Dear Ms Cann,

President von der Leyen would like to thank you for your letter of 15 July 2022, concerning the Corporate Sustainability Due Diligence (CSDD) proposal, the Commission’s better regulation system and the Regulatory Scrutiny Board.

The legislative proposal on CSDD aims at a balanced, targeted and effective approach, designed to move forward the sustainability transition, and at the same time, ensure proportionality and legal certainty for companies. The proposal’s explanatory memorandum and the accompanying Staff Working Document explain the adaptations made in the preparatory process. In line with the subsidiarity and proportionality principles, the proposed directive must also leave room for Member States’ transposition. Some topics, including burden of proof, have therefore been left to national laws.

The Regulatory Scrutiny Board acts in line with the President’s decision and scrutinises the quality of draft impact assessments and evaluations. The Board takes no view on the political decision. This is taken by the College, as informed by an evidence-based impact assessment and without being bound by it. Furthermore, according to the Decision, the Board may also organise and take part in outreach activities, while the Board members must not discuss individual files with directly concerned stakeholders.

In line with the above, the Board did not accept requests for meetings specific to a file nor discussed with any external stakeholder’s specific files. The Board acknowledged the information received from the Dansk Industri without expressing views regarding the content of the letters. Furthermore, as you also point out, Ms Gaffey clearly informed the AFEP that she would not discuss any individual files and would only present the role of the Board in the better regulation system of the Commission.

Ms Vicky Cann
Researcher and campaigner
Corporate Europe Observatory (CEO)

Email: Vicky@corporateeurope.org
Regarding outreach activities in general, I underline that it is part of the Board’s mandate to promote better regulation and exchange views on horizontal, sectoral, or methodological issues in the context of better regulation, with other institutions of the Union, Member States, think-tanks and international organisations, relevant institutions in third countries and other stakeholders.

Regarding the composition of the Board, the Board members – recruited both from within and outside of the Commission – have a high-level and broad expertise. This allows them to analyse impact assessments and evaluation reports on the most varied issues to ensure the objectivity and credibility of the presented evidence, according to the better regulation standards.

As to the evaluation of the better regulation system, in 2019, the Commission carried out a thorough stocktaking exercise of its system, which was based on a wide consultation of academia and stakeholders. This extensive assessment also analysed the Board’s activity and showed very positive results regarding the quality of the Board’s work.

Let me finally recall the Commission’s better regulation system, which has been built and strengthened over the years, has been recognised internationally as state of the art and the best amongst the OECD members, most recently in the 2021 OECD regulatory policy outlook report. This result is also thanks to the Regulatory Scrutiny Board’s work, which has an excellent reputation and is contributing to improve the quality of legislation.

Yours sincerely,

Björn Seibert