



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, 27.03.2002
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2002/0078 (COD)

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

**on the prolongation of the ECSC steel statistics system after the expiry of the ECSC
Treaty**

(presented by the Commission)

EXPLANATORY MEMORANDUM

1. Background

The European steel industry produces around a fifth of world steel output. It is comprised of some 300 enterprises, almost all of them large, because of the economies of scale involved in steelmaking. The industry employs around 275 000 people.

Statistics has been an important aid in the decision making process for both policy makers and the industry itself. The industry is capital intensive, whilst demand can be volatile. A comprehensive statistical system was developed in the last fifty years to meet ECSC policy needs, and the needs of the industry. This was done in close co-operation with the European steel associations. In most Member States, the Commission has collected data directly either from the steel companies or their national associations. Up until 2000, there were 17 monthly questionnaires, one quarterly one, and twelve annual ones. The number was reduced in 2000. Eurostat has carried out user needs studies, and these showed the areas where statistical information was needed after the expiry of the ECSC Treaty. The Commission's policy units, national ministries and the industry requested that key statistics on the steel industry should continue to be made available.

The present Community system for steel statistics rests on the European Coal and Steel Community (ECSC) Treaty, which expires on 23 July 2002. The end of the Treaty would cause data collection to stop in the middle of the 2002. Users have expressed a strong preference for the change in system to take place starting with data for year 2003. Declaration 24 annexed to the Final Act of 26 February 2001 of the Conference of the Representatives of the Governments of the Member States has invited the Council to ensure the prolongation of the ECSC Statistics System after the expiry of the ECSC Treaty, until 31 December 2002. The draft Regulation deals with the continuation of the collection of ECSC steel statistics up to the end of 2002. It allows for statistics to be collected for the complete year 2002.

Eurostat would continue to collect the data for this period, as at present, using the existing network of data suppliers. It collects data mainly from the companies and their associations. Consequently most Member States' National Statistical Institutes are not directly involved in the data collection. The associations have informed the Commission and the Member States that they are willing to continue with the data collection.

2. Content of the regulation

The proposal covers 22 existing iron and steel statistics questionnaires.

There are fourteen monthly questionnaires, on the following topics:

- The production of pig iron;
- Crude steel production;
- The production of flat and long steel products;
- Changes of employment in the iron and steel industry (ECSC);
- Working hours in the iron and steel industry (ECSC);
- Steel & cast iron scrap balance;
- Receipts of ECSC steel products directly or via merchants;

- Steel deliveries, by product and steel quality, to Community countries, and total deliveries;
- Steel deliveries, by product and steel quality, to third countries;
- Deliveries of alloy and non alloy special steels by categories to Community countries and third countries;
- Deliveries and new orders for sales of crude iron;
- New orders of steel from Community countries and third countries;
- New orders of steel from third countries;
- Receipts, deliveries and stocks of iron and steel products by stockholders.

There is one quarterly questionnaire on stocks of ingots, semi-finished, flat and long steel products.

There are seven annual questionnaires, on the following topics:

- Consumption of raw materials for production of crude iron;
- Consumption of raw materials in steel works;
- Fuel and energy consumption and balance for electrical energy in the steel industry;
- Deliveries of steel on the national market, by product and by consumer industry;
- Deliveries of ECSC Treaty products by value;
- Investment expenditure in the iron and steel industry (ECSC);
- Production capacity in the iron and steel industry (ECSC).

The list of questionnaires in this proposal has been presented to Eurostat's Steel Statistics Committee, consisting of representatives of the steel industry associations and National Statistical Institutes, which welcomed the proposal. The draft regulation was presented to the Statistical Programming Committee in September 2001. A large majority of Member States were in favour of the proposed regulation.

The adoption of this regulation would allow the compilation of steel statistics for the whole of 2002, and avoid a break mid-year.

Proposal for a

REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

on the prolongation of the ECSC steel statistics system after the expiry of the ECSC Treaty

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 285(1) thereof,

Having regard to the proposal from the Commission¹,

Having regard to the opinion of the Economic and Social Committee²,

Having regard to the opinion of the Committee of the Regions³,

Acting in accordance with the procedure laid down in Article 251 of the Treaty⁴,

Whereas:

- (1) It is necessary to have statistics on the steel industry in order to implement Community policies on the steel industry.
- (2) The European Coal and Steel Community (ECSC) Treaty expires on 23 July 2002.
- (3) Community steel statistics are collected within the ECSC statistics system until the expiry of the ECSC Treaty.
- (4) Users of steel statistics need continuous series for the second half of the year 2002.
- (5) Declaration 24 annexed to the Final Act of 26 February 2001 of the Conference of the Representatives of the Governments of the Member States has invited the Council to ensure, under Article 2 of the Protocol on the financial consequences of the expiry of the ECSC Treaty and on the Research Fund for Coal and Steel, the prolongation of the ECSC statistics system after the expiry of the ECSC Treaty until 31 December 2002.
- (6) The Statistical Programme Committee (SPC), set up by Decision 89/382/EEC, Euratom⁵ has been consulted in accordance with Article 3 of the aforesaid Decision,

¹ OJ C , , p. .

² OJ C , , p. .

³ OJ C , , p. .

⁴ OJ C , , p. .

⁵ OJ L 181, 28.6.89, p.47

HAVE ADOPTED THIS REGULATION:

Article 1

The aim of this Regulation is to ensure the prolongation of the ECSC statistics system after the expiry of the ECSC Treaty and until 31 December 2002.

Article 2

Undertakings engaged in the production of iron and steel in the steel sector, as defined in the ECSC Treaty, shall be required, with effect from 24 July 2002, to keep supplying the Commission, for the reference year 2002, with the statistics (questionnaires) drawn up by the decisions and recommendation listed in the Annex to this Regulation.

Article 3

Entry into Force

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Communities*. This Regulation shall apply from 24 July 2002.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the European Parliament
The President

For the Council
The President

ANNEX Statistics

Statistics shall be supplied to the Commission as prescribed in the following questionnaires drawn up by the decisions and recommendation listed below and in accordance with the specified conditions:

1. Commission Decision N° 1566/86/ECSC of 24 February 1986 on iron and steel statistics, as last amended by Commission Decision N° 1273/2000/ECSC of 16 June 2000:
 - Questionnaire 2-10 on production of pig iron;
 - Questionnaire 2-11 on crude steel production;
 - Questionnaire 2-13 on production of flat and long steel products;
 - Questionnaire 2-14 on stocks of ingots, semi-finished, flat and long steel products;
 - Questionnaire 2-31 on changes of employment in the iron and steel industry (ECSC);
 - Questionnaire 2-32 on working hours in the iron and steel industry (ECSC);
 - Questionnaire 2-50 on steel & cast iron scrap balance;
 - Questionnaire 2-51 on consumption of raw materials for production of crude iron;
 - Questionnaire 2-54 on consumption of raw materials in steel works;
 - Questionnaire 2-56 on receipts of ECSC steel products direct or via merchants ;
 - Questionnaire 2-58 on fuel and energy consumption and balance for electrical energy in the steel industry;
 - Questionnaire 2-71 on steel deliveries to Community countries and total deliveries;
 - Questionnaire 2-72 on steel deliveries to third countries;
 - Questionnaire 2-73 on deliveries of steel on the national market by product and by consumer industry;
 - Questionnaire 2-74 on deliveries of alloy and non alloy special steels by categories in Community countries and third countries;
 - Questionnaire 2-76 on total deliveries of ECSC Treaty products by value;
 - Questionnaire 2-79 I on deliveries and new orders for sales of crude iron;

- Questionnaire 2-80 on new orders of steel from Community countries and third countries;
 - Questionnaire 2-81 on new orders of steel from third countries;
2. Commission Decision N° 81/3302/ECSC of 18 November 1981 on the information to be furnished by steel undertakings about their investments:
- Questionnaire 2-60 on investment expenditure in the iron and steel industry (ECSC);
 - Questionnaire 2-61 on capacity in the iron and steel industry (ECSC);
3. Commission Recommendation N° 780/94/ECSC of 16 November 1994 concerning steel merchants statistics:
- Questionnaire 3-70 on receipts, deliveries and stocks of iron and steel products by stockholders.

LEGISLATIVE FINANCIAL STATEMENT

Policy area(s): Statistics

Activit(y/ies): Iron and Steel Statistics

TITLE OF ACTION: PROPOSAL FOR A REGULATION OF THE EUROPEAN PARLIAMENT AND THE COUNCIL ON THE PROLONGATION OF THE ECSC STEEL STATISTICS SYSTEM AFTER THE EXPIRY OF THE ECSC TREATY

1. BUDGET LINE(S) + HEADING(S)

B5-6000 - Policy on statistical information concerned with non-member countries

2. OVERALL FIGURES

2.1. Total allocation for action (Part B): € 0.033 million for commitment

2.2. Period of application:

from 24 July 2002 on

2.3. Overall multiannual estimate of expenditure:

(a) Schedule of commitment appropriations/payment appropriations (financial intervention) (*see point 6.1.1*)

€ million (*to three decimal places*)

	Year [n]	[n+1]	[n+2]	[n+3]	[n+4]	[n+5 and subs. Years]	Total
Commitments	0.033						0.033
Payments	0.024	0.009					0.033

(b) Technical and administrative assistance and support expenditure (*see point 6.1.2*)

Commitments							
Payments							

Subtotal a+b							
Commitments							
Payments							

- (c) Overall financial impact of human resources and other administrative expenditure
(see points 7.2 and 7.3)

Commitments/ payments	0.054/ 0.027	0.000/ 0.027					
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TOTAL a+b+c							
Commitments	0.087						
Payments	0.051	0.036					

2.4. Compatibility with financial programming and financial perspective

- Proposal is compatible with existing financial programming.

Proposal will entail reprogramming of the relevant heading in the financial perspective.

Proposal may require application of the provisions of the Interinstitutional Agreement.

2.5. Financial impact on revenue:⁶

Proposal has no financial implications (involves technical aspects regarding implementation of a measure)

OR

- Proposal has financial impact – the effect on revenue is as follows:

(€ million to one decimal place)

		Prior to action [Year n-1]	Situation following action					
Budget line	Revenue		[Year n]	[n+1]	[n+2]	[n+3]	[n+4]	[n+5]
	<i>a) Revenue in absolute terms</i>	0.02	0.01					
	<i>b) Change in revenue</i>	Δ						

⁶ For further information, see separate explanatory note.

3. BUDGET CHARACTERISTICS

Type of expenditure		New	EFTA contribution	Contributions from applicant countries	Heading in financial perspective
Non Comp	Diff	No	No	No	No 3

4. LEGAL BASIS

- Treaty establishing the European Community, and in particular Article 285(1) thereof.

5. DESCRIPTION AND GROUNDS

5.1. Need for Community intervention ⁷

5.1.1. Objectives pursued

Provision of Community statistics on the Iron and Steel Industry to meet the needs of policy makers and the industry

5.2. Action envisaged and budget intervention arrangements

The collection of steel production data continues in the same way as in the first part of 2002: under the ECSC Treaty, the steel companies are in charge of sending the data to Eurostat.

Eurostat is in charge of the data base update, evaluation and estimation, if necessary. The final version of the data is given to an outside desk top publisher who send us back the ready for camera version. The printing and selling of the statistical publications is done in-house.

The target population: 450 subscribers.

Following a contract the contractor will be paid on the basis of the bills he sent to Eurostat.

5.3. Methods of implementation

Based on the data extraction from the steel data base, the contractor does the preparation and desk top publishing of five monthly, and of one annual issues of Iron and Steel Statistics. The deliveries are the above mentioned publications in camera ready form and an ".pdf" Acrobat file.

Data entry, evaluation and final publication control need the resources of part of 1C staff, and management the resources of part of 1 A staff.

⁷ For further information, see separate explanatory note.

6. FINANCIAL IMPACT

6.1. Total financial impact on Part B - (over the entire programming period)

6.1.1. Financial intervention

Commitments (in € million to three decimal places)

Breakdown	[Year n]	[n+1]	[n+2]	[n+3]	[n+4]	[n+5 and subs. Years]	Total
Action 1	0.033						0.033
Action 2							
etc.							
TOTAL	0.033						0.033

6.1.2. *Technical and administrative assistance, support expenditure and IT expenditure (commitment appropriations)*

	[Year n]	[n+1]	[n+2]	[n+3]	[n+4]	[n+5 and subs. years]	Total
1) Technical and administrative assistance							
a) Technical assistance offices							
b) Other technical and administrative assistance: - intra muros: - extra muros: <i>of which for construction and maintenance of computerised management systems</i>							
Subtotal 1							
2) Support expenditure							
a) Studies							
b) Meetings of experts							
c) Information and publications							
Subtotal 2							
TOTAL							

6.2. Calculation of costs by measure envisaged in Part B (over the entire programming period)⁸

(Where there is more than one action, give sufficient detail of the specific measures to be taken for each one to allow the volume and costs of the outputs to be estimated.)

Commitments in € million (to three decimal places)

Breakdown	Type of outputs (projects, files)	Number of outputs (total for years 1...n)	Average unit cost	Total cost (total for years 1...n)
	1	2	3	4=(2X3)
<u>Action 1</u> - Iron and steel statistics publications	<i>Publications</i> <i>Monthly</i>	5	0.0044	0.022
	<i>Annual</i>	1	0.011	0.011
TOTAL COST				0.033

If necessary explain the method of calculation

7. IMPACT ON STAFF AND ADMINISTRATIVE EXPENDITURE

7.1. Impact on human resources

Types of post		Staff to be assigned to management of the action using existing and/or additional resources		Total	Description of tasks deriving from the action
		Number of permanent posts	Number of temporary posts		
Officials or temporary staff	A	0.05			<i>A: Supervision</i>
	B				
	C	0.45			<i>C: Administrator</i>
Other human resources					
Total		0.05 A + 0.45 C = 0.5			

⁸ For further information, see separate explanatory note.

7.2. Overall financial impact of human resources

Type of human resources	Amount (€)	Method of calculation *
Officials	€ 54.000	(0.05 A + 0.45C) * 108.000 EUR
Temporary staff		
Other human resources (specify budget line)		
Total	€ 54.000	

The amounts are total expenditure for twelve months.

7.3. Other administrative expenditure deriving from the action

Budget line (number and heading)	Amount €	Method of calculation
Overall allocation (Title A7)		
A0701 – Missions		
A07030 – Meetings		
A07031 – Compulsory committees ¹		
A07032 – Non-compulsory committees ¹		
A07040 – Conferences		
A0705 – Studies and consultations		
Other expenditure (specify)		
Information systems (A-5001/A-4300)		
Other expenditure - Part A (specify)		
Total		

The amounts are total expenditure for twelve months.

¹ Specify the type of committee and the group to which it belongs.

I.	Annual total (7.2 + 7.3)	€ 54.000
II.	Duration of action	years 1
III.	Total cost of action (I x II)	€ 54.000

8. FOLLOW-UP AND EVALUATION

8.1. Follow-up arrangements

The data delivered to the contractor are evaluated in-house. The control of the quality of the deliverables is guaranteed in-house before printing. The final overall quality of the publications is controlled in-house.

8.2. Arrangements and schedule for the planned evaluation

The evaluation of the deliverables and the final publications is always realised without delay.

9. ANTI-FRAUD MEASURES

Payments are only done after control of the contractual conditions and the consistency of the bill and the deliverables.