abuse material, citing potential conflicts of interest, or that doing so was a task more for national authorities. The German *Bundesrat* noted that the creation of an EU centre to prevent and combat child sexual abuse would build additional central management capacities at EU level but should not create additional administrative burden for Member States.

In its replies, the Commission maintained that the proposal respected the principle of subsidiarity. It highlighted that the conduct of threatening to share child sexual abuse material for the purpose of obtaining further child sexual abuse material was covered by other provisions in the proposal. On the role of non-governmental organisations, the Commission clarified that they would not take on tasks that should be performed by national authorities. The respective provisions were instead necessary to provide legal certainty for the activities of national hotlines and similar organisations. The Commission took note of the German *Bundesrat*'s suggestion to reduce the data collection obligations requested under the proposal, while insisting that collecting data on prevention and assistance to victims was essential to assess the effectiveness of the measures taken in this area.

Several national Parliaments issued opinions on the proposals for a Regulation⁸⁴ (7 opinions, including 1 reasoned opinion) on enhancing police cooperation in relation to the prevention, detection and investigation of migrant smuggling and trafficking in human beings and on enhancing Europol's support to preventing and combating such crimes, and a directive⁸⁵ (6 opinions) on minimum rules to prevent and counter the facilitation of unauthorised entry, transit and stay in the EU. In its reasoned opinion, the Swedish Riksdag argued that certain aspects of the proposal intervened too much in the competence of Member States and called for a more in-depth analysis of the need for and proportionality of the proposed measures, in particular the extension of Europol's operational mandate. It complained that the proposal was not accompanied by an impact assessment. The German Bundesrat also criticised the fact that the regulation itself would establish a centre attached to Europol, felt that this decision should be left to Europol's Management Board, and found that the proposal should generally be examined for its respect of proportionality. It called for clarification of the tasks of Europol, Eurojust, and Frontex as well as the competences of experts and liaison officers seconded to the new centre. The Italian Camera dei Deputati welcomed expanding the reach of EU jurisdiction in this area, but raised concerns about the potential administrative burden of collecting and reporting statistical data. It also argued for reframing the exemptions for humanitarian activities. Both Czech chambers, while generally supporting the proposals, expressed concerns about the potential burden on the state budget and social environment, as well as the need for some clarifications and harmonisation of criminal offences and sanctions. The Romanian Camera Deputatilor stressed the importance of a clear distinction between facilitating irregular migration and providing humanitarian aid, and called for ensuring the protection of migrants' rights and assistance. The Dutch Eerste Kamer sent a set of questions from political groups on both proposals, voicing concerns about the broadening of Europol's mandate and whether it was proportionate. Through their questions, several parliamentary groups also raised concerns about the impact on humanitarian aid organisations, which – in their view – had been systematically criminalised in recent years and called for clarification of the distinction between humanitarian assistance and trafficking of human beings.

COM(2023) 754 final – Proposal for a Regulation of the European Parliament and of the Council on enhancing police cooperation in relation to the prevention, detection and investigation of migrant smuggling and trafficking in human beings, and on enhancing Europol's support to preventing and combating such crimes and amending Regulation (EU) 2016/794.

⁸⁵ COM(2023)755 final – Proposal for a Directive of the European Parliament and of the Council laying down minimum rules to prevent and counter the facilitation of unauthorised entry, transit and stay in the Union, and replacing Council Directive 2002/90/EC and Council Framework Decision 2002/946 JHA.

In its replies, the Commission clarified that the centre to be created would improve coordination and support for Member States in combating migrant smuggling and trafficking. In its replies to the Swedish *Riksdag* and the German *Bundesrat*, the Commission stressed that the proposals were necessary and proportionate to effectively combat migrant smuggling and trafficking, given the transnational nature of these crimes. Moreover, it took note of the Italian *Camera dei Deputati*'s suggestion to refine the exemption for humanitarian activities.

The proposal for a **Traineeships Directive**⁸⁶ triggered 7 opinions, including 1 reasoned opinion⁸⁷. In its reasoned opinion, the Swedish *Riksdag* considered that the proposal was too far-reaching, going beyond EU competence as regards education and access to social security and pay, and not taking account of different systems and conditions in Member States. In the political dialogue opinions, several chambers pointed out that the proposal's definition of traineeship was incompatible with their respective national laws and saw a need to clarify the scope of the directive's application. One chamber requested clarifications of the directive's applicability to trainees from non-EU countries. Two chambers simply confirmed the proposal's compliance with the subsidiarity principle.

In its replies, the Commission underlined that the proposal addressed solely the working conditions of trainees and neither affected issues related to the learning or training content of traineeships nor to trainees' access to social security. Moreover, it acknowledged the diversity of Member States' regulatory approaches to different types of traineeships in the impact assessment report accompanying its proposal. The Commission reiterated that the proposal did not require Member States to reclassify the status given to trainees under national law or to create a new status. It intentionally omitted a reference to 'employment relationship' in its definition of 'traineeship' to avoid loopholes in the application of the directive on preventing regular jobs from being disguised as traineeships. The Commission also confirmed that the proposal would apply to trainees from non-EU countries carrying out a traineeship in the EU.

The proposal for a Directive on the **establishment and functioning of European Works Councils and the effective enforcement of transnational information and consultation rights**⁸⁹ received considerable attention from national Parliaments and triggered 7 opinions⁹⁰. Two chambers sent favourable opinions, while four chambers expressed concerns that the proposed measures would add regulatory burden and costs for companies, potentially impacting their competitiveness. Some chambers also requested clarification on the definition of transnational matters. Several chambers agreed on the need to achieve gender balance, but they saw issues with fixed gender quotas in European Works Councils.

In its replies, the Commission explained that the proposal aimed to improve the effectiveness of the framework for the information and consultation of employees at transnational level and

⁸⁶ COM(2024) 132 final – Proposal for a Directive of the European Parliament and of the Council on improving and enforcing working conditions of trainees and combating regular employment relationships disguised as traineeships ('Traineeships Directive').

Swedish *Riksdag* (reasoned opinion), Italian *Camera dei Deputati* (2 opinions, one solely on COM(2024) 132 final and one referring also to COM(2024) 133 final), Italian *Senato*, Romanian *Senat*, Spanish *Cortes Generales*, Portuguese *Assembleia da República*.

⁸⁸ SWD(2024) 67 final.

COM(2024) 14 final – Proposal for a Directive of the European Parliament and of the Council amending Directive 2009/38/EC as regards the establishment and functioning of European Works Councils and the effective enforcement of transnational information and consultation rights.

⁹⁰ Czech *Poslanecká sněmovna*, Italian *Camera dei Deputati*, Italian *Senato*, Romanian *Senat*, German *Bundesrat*, Irish *Houses of the Oireachtas*, Spanish *Cortes Generales*.

increase the added value of European Works Councils for workers and companies. It had considered various policy options in its impact assessment and found no evidence of potential negative effects on companies' costs and price competitiveness, international competitiveness, and capacity to innovate. The Commission pointed out that the definition of transnational matters in the proposal required a causal link between measures proposed in one Member State and consequences created in another Member State. This was intended to prevent purely local issues from being discussed in European Works Councils, while ensuring that these councils were involved when consequences of management decisions were likely to affect workers in more than one Member State. On gender balance, the Commission stressed the proposed provisions that negotiating parties make the effort to achieve gender balance, subject to it being legally and factually feasible in the concrete situation, without affecting national laws on the election of employee representatives.

The 2022 annual report on the application of the principles of subsidiarity and proportionality and on relations with national Parliaments⁹¹ triggered two opinions sent in 2024. The Swedish *Riksdag*⁹² wondered (i) why the number of reasoned opinions had decreased in recent years, while pointing to a clear improvement in the Commission's justifications for the compliance of its proposals with the principle of subsidiarity since 2010; (ii) whether national Parliaments that do not present any objections under the subsidiarity control mechanism do not do so because they do not have any objections, or because they do not think that this mechanism is effective or appropriate; and (iii) whether those Parliaments use alternative means of exercising influence. The Italian Camera dei Deputati⁹³ criticised the Commission's report for lacking statistical data and information on various aspects of the Commission's responses to national Parliaments' opinions, such as assessing their quality. It also called for stronger ties between the Commission and national Parliaments, and made several recommendations to improve the legislative process, including more detailed justifications for proposals, greater involvement of national Parliaments, and better impact assessments. It also stressed the need for more transparency in the Council's activities and access to its documents, and suggested launching a debate on the purpose and methods of EU legislation, particularly in light of potential EU enlargement.

These opinions should be seen in conjunction with the requests and proposals, expressed collectively by the national Parliaments, in the Contribution of the LXXII COSAC plenary in October 2024⁹⁴. The Commission responded⁹⁵ to concerns about the decrease in reasoned opinions from national Parliaments, explaining that it is likely due to the success of applying its Better Regulation agenda and tools, and more rigorously checking the respect for subsidiarity when preparing its initiatives. Similarly, it pointed out that the decrease did not seem to be the result of an equivalent decrease in the subsidiarity checks by national Parliaments, because the majority of opinions that they issued under the political dialogue in the previous three years covered proposals subject to the subsidiarity control, and many of those opinions explicitly stated that the legislative proposals comply with the principle of subsidiarity. This observation was supported by national

⁹¹ COM(2023) 640 final, published in October 2023.

https://national-parliaments-opinions.ec.europa.eu/documents/download/20392 (SE version: https://national-parliaments-opinions.ec.europa.eu/documents/download/20391).

https://national-parliaments-opinions.ec.europa.eu/documents/download/20388 (IT version: https://national-parliaments-opinions.ec.europa.eu/documents/download/20387).

⁹⁴ See Section 5.2.

C(2024) 5649 final, https://national-parliaments-opinions.ec.europa.eu/documents/download/20408), and C(2024) 7221 final, https://national-parliaments-opinions.ec.europa.eu/documents/download/21001 (IT version: https://national-parliaments-opinions.ec.europa.eu/documents/download/21000).

Parliaments' replies to the questionnaire to prepare the COSAC 42nd Bi-annual Report and the opinions and reasoned opinions that the Commission has received, indicating that at least 29 chambers out of 39 (21 national Parliaments out of 27) have performed subsidiarity checks since 2019. Reasoned opinions are not the only means to express the results of the subsidiarity check that national Parliaments do.

In this context, the Commission recalled the important role that national Parliaments have within the European constitutional framework and in shaping EU policies. It also highlighted its support for national Parliaments and their subsidiarity scrutiny, including by providing detailed responses to their opinions and bringing their concerns to the attention of relevant Members of the Commission and its departments The Commission also emphasised the importance of the political dialogue with national Parliaments, which allows them to contribute to the European decision-making process, and it noted that many national Parliaments are taking advantage of this opportunity to engage in the earlier phases of the process. The Commission encouraged national Parliaments to participate in its calls for evidence and public consultations, and expressed its willingness to strengthen the dialogue with national Parliaments through established channels of communication and cooperation. On the quality of the Commission's replies to opinions from national Parliaments, the Commission⁹⁶ recalled the COSAC 37th Bi-annual Report⁹⁷, according to which 'the vast majority [of chambers of national Parliaments] stated that the European Commission mostly addressed the issues raised in their opinions within the political dialogue.'

5. CONTACTS, VISITS, MEETINGS, CONFERENCES AND OTHER ACTIVITIES

5.1 Commission visits to and meetings with national Parliaments

The oral political dialogue between the Commission and national Parliaments takes a variety of forms. This includes visits between Members of the Commission and national Parliaments, the participation of Members of the Commission in interparliamentary committee meetings organised by the European Parliament and conferences, such as those organised by COSAC, Commission briefings to the permanent representatives of national Parliaments in Brussels and regular exchanges on Commission work programmes.

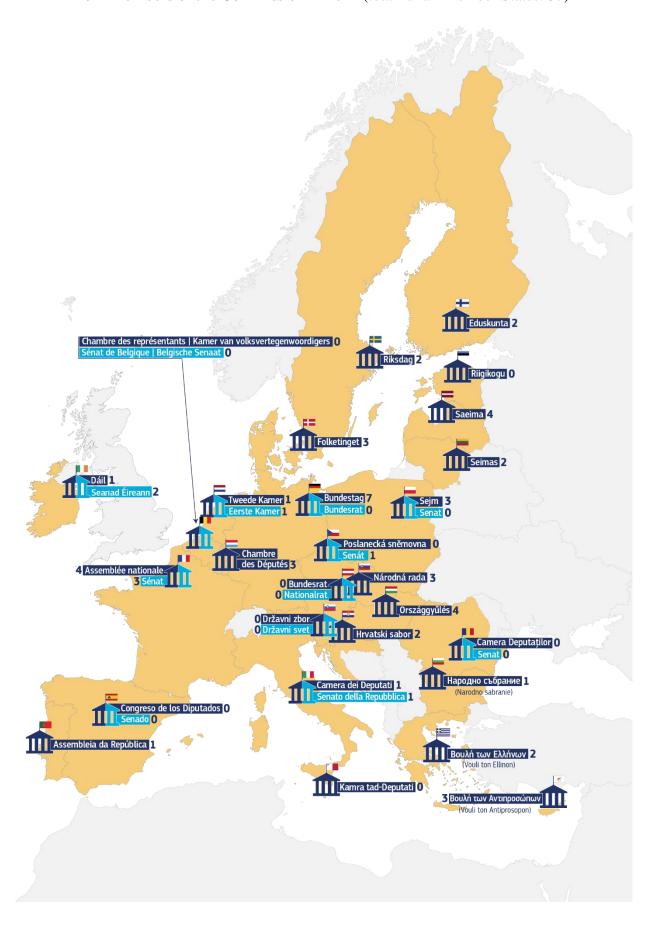
In 2024, Members of the Commission participated in 57 visits to national Parliaments and meetings with national Parliaments' delegations, covering a majority of chambers (24 out of 39). This is fewer than in the four previous years (127 visits in 2023, 143 in 2022, 130 in 2021, 101 in 2020), but very similar to the number of visits and meetings in the previous transition year (2019): 55. The Commission also received a higher number of visits by groups of staff in 2024 – in some cases mixed with Members of Parliament – from various national Parliaments seeking first-hand information about the ways of interaction and existing communication channels between the Commission and national Parliaments⁹⁸.

⁹⁶ C(2024) 7221 final, https://national-parliaments-opinions.ec.europa.eu/documents/download/21000). (IT version: https://national-parliaments-opinions.ec.europa.eu/documents/download/21000).

⁹⁷ COSAC 37th Bi-annual Report – Developments in European Union Procedures and Practices Relevant to Parliamentary Scrutiny: https://ipexl.europarl.europa.eu/IPEXL-WEB/download/file/082d29087ee8684c017f0e 1b03990203/37th+Bi-annual+Report+of+COSAC.pdf (page 7).

⁹⁸ These latter visits are not reflected in the map below.

Number of visits to and meetings with national Parliaments from Members of the Commission in 2024 (total for all Member States: 57)



5.2 Interparliamentary meetings and conferences

In 2024, Members of the Commission participated in the following interparliamentary meetings and conferences⁹⁹:

- COSAC¹⁰⁰:
- the European Parliamentary Week¹⁰¹;
- the Joint Parliamentary Scrutiny Group on Europol¹⁰²;
- various interparliamentary conferences (IPCs)¹⁰³.

In the reporting period, two meetings of the COSAC Chairpersons (January and July) and two COSAC plenary meetings (March and October) were convened in Belgium and Hungary, the countries holding the Presidency of the Council of the European Union at the time. Conclusions¹⁰⁴, a contribution¹⁰⁵ and a bi-annual report were issued after each plenary session. One of the sections of the Contribution issued following the March COSAC plenary session was intended as national Parliaments' collective input for the 2024-2029 strategic guidelines, something not seen during the previous institutional transitions in 2014 and 2019. The Commission provided written replies to the contributions adopted by COSAC¹⁰⁶.

COSAC meetings in 2024 covered (i) the priorities of the two Council Presidencies (Belgium and Hungary); (ii) the European Pillar of Social Rights; (iii) enlargement and its impact on the future of the EU; (iv) the review of the 2019-2024 European legislature and prospects for the Council's strategic agenda for 2024-2029; (v) gender policy and the representation of women and men in parliament; (vi) open strategic autonomy, democracy and rule of law; (vii) the state of play of the Western Balkan and Eastern enlargements of the EU; (viii) the state of the EU in the year of institutional transition and the 15-year application of the Treaty of Lisbon; (xi) European demographic trends and responses at national and European level; and (x) European security and defence. Commissioners Schmit, Breton, and Várhelyi attended two COSAC meetings and Executive Vice-President Šefčovič delivered a video message at the LXXII plenary, in which he highlighted that national Parliaments would continue to play a leading role also in the following five years.

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For more details, see the European Parliament's report on relations between the European Parliament and national Parliaments: http://www.europarl.europa.eu/relnatparl/en/home/annual-reports.html.

¹⁰⁰ COSAC – in which the Commission has observer status – is the only interparliamentary forum enshrined in the Treaties (in Protocol No 1 on the role of national Parliaments in the EU). For more information, see https://secure.ipex.eu/IPEXL-WEB/conferences/cosac.

The European Parliamentary Week brings together parliamentarians from EU, candidate and observer countries to discuss economic, budgetary, environmental and social matters. In 2024, it was held on 12-13 February. Executive Vice-President Dombrovskis delivered key remarks in the opening session. Commissioner McGuinness introduced the exchange of views with invited policymakers of the Interparliamentary Committee Meeting of the Committee on Economic and Monetary Affairs. Commissioner Hahn delivered introductory remarks during the session 'Lessons learned from NextGenerationEU: national and EU perspectives on how the EU budget can react in times of crisis' of the Interparliamentary Committee Meeting of the Committee on Budgets.

The Joint Parliamentary Scrutiny Group on Europol held its 14th and 15th meetings on 18-19 February in Ghent (Belgium) and on 12 November in the European Parliament. Commissioner Johansson attended the first meeting in person and delivered a video message during the second meeting.

¹⁰³ The IPC for the Common Foreign and Security Policy and the Common Security and Defence Policy (CFSP/CSDP) held on 9-10 September was attended by Commissioner Várhelyi and High Representative/Vice-President Borrell. Commissioner Ferreira delivered a video message at the IPC on 'SECG' (October).

¹⁰⁴ Conclusions adopted in the LXXI COSAC and Conclusions adopted in the LXXII COSAC (in EN and FR).

¹⁰⁵ Contribution adopted in the LXXI COSAC and Contribution adopted in the LXXII COSAC (in EN and FR).

Commission's reply to contribution adopted in the LXXI COSAC (annex) and Commission's reply to the contribution adopted in the LXXII COSAC (annex) (available in EN).

On their involvement in EU policymaking, national Parliaments collectively formulated a number of requests and suggestions in the Contribution of the LXXII COSAC plenary meeting in October 2024. Most notably, they called for (i) the introduction of an indirect right of legislative initiative for themselves in form of a 'green card'; (ii) enhanced access to Council documents; (iii) regular participation of Members of the Commission in COSAC meetings; (iv) increased dialogue between national Parliaments and the Commission, in particular when the latter draws up its strategic guidelines and annual work programmes; and (v) facilitating subsidiarity scrutiny by extending the deadline granted to national Parliaments from eight to ten weeks and lowering the threshold for triggering the 'yellow card' to one quarter of the votes cast.

In its reply, the Commission agreed with COSAC that national Parliaments have a crucial role in strengthening democratic values, indicated its readiness to further develop the dialogue with them, and encouraged them to get involved earlier in the political process – already when new legislation at EU level is being considered and prepared. In this respect, the Commission acknowledged national Parliaments' collective input to the strategic agenda for 2024-2029 through the LXXI COSAC Contribution and encouraged this type of collective engagement in the future. It also welcomed the opinions and information, as part of the political dialogue, from national Parliaments on their own priorities in relation to the items reflected in the adopted Commission work programmes. Such input can also be an early element of national Parliaments' scrutiny of the respect of subsidiarity in EU legislation. The Commission took note of COSAC's proposal to further strengthen national Parliaments' subsidiarity scrutiny by extending its deadline from eight to ten weeks and lowering the threshold for triggering the 'yellow card'. However, it believed that more immediately than such measures, which would require Treaty changes, an intensification of the political dialogue and interparliamentary meetings between national Parliaments and the Commission¹⁰⁷ already offer possibilities to further improve the application of the subsidiarity and proportionality principles in EU legislation.

6. THE ROLE OF REGIONAL PARLIAMENTS

Regional Parliaments indirectly contribute to subsidiarity scrutiny. Under Protocol No 2, it is for each national Parliament, when carrying out the subsidiarity check for draft EU legislative acts with a view to issuing reasoned opinions, to consult, where appropriate, regional Parliaments with legislative powers.

Members of regional Parliaments are also represented in the European Committee of the Regions. It carries out monitoring work through the Subsidiarity Monitoring Network and its online platform, which is designed to support participation by regional Parliaments with legislative powers in the early warning mechanism on subsidiarity (REGPEX) ¹⁰⁸.

The Treaties do not explicitly provide for direct interaction between the Commission and regional Parliaments, but the Commission takes their contributions into account and replies to them. Some

As in 2023, the possibility to organise informal online COSAC exchanges with Members of the Commission, established in 2021 and continued in 2022, was also not used in 2024.

http://portal.cor.europa.eu/subsidiarity/regpex/Pages/default.aspx. See Section 2.4 for more details on the subsidiarity control activities of the European Committee of the Regions.

regional Parliaments¹⁰⁹ continued to submit resolutions to the Commission: 38 resolutions in 2024 compared to 32 in 2023, 72 in 2022, 50 in 2021 and 33 in 2020. Some of them focused on specific Commission Communications¹¹⁰ and proposals¹¹¹, while others touched upon various other topical issues. Others participated in the Commission's public consultations, although this channel has so far been actively used by only one regional Parliament, which submitted replies to several public consultations launched by the Commission¹¹². One regional Parliament used another channel, submitting 5 opinions through its national Parliament¹¹³.

7. CONCLUSION

2024 was a transition year, which was felt in various aspects of the relations between the Commission and national Parliaments. Compared to the previous four years, this meant that national Parliaments issued fewer opinions, although the decrease was not as abrupt as in the previous transition year 2019. There were relatively speaking fewer opinions on proposals subject to subsidiarity scrutiny; there were fewer visits and meetings, but almost an identical number to the previous transition year; and Members of the Commission participated less in interparliamentary events.

Again, most reasoned opinions were issued by one national Parliament, in this case the Swedish *Riksdag*. National Parliaments continued to show a high interest in the Commission work programme and issued 10 opinions on the 2023 Commission work programme, the same number as for the 2022 edition. Regional parliaments continued to interact with the Commission by sending some more resolutions than the previous year on various topical issues.

Remarkable and partly new developments in 2024 as regards the topics covered by this report were:

- national Parliaments issued a high number of forward-looking own-initiative opinions;

The regional Parliaments of: Wallonia and the Brussels Capital Region and the German-speaking Community of Belgium (Belgium); Bavaria and Rhineland-Palatinate (Germany); the Balearic Islands, the Basque Country and Navarra (Spain); Emilia-Romagna (Italy); Salzburg and Upper Austria (Austria); Subcarpathia (Poland); the European Conference of the Presidents of the German and Austrian regional Parliaments, the Regional Assembly of South Tyrol, the Parliament of the German-speaking Community of Belgium, together with the German Bundestag and Bundesrat, and the Austrian Bundesrat; the Interregional Parliamentarians Council (Saarland and Rhineland-Palatinate (Germany); Grand Est (France); Luxembourg (Luxembourg); Wallonia, Federation Wallonie-Bruxelles and the German-speaking Community of Belgium (Belgium)). The most active regional Parliaments were those of Bavaria (12) and the Balearic Islands (11). The European Conference of the Presidents of the German and Austrian regional Parliaments, the Regional Assembly of South Tyrol, the Parliament of the German-speaking Community of Belgium, together with the German Bundestag and Bundesrat, and the Austrian Bundesrat issued 3, the German-speaking Community of Belgium issued 2 and all the rest issued 1 each.

¹¹⁰ The 2023 and the 2024 EU Justice Scoreboards (COM(2023) 309 final and COM(2024) 950 final), the 2023 Rule of Law Report (COM(2023) 800 final) and the Communication 'Securing our future Europe's 2040 climate target and path to climate neutrality by 2050 building a sustainable, just and prosperous society' (COM(2024) 63 final).

¹¹¹ The proposal for a Council Recommendation on developing social economy framework conditions (COM(2023) 316 final), the proposal for a Council Recommendation 'Europe on the Move' – learning mobility opportunities for everyone (COM(2023) 719 final), the amended proposal for a Regulation of the European Parliament and of the Council on a mechanism to resolve legal and administrative obstacles in a cross-border context (COM(2023) 790 final) and the proposal for a Directive of the European Parliament and of the Council on Soil Monitoring and Resilience (Soil Monitoring Law) (COM(2023) 416 final).

Bavaria's regional Parliament submitted contributions for 5 public consultations for initiatives under a variety of policies, compared to 6 in 2023 and over 20 in 2022.

The Flemish Parliament, according to Declaration 51 to the Treaties acting as a component of the Belgian *national* parliamentary system, transmitted 5 opinions through the Secretariat of the Conference of Presidents of Parliamentary Assemblies, with an address at the Belgian *Sénat/Senaat*. The Commission therefore registered them technically as opinions of the Belgian *Sénat/Senaat* and replied to both through the latter and directly to the regional Parliament.

- participation by national Parliaments in the political dialogue was somewhat more widespread than in previous years and less concentrated on the most active Parliaments/chambers;
- national Parliaments continued to explore flexible ways of participating in the political dialogue, such as by meeting in groups and co-signing own-initiative opinions;
- two national Parliaments issued opinions on the previous edition of the annual report on subsidiarity and proportionality and relations with national Parliaments and, among others, reflected on the role of national Parliaments;
- also, collectively through COSAC, national Parliaments formulated requests and suggestions for strengthening their role in EU policymaking, which the Commission responded to in a constructive manner;
- the Contribution of the LXXI COSAC of March 2024 was intended by national Parliaments to serve as joint input to the strategic agenda for the new institutional cycle 2024-2029;
- there was the very first case of action brought to the Court of Justice of the European Union by a national chamber requesting the annulment of a legislative act, claiming that a regulation exceeded the competences of the EU institutions and was in breach of the principle of subsidiarity¹¹⁴.

On the implementation of the principle of proportionality, the Court of Justice of the European Union annulled a provision of a regulation¹¹⁵ that had been added to the Commission's proposed text during the legislative negotiations. The Court held that the co-legislators had failed to establish that they had sufficient information to enable them to assess and unequivocally set out the proportionality of their legislative amendment introducing that specific provision.

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¹¹⁴ With proceedings ongoing, this case (C-553/24) will be covered in an upcoming edition of this annual report.

Point 1(3) of Regulation (EU) 2020/1055 of the European Parliament and of the Council of 15 July 2020 (OJ 2020 L 249, p. 17).