



ETUC strategy for countering deregulation

Adopted at the Executive Committee meeting of 18th June 2025

The first months of the ‘massive simplification shock’ initiated and orchestrated by the European Commission Ursula von der Leyen II, since early 2025, have created more concerns than perspectives and solutions to address the so-called ‘red tape’ or administrative and regulatory burdens the EU is claimed to have developed. These concerns relate to a vast range of policy areas and call for both a holistic response as well as targeted actions to tackle attacks on labour rights and social progress.

The first ever EU legislative acts to undergo this unprecedented simplification *strategy* of the Commission are regrouped under the sustainability simplification omnibus. As the ETUC anticipated, the initiative is a clear attempt to deregulate existing protection and will have devastating impacts on workers’ rights.

As of mid-June 2025, the European Commission has tabled five Omnibus Packages, including on: Sustainability; Investment; Agriculture; Small Mid-Caps; and Defence.

Our foundational document to counter these attacks is the **ETUC position on Better Regulation** adopted on 10 December 2024: [ETUC Position on the Better Regulation Agenda – for people and planet, not for profit](#).

As set out at the ETUC Executive Committee in March 2025, the ETUC is also elaborating a **counter strategy** to prevent the European Commission from coming forward with initiatives risking to undermine upwards social convergence and workers’ rights, notably by:

- a. Calling for a **general exemption of the EU social acquis** from simplification, as also supported by the ETUC longstanding demand for a **Social Progress Protocol**;
- b. Emphasising the effectiveness and efficiency of regulation;
- c. Including figures on the benefits of regulation for society and workers.

The ETUC is leading to change the current narrative opposing EU law-making to competitiveness so as to **challenge competitiveness as a solution** that can be used in the public debate as a pretext to water down regulation and protection standards. Key references include e.g.:

- a. ETUI 2025 BWI on ‘sustainable competitiveness’ ([Benchmarking Working Europe 2025](#));
- b. FES pending project on competitiveness (see, Policy Brief: [Rebalancing EU Regulation](#));
- c. Critical reading of the Draghi Report on competitiveness and the Letta report on the future of the internal market.

Demystifying regulation as the problem, instead highlighting its benefits and added value as a long-term investment in the general interest:



- a. Creating a level playing field and fair competition for all businesses;
- b. Being beneficial for businesses to operate in the internal market in terms of (legal) certainty, predictability, protection from unfair competition, and access to public funding;
- c. Binding regulatory framework helps to create the level playing fields for businesses to operate, reduce fragmentation, decrease liability risks exposure;
- d. Removing, weakening, or delaying key legislation runs counter to state obligations, exposing Member States to further litigation and undermining legal certainty for companies;
- e. Regulatory gaps risk will be filled by courts in each EU Member State, creating uncertainty, inefficiency, and a fragmented legal framework within the internal market.

Counteracting attempts to undermine democracy and EU law making, in particular where simplification equals deregulation, and including also a critical analysis of the 11 February 2025 European Commission Communication [on implementation and simplification](#):

- a. Creating a counter narrative to **‘over-simplification’** and **deregulation**;
- b. Showing that a discourse on **‘gold plating’** and **‘over-regulation’** is resurfacing and need to be addressed, since approaches based on maximum standards tie Members States to low/lower levels of protection than what they have or might want to introduce;
- c. **Raising awareness** about the risks and damaging effects of **‘over-simplification’**, including e.g. the cost of non-EU; the costs for businesses in terms of liability exposure, legal uncertainty and unpredictability; the longer the delay in addressing the sustainability matters, the more disruptive and costly the transition toward ESG will be.

To preserve the EU social acquis, notably to:

- a. Lead on the need to preserve the role of social progress and workers’, trade union and workers’ representatives rights as essential parts of the solutions the EU should seek in order to stimulate productivity and growth;
- b. Promote the **‘non-regression clause’**, the **‘more favourable clause’** and avoid potential harmonisation clauses setting maximum standards for social rights.
- c. Focus on **transposition, compliance and enforcement** to place greater emphasis on the effectiveness of the law and to tackle violations;
- d. **Challenge the figures** associated with e.g. regulatory adjustment and compliance costs, by providing alternative (real) costs (for society and workers); check and where relevant challenge the figures provided for savings, as they might be misleading;
- e. Ensure that **European and national social partner organisations and processes** are fully respected and trade unions meaningfully consulted, and recognised as distinct from civil society organisations;
- f. Secure the role of **trade unions as key stakeholders** also when it comes to newly announced approaches by the European Commission, such as implementation dialogues, reality checks and stress-testing, while defending social dialogue as a privileged channel of consultation;



- g. Work on a pro-worker agenda including e.g. a **general presumption of an employment relationship** to combat precariousness and simplifying procedures for workers (e.g. tax declarations and social contributions);
- h. Identify where relevant **possibilities of simplification**, i.e. streamlining of administrative procedures with NO adverse direct or indirect impact on workers' rights. The ETUC will establish a **taskforce** to discuss possible **trade union counter-proposals for real simplification** that does not undermine employment standards and rights, as well as redlines and reactions to Commission proposals for simplification.

To challenge the one-sided Better Regulation Agenda of the European Commission, in particular as regards;

- a. **Process:** speed (emergency procedures) and the number of 'omnibus' proposals and revisited legislation - creating destabilisation; the elaboration of new initiatives by the Commission's Secretariat General) with little to no intervention of the Commission services and a short interservice consultation; biased public consultations; reducing the role of the European Parliament; reducing the role of EU law, by delivering mainly for businesses and not in the general interest;
- b. **Content:** lack of meaningful impact assessments on social and environmental aspects and rights; questionable role of the Regulatory Scrutiny Board; attempts to create a downward spiral for workers' rights and limit fundamental rights (right to strike and to organise).



Annex I

Overview of omnibus packages and ETUC main actions

(January 2025-June 2015)

List of omnibus packages (as of June 2025)

First Omnibus package on sustainability ([Commission proposes to cut red tape and simplify business environment - European Commission](#)) 26/02/2025

- **Corporate Sustainability Due Diligence Directive** (EU) 2024/1760 of the European Parliament and of the Council of 13 June 2024 and amending Directive (EU) 2019/1937 and Regulation (EU) 2023/2859
- **Corporate Sustainability Reporting Directive** (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC and Directive 2013/34/EU,
- **Framework to facilitate sustainable investment (so called Taxonomy)** Regulation (EU) 2020/852 of the European Parliament and of the Council of 18 June 2020
- **A carbon border adjustment mechanism (so called CBAM)** Regulation (EU) 2023/956 of the European Parliament and of the Council of 10 May 2023

Second Omnibus package on investment simplification ([COM 'Omnibus Simplification - InvestEU'.pdf](#)) 26/02/2025

Regulation (EU) 2021/1060 of the European Parliament and of the Council of 24 June 2021 laying down common provisions on the **European Regional Development Fund**.

Regulation (EU) 2021/523 of the European Parliament and of the Council of 24 March 2021 establishing the **InvestEU Programme** and amending Regulation (EU) 2015/1017

Third Omnibus package on simplification of the Common Agricultural Policy ([Commission proposal on CAP simplification](#)) 14/05/2025

- Regulation (EU) 2021/2115 as regards the conditionality system, types of intervention in the form of direct payment, types of intervention in certain sectors and rural development and annual performance reports
- Regulation (EU) 2021/2116 as regards data and interoperability governance, suspensions of payments annual performance clearance and controls and penalties

Fourth Omnibus package on Small Mid-Caps for simplified and paperless reporting (Extension of certain mitigating measures available for SMEs [to SMCs](#))

- Regulations (EU) 2016/679, (EU) 2016/1036, (EU) 2016/1037, (EU) 2017/1129, (EU) 2023/1542 and (EU) 2024/573 as regards the extension of certain mitigating measures available for small and medium sized enterprises to small mid-cap enterprises and further simplification measures



- Directives 2014/65/EU and (EU) 2022/2557 as regards the extension of certain mitigating measures available for small and medium sized enterprises to small mid-cap enterprises and further simplifying measures

Fifth Defence Readiness Omnibus of 17.6.2025 COM(2025) 820 final; Source: [b2bcc9a0-5259-4543-9e1c-3af1dde8fbec_en](https://eur-lex.europa.eu/eli/reg/2025/820/1/20250617)

ETUC main actions (January-June 2015)

- **Demonstrations** against the omnibus simplification package on 6/02 + 25/02 in place Schuman
- **Participation** to the simplification roundtable on CS3D, CSRD, Taxonomy, Mid-cap, and Taxonomy on 6/02
- **Meeting** between **Commissioner Dombrovskis** and GS Esther Lynch and DGS Isabelle Schömann with on 5/02
- **ETUC Statement** ["EU regulation to deliver for all - No to Deregulation!" - Joint Statement | ETUC](#) of 17/12/2024
- **ETUC Letter** to Commissioner Dombrovskis (17/12/2024 + 24/02/2025) and to Commissioners Séjourné and MacGrath (21/02/2025)
- **ETUC letter** to President von der Leyen regarding growing concerns that the Competitiveness Compass will create a race to the bottom on 28/01/2025
- **ETUC jointly organised workshop** together with EPSU, CEO and FOEE to tackle EU deregulation on 29/04/2025
- **ETUC jointly organised conference** together with EPSU, EEB, FoEE, CAN, CEO and ECCJ under the theme 'Rules to Protect - the real-life consequences of deregulation' on 10 June 2025.