

# Regulatory sandboxes and experimentation clauses as tools for better regulation: Council adopts conclusions



The Council today adopted a set of conclusions on the role of regulatory sandboxes and experimentation clauses in an innovation-friendly, future-proof, sustainable and resilient EU regulatory framework.

Regulatory sandboxes are defined as concrete frameworks which, by providing a structured context for experimentation, enable where appropriate in a real-world environment the testing of innovative technologies, products, services or approaches – at the moment especially in the context of digitalisation – for a limited time and in a limited part of a sector or area under regulatory supervision ensuring that appropriate safeguards are in place.

Experimentation clauses, often the legal basis for regulatory sandboxes, are defined as legal provisions which enable the authorities tasked with implementing and enforcing the legislation to exercise on a case-by-case basis a degree of flexibility in relation to testing innovative technologies, products, services or approaches.

In these conclusions, the Council affirms that regulatory sandboxes can offer significant opportunities particularly to innovate and grow for all businesses, especially SMEs, including micro-enterprises as well as start-ups, in industry, services and other sectors.

The Council therefore encourages the Commission to continue considering the use of experimentation clauses on a case-by-case basis when drafting and reviewing legislation, as well as to evaluate the use of experimentation clauses in ex-post evaluations and fitness checks on the basis of an exchange of information with member states.

Finally, it calls upon the Commission to present the findings of this evaluation in the **first half of 2021**, followed up by practical recommendations for the possible future use of regulatory sandboxes and experimentation clauses at EU level in the **second half of 2021**.