# **EUROPEAN PARLIAMENT**

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Session document

FINAL **A5-0153/2000** 

29 May 2000

# \*\*\*II RECOMMENDATION FOR SECOND READING

on the Common Position adopted by the Council on 28 February 2000 with a view to the adoption of a Regulation of the European Parliament and of the Council amending Council Regulation (EEC) No 3330/91 on the statistics relating to the trading of goods between Member States, with specific reference to a simplified application of the nomenclature of products (14100/1/1999 C5-0134/2000 – 1997/0162(COD))

Committee on Legal Affairs and the Internal Market

Rapporteur: Eduard Beysen

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### Symbols for procedures

- \* Consultation procedure majority of the votes cast
- \*\*I Cooperation procedure (first reading)

  majority of the votes cast
- \*\*II Cooperation procedure (second reading)
  majority of the votes cast, to approve the common position
  majority of Parliament's component Members, to reject or amend
  the common position
- \*\*\* Assent procedure

  majority of Parliament's component Members except in cases

  covered by Articles 105, 107, 161 and 300 of the EC Treaty and

  Article 7 of the EU Treaty
- \*\*\*I Codecision procedure (first reading)

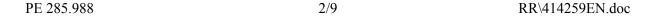
  majority of the votes cast
- \*\*\*II Codecision procedure (second reading)

  majority of the votes cast, to approve the common position

  majority of Parliament's component Members, to reject or amend
  the common position
- \*\*\*III Codecision procedure (third reading)

  majority of the votes cast, to approve the joint text

(The type of procedure depends on the legal basis proposed by the Commission)



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#### PROCEDURAL PAGE

At the sitting of 1 April 1998 Parliament adopted its position at first reading on the proposal for a Regulation of the European Parliament and of the Council amending Council Regulation (EEC) No 3330/91 on the statistics relating to the trading of goods between Member States, with specific reference to a simplified application of the nomenclature of products (COM(1997) 275 – 1997/0162 (COD)).

At the sitting of 16 March 2000 the President of Parliament announced that the common position had been received and referred to the Committee on Legal Affairs and the Internal Market (14100/1/1999 - C5-0134/2000).

The committee had appointed Eduard Beysen rapporteur at its meeting of 23 September 1999.

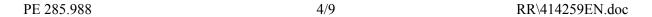
It considered the common position and the draft recommendation for second reading at its meetings of 20 March 2000, 17 April 2000 and 25 May 2000.

At the last meeting it adopted the draft legislative resolution unanimously.

The following were present for the vote: Rainer Wieland, acting chairman; Ward Beysen, vice-chairman and rapporteur; Maria Berger, Francesco Fiori (for Felipe Camisón Asensio, pursuant to Rule 153(2)), Janelly Fourtou, Evelyne Gebhardt, Gerhard Hager, Malcolm Harbour, The Lord Inglewood, Kurt Lechner, Klaus-Heiner Lehne, Donald Neil MacCormick, Helmuth Markov (for Alain Krivine, pursuant to Rule 153(2)), Manuel Medina Ortega, Bill Miller, Feleknas Uca, Joke Swiebel and Diana Paulette Wallis.

The recommendation for second reading was tabled on 29 May 2000.

The deadline for tabling amendments will be indicated in the draft agenda for the relevant part-session.



#### DRAFT LEGISLATIVE RESOLUTION

European Parliament legislative resolution on the Common Position adopted by the Council on 28 February 2000 with a view to the adoption of a Regulation of the European Parliament and of the Council amending Council Regulation (EEC) No 3330/91 on the statistics relating to the trading of goods between Member States, with specific reference to a simplified application of the nomenclature of products (14100/1/1999 - C5-0134/2000 - 1997/0162(COD))

#### (Codecision procedure: second reading)

The European Parliament,

- having regard to the Council common position (14100/1/1999 C5-0134/2000),
- having regard to its position at first reading<sup>1</sup> on the Commission proposal to Parliament and the Council (COM(1997) 275)<sup>2</sup>,
- having regard to the Commission's amended proposal (COM(1998) 269)<sup>3</sup>,
- having regard to Article 251(2) of the EC Treaty,
- having regard to Rule 78 of its Rules of Procedure,
- having regard to the recommendation for second reading of the Committee on Legal Affairs and the Internal Market (A5-0153/2000),
- 1. Approves the common position;
- 2. Notes that the act is adopted in accordance with the common position;
- 3. Instructs its President to sign the act with the President of the Council pursuant to Article 254(1) of the EC Treaty;
- 4. Instructs its Secretary-General duly to sign the act and, in agreement with the Secretary-General of the Council, to have it published in the Official Journal of the European Communities;
- 5. Instructs its President to forward its position to the Council and Commission.

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<sup>&</sup>lt;sup>1</sup> OJ C 138, 4.5.1998, p. 77.

<sup>&</sup>lt;sup>2</sup> OJ C 245, 12.8.1997, p. 12

<sup>&</sup>lt;sup>3</sup> OJ C 164, 29.5.1998, p. 14

#### **EXPLANATORY STATEMENT**

#### 1. BACKGROUND TO AND OBJECTIVES OF THE REGULATION

The Commission submitted its proposal on 4 June 1997 (COM(1997) 275) at the same time as its proposal to amend Council Regulation (EEC) No 3330/91 on the statistics relating to the trading of goods between Member States (COM(1997) 252).

The latter proposal sought to make the statistical declaration on trade between Member States (Intrastat declaration) more straightforward for intra-Community operators.

Intrastat is the system which lays down the rules for the collection and compilation of statistics on the trading of goods between Member States. Following its introduction on 1 January 1993, intra-Community operators have been obliged to submit a monthly declaration of their dispatches and arrivals of goods. As part of the SLIM Initiative (Simpler Legislation for the Internal Market), the Commission has proposed that certain items of information, the usefulness and quality of which do not justify the excessive burden and the constraints imposed on providers of statistical information (PSIs), should no longer be included in the declaration.

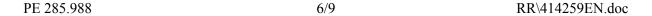
The information concerned refers to:

- transport (mode of transport, port or airport of loading or unloading and port or airport of transhipment),
- delivery terms.

The proposal was supplemented by other measures relating to the transparency of the system (the Commission undertakes to disseminate publicly the data required by each Member State) and to administrative organisation in Member States (endowing of national administrations with the power to fix transmission deadlines for declarations by PSIs).

The aim of the proposal for a regulation to which the common position under consideration here relates is to make the statistical declaration on trade between Member States more straightforward for PSIs.

Under the Intrastat system, goods are currently identified by the codification of the combined nomenclature laid down in Council Regulation (EEC) No 3330/91. That constitutes the focal point for all the statistical information collected, and uniform application at Community level is indispensable so that results may be compared. The Commission is proposing that the current basic Regulation be amended by simplifying the application of that nomenclature while maintaining its connection with the nomenclature used for trading of goods with third countries and its consistency with the other statistical nomenclatures. Such simplification is just one of a series of measures taken under the SLIM Initiative with a view to simplifying the Intrastat system. It will benefit all the undertakings involved in trade between Member States which are obliged to submit a simplified Intrastat declaration. The aim is to reduce the number of codes to be used by SMUs and, hence, to make it easier for undertakings to classify and codify goods.





On 1 April 1998, the European Parliament delivered its opinion on the two proposals at first reading on the basis of a report by its Committee on Economic and Monetary Affairs and Industrial Policy (Lulling report, A4-0102/1998).

On 27 April 1998, the Commission drew up two amended proposals (COM(1998) 269 and COM(1998) 270) which incorporated Parliament's amendments.

On 20 June 1998, the Council adopted a common position (C4-0492/1998) relating solely to the proposal to amend Council Regulation (EEC) No 3330/91 on the statistics relating to the trading of goods between Member States (COM(1997) 252) (reduction of data collected).

Parliament delivered its opinion at second reading on 16 December 1998 (A4-0486/1998). In that opinion, Parliament retabled its amendments relating to the two proposals, although only one of them had been the subject of a common position. The European Parliament adopted nine amendments, four of which concerned the parallel regulation on product nomenclature (COM(1997) 275) which is the subject of the common position under consideration here. That proposal was blocked in the Council, and Parliament wanted to send a political signal in order to resolve the impasse in the Council.

In its opinion on the second reading, which it delivered on 10 February 1999, the Commission said that it could not accept the amendments which sought expressly to simplify product nomenclature since that aim of simplification was covered by the other proposal for a regulation which had not been the subject of a common position.

Similarly, on 24 February 1999, the Council stated that it was not able to approve all the amendments tabled to its common position. As a result, the Conciliation Committee was convened.

That resulted in a joint text for the third reading being drawn up on 8 April 1999. Parliament approved the joint text on 7 May 1999, and the act was adopted on 10 May 1999 (Regulation (EC) No 1182/1999).

One of the concessions which enabled agreement on a joint text to be reached was the commitment given by the Council that it would 'examine the proposal for a Regulation of the European Parliament and of the Council amending Council Regulation (EEC) No 3330/91 on the statistics relating to the trading of goods between Member States, with specific reference to the nomenclature of products, preserving the principle of one single nomenclature and taking into account the amendments of the European Parliament and the results of the ongoing discussions conducted by the Commission within the SLIM framework.' (See the Council declaration annexed to the Lulling report on the joint text - A4-0226/1999 – dated 23 April 1999 and to Regulation (EC) No 1182/1999 of the European Parliament and of the Council of 10 May 1999 amending Council Regulation (EEC) No 3330/91 on the statistics relating to the trading of goods between Member States with a view to reducing the data to be provided, OJ L 144, 9.6.1999, pp. 1-3).

The Council has therefore honoured its commitment by adopting this common position.

#### 2. CONSIDERATION OF THE COMMON POSITION

The common position adopted by the Council concerns the proposal to simplify the application of the product nomenclature. It diverges from the initial Commission proposal but retains the key concept thereof, namely simplification of the burden imposed on undertakings, especially on SMUs, of making declarations in the intra-Community trade statistics system (Intrastat) with regard to product nomenclature.

Although their wording has been changed, Parliament's amendments have been incorporated into the common position. Only the second part of Amendment 8 has been significantly altered, with the common position providing that SMUs need only report a maximum of ten subheadings that are the most important in terms of value and are to regroup the other products in residual subheadings according to detailed arrangements to be determined by the Commission pursuant to Article 30 of Council Regulation (EEC) No 3330/91. In its Amendment 8, Parliament laid down simply that SMUs might limit themselves to using the Harmonised System Nomenclature to identify *certain* goods. Parliament's wording left something to be desired in the way of clarity and left it to the Commission to determine the implementing procedures for that provision including, of course, the indication of those goods.

With regard to that provision, the common position of the Council actually indicates in the Regulation itself the goods which the undertakings must report.

Since this is a key provision, your rapporteur shares the Council's view that this issue must be resolved in the Regulation itself and not left to the committology procedure (Committee on Statistics relating to the Trading of Goods between Member States).

The Commission has informed Parliament that, in its view, the amendments introduced by the common position do not water down its proposal.

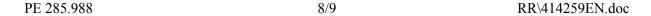
#### 3. APPROVAL OF THE COMMON POSITION WITHOUT AMENDMENT

The common position represents a compromise between the contradictory requests for, on the one hand, more reliable and more detailed statistical information as commercial and marketing policy tools and, on the other, for a simplification of the burden which the obligation to make statistical declarations imposes on small and medium-sized undertakings.

Setting a limit on the number of items of information to be declared and the simplification of the nomenclature are the two variables which provide any leeway.

Simplification of the combined nomenclature will continue under the SLIM Initiative, and the limitation on the data to be declared is enshrined in the common position.

Furthermore, the inter-administration telematic networks for statistics relating to the trading of goods between Member States (Edicom – Electronic Data Interchange on Commerce) established by Council Decision 96/715/EC of 9 December 1996 (OJ L 327, 18.12.1996, pp. 34-37) are designed to simplify the formalities involved in the declaration and collection of statistics.





Decision 96/715/EC established a series of measures facilitating the conversion of regional, national and Community systems towards interoperable systems at European level, as a first stage, for the collection of returns on the trading of goods between Member States from businesses, the validation and pre-processing of such returns and the dissemination of the statistics derived therefrom. Edicom was to run for a period of three years beginning on 9 December 1996. The Commission will, therefore, very shortly be submitting a proposal for a revised version of Edicom which will have to pursue the same goals of simplifying and facilitating the formalities involved in statistical declarations.

The common position under consideration is designed to attain the same objectives and must be approved.

Your rapporteur proposes, therefore, that Parliament adopt the Regulation by approving this common position.

