

EUROPEAN PARLIAMENT

2004



2009

Session document

A6-0348/2008

15.9.2008

*****I** **REPORT**

on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EC) No 638/2004 on Community statistics relating to the trading of goods between Member States
(COM(2008)0058 – C6-0059/2008 – 2008/0026(COD))

Committee on Economic and Monetary Affairs

Rapporteur: Eoin Ryan

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.)

Amendments to a legislative text

In amendments by Parliament, amended text is highlighted in ***bold italics***. In the case of amending acts, passages in an existing provision that the Commission has left unchanged, but that Parliament wishes to amend, are highlighted in **bold**. Any deletions that Parliament wishes to make in passages of this kind are indicated thus: [...]. Highlighting in *normal italics* is an indication for the relevant departments showing parts of the legislative text for which a correction is proposed, to assist preparation of the final text (for instance, obvious errors or omissions in a given language version). Suggested corrections of this kind are subject to the agreement of the departments concerned.

CONTENTS

	Page
DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION	6
EXPLANATORY STATEMENT	12
PROCEDURE.....	14

DRAFT EUROPEAN PARLIAMENT LEGISLATIVE RESOLUTION

on the proposal for a regulation of the European Parliament and of the Council amending Regulation (EC) No 638/2004 on Community statistics relating to the trading of goods between Member States
(COM(2008)0058 – C6-0059/2008 – 2008/0026(COD))

(Codecision procedure: first reading)

The European Parliament,

- having regard to the Commission proposal to the European Parliament and the Council (COM(2008)0058),
 - having regard to Article 251(2) and Article 285(1) of the EC Treaty, pursuant to which the Commission submitted the proposal to Parliament (C6-0059/2008),
 - having regard to Rule 51 of its Rules of Procedure,
 - having regard to the report of the Committee on Economic and Monetary Affairs (A6-0348/2008),
1. Approves the Commission proposal as amended;
 2. Calls on the Commission to refer the matter to Parliament again if it intends to amend the proposal substantially or replace it with another text;
 3. Instructs its President to forward its position to the Council and the Commission.

Amendment 1

Proposal for a regulation – amending act
Recital 3 a (new)

Text proposed by the Commission

Amendment

(3a) The future introduction of a single flow system could be another step forward. To this end, the value and viability of the introduction of single flow reporting should be investigated by the Commission, if appropriate, inter alia, by launching a pilot project.

Amendment 2

Proposal for a regulation – amending act Recital 4

Text proposed by the Commission

(4) Member States should provide Eurostat with annual aggregated data on trade broken down by business characteristics. Users will thus be provided with new statistical information on relevant economic issues, and a new type of analysis will become possible, for example the analysis of how European companies operate in the context of globalisation, without this imposing new statistical requirements on reporting companies. The link between business and trade statistics should be established by merging the information from the register of intra-Community operators with information requested by **Council Regulation (EEC) No 2186/93 of 22 July 1993 on Community coordination in drawing up business registers for statistical purposes¹**.

¹ OJ L 196, 5.8.1993, p. 1. Regulation as amended by Regulation (EC) No 1882/2003 of the European Parliament and of the Council (OJ L 284, 31.10.2003, p. 1).

Amendment

(4) Member States should provide Eurostat with annual aggregated data on trade broken down by business characteristics. Users will thus be provided with new statistical information on relevant economic issues, and a new type of analysis will become possible, for example the analysis of how European companies operate in the context of globalisation, without this imposing new statistical requirements on reporting companies. The link between business and trade statistics should be established by merging the information from the register of intra-Community operators with information requested by **Regulation (EC) No 177/2008 of the European Parliament and of the Council of 20 February 2008 establishing a common framework for business registers for statistical purposes¹**.

¹ OJ L 61, 5.3.2008, p. 6.

Justification

Brings the Regulation in line with developments in related legislation.

Amendment 3

Proposal for a regulation – amending act Recital 10

Text proposed by the Commission

(10) As regards Regulation (EC) No 638/2004, power should be conferred on the Commission in particular to define the

Amendment

(10) As regards Regulation (EC) No 638/2004, power should be conferred on the Commission in particular to define the

conditions under which the Commission may adopt different or specific rules applying to specific goods or movements, adapt the reference period to take into account the linkage with value added tax and customs obligations, determine the arrangements for the collection of this information, particularly the codes to be employed, **define the minimum** Intrastat coverage, define the conditions and quality requirements under which Member States may simplify the information to be provided for small individual transactions, define the aggregated data to be transmitted and the criteria the estimates are to comply with, adopt implementing provisions for compiling the statistics by linking data on business characteristics recorded under Regulation **(EEC) No 2186/93** with the statistics on dispatches and arrivals of goods, determine the indicators and standards enabling the quality of the data to be assessed, determine the structure of the quality reports to be presented by the Member States, and take any other steps necessary for assessing or improving the quality of the data. Since these measures are of general scope and are designed to amend non-essential elements of Regulation (EC) No 638/2004 or to supplement it by the addition of new non-essential elements, they should be adopted in accordance with the regulatory procedure with scrutiny provided for in Article 5a of Decision 1999/468/EC.

conditions under which the Commission may adopt different or specific rules applying to specific goods or movements, adapt the reference period to take into account the linkage with value added tax and customs obligations, determine the arrangements for the collection of this information, particularly the codes to be employed, **adapt the thresholds for** Intrastat coverage **to technical and economic developments**, define the conditions and quality requirements under which Member States may simplify the information to be provided for small individual transactions, define the aggregated data to be transmitted and the criteria the estimates are to comply with, adopt implementing provisions for compiling the statistics by linking data on business characteristics recorded under Regulation **(EC) No 177/2008** with the statistics on dispatches and arrivals of goods, determine the indicators and standards enabling the quality of the data to be assessed, determine the structure of the quality reports to be presented by the Member States, and take any other steps necessary for assessing or improving the quality of the data. Since these measures are of general scope and are designed to amend non-essential elements of Regulation (EC) No 638/2004 or to supplement it by the addition of new non-essential elements, they should be adopted in accordance with the regulatory procedure with scrutiny provided for in Article 5a of Decision 1999/468/EC.

Justification

Brings the Regulation in line with developments in related legislation.

Amendment 4

Proposal for a regulation – amending act

Article 1 – point 4 – point a

Regulation (EC) No 638/2004

Article 10 – paragraph 3

Text proposed by the Commission

3. ***The definition of the*** thresholds below which parties are exempted from providing any Intrastat information shall ***be specified by the Commission***. Those measures designed to amend non-essential elements of this Regulation, ***inter alia, by supplementing it***, shall be adopted in accordance with the regulatory procedure with scrutiny referred to in Article 14(3).

Amendment

3. ***For defining*** thresholds below which parties are exempted from providing any Intrastat information, ***Member States shall ensure that the information referred to in Article 9(1), first sub-paragraph, points (a) to (f), made available by the parties responsible for providing information, covers at least 90 % and at most 95 % of arrivals and dispatches of the relevant Member State's total trade expressed in value.***

The Commission may adapt the thresholds to technical and economic developments. Those measures, designed to amend non-essential elements of this Regulation, shall be adopted in accordance with the regulatory procedure with scrutiny referred to in Article 14(3).

Justification

Community statistics is a priority for reducing administrative burdens. In this respect, the minimum trade coverage rate can be lowered, in order exempt additional companies from a reporting obligation to Intrastat.

The definition of the thresholds below which parties are exempted from providing any Intrastat information is essential and should be in the legislative act. However flexibility is guaranteed, because adaptations of these thresholds to technical and economic developments, respecting the fundamental principles, can be done by comitology procedure (article 14(3)).

Amendment 5

Proposal for a regulation – amending act

Article 1 – point 4 a (new)

Regulation (EC) No 638/2004

Article 11

Text proposed by the Commission

Amendment

(4a) Article 11 is replaced by the following:

"Article 11

Statistical confidentiality

Only where the parties who have provided information so request, the national authorities shall decide whether statistical results which make it possible indirectly to identify the said provider(s) are to be disseminated or are to be amended in such a way that their dissemination does not prejudice statistical confidentiality."

Justification

Provides improved data protection, providing for an opt-in rather than an opt-out system

Amendment 6

Proposal for a regulation – amending act

Article 1 – point 5 – point c

Regulation (EC) No 638/2004

Article 12 – paragraph 4 – subparagraph 2

Text proposed by the Commission

Amendment

These statistics shall be compiled by linking data on business characteristics recorded according to ***Council Regulation (EEC) No 2186/93 of 22 July 1993 on Community coordination in drawing up business registers for statistical purposes¹*** with the statistics referred to in Article 3 of this Regulation.

These statistics shall be compiled by linking data on business characteristics recorded according to Regulation ***(EC) No 177/2008 of the European Parliament and of the Council of 20 February 2008 establishing a common framework for business registers for statistical purposes**** with the statistics referred to in Article 3 of this Regulation.

¹ *OJ L 196, 5.8.1993, p. 1. Regulation as amended by Regulation (EC) No 1882/2003 of the European Parliament and of the Council (OJ L 284, 31.10.2003, p. 1).*

* *OJ L 61, 5.3.2008, p. 6.*

Justification

Brings the Regulation in line with developments in related legislation.

EXPLANATORY STATEMENT

The Commission proposal amends the existing regulation on community statistic relating to the trading of goods between member states, more simply known as Intrastat. This proposal is part of the Commission's larger strategy to reduce unnecessary red tape and over-regulation and to hence reduce the burden on business. Intrastat is an area that has been identified, namely in the Commission Communication on the 'Reduction of the response burden, simplification and priority setting in the field of Community Statistics' (COM (2006) 693), as one where simplification is both desirable and possible.

To this end, Eurostat set up a Working Group - composed of Member State and Commission specialists - to consider the modernisation and simplification of intra-Community reporting on trade statistics. Similarly, the Council Working Party on Statistics has been meeting to discuss the Intrastat proposals.

In considering the modernisation of Intrastat and the reduction of the reporting burden, it is important not to lose sight of the importance to individual Member States and to the Union as a whole of having access to statistical data on Intra-Community trading. Sufficiently detailed statistical data is required for efficient planning for the development of the internal market and for competitive analysis of specific markets. However, as it stands there is a double reporting of Intrastat, as a member state reports both on the goods leaving the state for another member state - known as 'dispatches' - and those goods arriving in from another member states: 'arrivals'.

There can be considerable discrepancies and asymmetries in statistical figures, for example between dispatches and arrivals between two member states, with both states having different figures to the other, casting some doubt on the overall accuracy and efficiency of the current Intrastat structure

A single-flow reporting system would, in theory, both reduce the reporting burden on business and also improve the accuracy of statistical information. However, your rapporteur appreciates that, though desirable in theory, there are many obstacles to shifting to a single-flow reporting system, such as the time, cost and complexity of such a changeover.

Instead the Commission proposes to reduce the coverage for arrival flows from the current 97% to 95%. In 2005 539,309 EU companies were filing Intrastat declarations on trade flows (arrivals and despatches), with 430,121 companies reporting on arrivals alone. Should the coverage for arrivals be reduced to 95%, this latter number would fall to 239,691, and an additional 190,430 companies would be exempt from Intrastat arrival reporting. This would reduce the reporting burden notably for SMEs, for whom the reporting burden is most onerous and for whom a modification on the arrival side will have the most impact (with larger business dominating the export side of Community trade, but SMEs making up a large part of the arrival market), while having only a minor impact on the quality of statistical data.

The new regulation also calls for Member States to provide the Commission with annual statistics on trade by business characteristic, which will be of benefit in analysing statistical information on specific economic issues and market trends without imposing additional

reporting burden on reporting companies.

Your rapporteur agrees wholly with the Commission as to the spirit of this proposal. Small and Medium Businesses can be very hard hit by reporting requirements in many areas and can often ill-afford the man-hours required to fulfil reporting obligations and therefore any move to reduce such obligations can only be welcomed. Similarly any move to improve the manner of reporting in such as way as to increase the utility of statistical information is to be commended. Your rapporteur supports the Commission's reference to further simplification projects such as the integration of Intrastat and VIES declarations and would like to see early and significant movement in this regard.

However, your rapporteur sees several ways in which the Commission proposal could be improved. While the Commission acknowledges the value of a single-flow reporting system as a long term option, it has failed to provide concrete provisions for such future introduction of single-flow measurement. Therefore, your rapporteur would like to see the Commission set out a timetable for the investigation of the value and viability of the introduction of single flow reporting and suggests looking at the option of pilot-projects to assess this potential value and viability.

Furthermore, although the Commission puts forward a concrete revision of the reporting threshold in its Explanatory Memorandum - with the threshold for arrivals to be lowered from 97% to 95% - in the actual text of the Regulation it does not propose any concrete figure and instead leaves thresholds to be specified by the Commission. While your rapporteur appreciates the need for flexibility for possible future changes he feels that this would be better achieved by defining a new threshold in the proposed amending Regulation and leaving future changes to comitology.

Your rapporteur has also suggested amendments in the area of statistical confidentiality and in the paragraphs relating to the reporting on trade by business characteristics, bringing the regulation in line with developments in related legislation.

PROCEDURE

Title	Community statistics relating to the trading of goods between Member States		
References	COM(2008)0058 – C6-0059/2008 – 2008/0026(COD)		
Date submitted to Parliament	7.2.2008		
Committee responsible Date announced in plenary	ECON 21.2.2008		
Committee(s) asked for opinion(s) Date announced in plenary	JURI 21.2.2008		
Not delivering opinions Date of decision	JURI 26.3.2008		
Rapporteur(s) Date appointed	Eoin Ryan 11.3.2008		
Discussed in committee	2.6.2008	30.6.2008	9.9.2008
Date adopted	9.9.2008		
Result of final vote	+: 40	–: 0	0: 0
Members present for the final vote	Mariela Velichkova Baeva, Paolo Bartolozzi, Zsolt László Becsey, Pervenche Berès, Sebastian Valentin Bodu, Sharon Bowles, Udo Bullmann, Manuel António dos Santos, Christian Ehler, Elisa Ferreira, José Manuel García-Margallo y Marfil, Jean-Paul Gauzès, Robert Goebbels, Gunnar Hökmark, Karsten Friedrich Hoppenstedt, Othmar Karas, Guntars Krasts, Andrea Losco, Astrid Lulling, Gay Mitchell, Sirpa Pietikäinen, John Purvis, Alexander Radwan, Bernhard Rapkay, Heide Rühle, Eoin Ryan, Antolín Sánchez Presedo, Salvador Domingo Sanz Palacio, Olle Schmidt, Margarita Starkevičiūtė, Ieke van den Burg, Cornelis Visser		
Substitute(s) present for the final vote	Harald Ettl, Ján Hudacký, Piia-Noora Kauppi, Vladimír Maňka, Gianni Pittella, Bilyana Ilieva Raeva, Margaritis Schinas, Andreas Schwab		