1. Reiterates forcefully, in the light of the tenth anniversary of the Code, its criticism of the current political impasse caused by the non-adoption of the common position;

2. Urges the French Presidency, and, if need be, the forthcoming Presidencies, to resolve the issue by ensuring that the common position is adopted without further delay;

3. Reiterates that the EU’s contribution to an internationally binding Arms Trade Treaty will strongly gain in credibility as soon as its own arms exports regime becomes legally binding;

4. Reiterates that, in parallel with the adoption of the common position, the following measures, inter alia, should be taken:

   (a) preventing irresponsible arms transfers by a strict application of the Code’s criteria to both companies and national armed forces;

   (b) preventing illegal arms trafficking by air and sea; improving and applying brokering controls by calling on all Member States that have not yet done so to incorporate into their national legislation the letter and spirit of Council Common Position 2003/468/CFSP of 23 June 2003 on the control of arms brokering (1);

   (c) prompt investigation of recent allegations of violations of arms embargoes;

   (d) preventing the selling-off to private brokers of arms collected in the course of ESDP (European Security and Defence Policy) and SSR (Security Sector Reform) operations and other EU initiatives, and their subsequent transfer to other regions of violent conflict or tension;

   (e) improving the transparency and quality of data submitted by EU Member States in the context of the Annual Report on the Code of Conduct;

5. Is convinced that the adoption of the common position on the Code of Conduct on Arms Exports is vital for the orderly implementation of the impending directive on intra-Community transfers of defence-related goods and for an efficient control of arms exports;

6. Instructs its President to forward this resolution to the Council, the Commission and the governments and parliaments of the Member States.


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European Court of Auditors’ Special Report No 8/2007 concerning administrative cooperation in the field of VAT

P6_TA(2008)0581


(2010/C 21 E/03)

The European Parliament,

— having regard to the European Court of Auditors’ Special Report No 8/2007 concerning administrative cooperation in the field of value added tax, together with the Commission’s replies (1),

— having regard to Council Decision 2007/436/EC, Euratom of 7 June 2007 on the system of the European Communities’ own resources (1),

— having regard to Rule 45 of its Rules of Procedure,

— having regard to the report of the Committee on Budgetary Control and to the opinion of the Committee on Economic and Monetary Affairs (A6-0427/2008),

A. whereas value added tax (VAT) evasion and fraud not only affect the financing of Member States’ budgets, but also the EU own resources system insofar as reductions in the VAT own resource have to be compensated by an increase in the gross national income (GNI) own resource and thus distortions caused by VAT fraud affect the overall balance of the own resource system,

B. whereas the Commission, in its communication of 31 May 2006 concerning the need to develop a coordinated strategy to improve the fight against fiscal fraud (COM(2006)0254), observed that Member States were not making sufficient use of the possibilities for administrative cooperation offered by the reinforcement of the legal framework under Regulation (EC) No 1798/2003 (2), and considered the level of administrative cooperation to be disproportionate to the volume of intra-Community trade,

C. whereas the Court of Auditors’ analysis in Special Report No 8/2007 as to whether the information exchanges between Member States are carried out in a timely and effective manner and whether adequate administrative structures and procedures are in place to support administrative cooperation confirmed that the main objective of Regulation (EC) No 1798/2003, i.e. effective administrative cooperation to combat VAT evasion, has not been achieved,

1. Welcomes the Court of Auditors’ Special Report No 8/2007, which provides an independent assessment of administrative cooperation in the fight against VAT evasion and fraud and analyses Member States’ performance and the Commission’s role in great detail; concludes, on the basis of the Court of Auditors’ findings, that Regulation (EC) No 1798/2003 is not an effective tool for administrative cooperation as several Member States obstruct its implementation and the Commission’s role is limited;

**Quantifying VAT fraud**

2. Is aware of the fact that the actual volume of VAT evasion and fraud is difficult to assess, as many Member States either do not collect or do not publish data; notes that according to estimates quoted by the Court of Auditors, VAT revenue losses amounted to EUR 17 billion in Germany for 2005 and EUR 18.2 billion in the UK for the tax year 2005-2006; notes that the volume of VAT fraud could exceed the volume of the Community’s total annual budget;

3. Welcomes the Commission’s initiative to launch a study to obtain solid estimates of the amount of tax fraud, including VAT fraud, in the different Member States; invites the Commission to inform Parliament’s competent committees of the findings of the study as soon as they are available;

4. Urges the Council and the Commission to give a higher priority to the development of a common approach in order to quantify and analyse VAT fraud, which should allow assessment as to whether measures taken by Member States against VAT evasion and fraud are successful, or whether they just trigger a displacement of VAT fraud to other economic sectors or Member States;

5. Requests the Council, the Commission and the Member States to fully take into account the recommendations of the Contact Committee of the Supreme Audit Institutions of the European Union of December 2007, which include proposals as to how Member States could improve their estimates and how a single model for the estimation of VAT fraud could be established;


Shortcomings in the performance of Member States’ authorities

6. Is concerned about the shortcomings identified by the Court of Auditors as regards administrative cooperation between Member States in the field of VAT;

7. Is worried at the Court of Auditors’ observation that in some Member States basic requirements for effective cooperation were missing; notes the following deficiencies in particular:

— almost half of the requests for information from one Member State to another were not answered within the current three-month deadline,

— the organisational set up of the central liaison offices (CLO), i.e. the main channels for information exchange, contributed to delays; Italy and the Netherlands split their CLOs between several departments without coordinating them effectively and Germany split its CLO into several services without informing the other Member States properly,

— there are significant differences between the number of requests for information which a Member State claims to have received and the number of requests other Member States claim to have sent to it; Italy claimed to have received 54% requests less and Germany 32% requests more than other Member States claimed to have sent to them in 2005;

8. Urges Member States to guarantee timely exchange of information on request; is convinced that the proposed amendments to the VAT Directive (1) and to Regulation (EC) No 1798/2003 aiming at shortening the deadlines for the collection and the exchange of information will only produce their full effects if Member States which have not yet done so set up monitoring mechanisms to ensure timely answers to requests; requests the Commission to inform it about the progress made by individual Member States in setting up the monitoring mechanisms and to assess their effectiveness;

9. Calls on the Council to address the discrepancy between the number of requests for information which a Member State claims to have received and the number of requests other Member States claim to have sent to it, and to solve this problem as a matter of urgency;

10. Recommends to the Commission that, within their national reform programmes under the Lisbon strategy, Member States report on the implementation of data requirements towards other Member States; considers it important, where data provision from one Member State to another is subject to systematic delay, that infringement procedures be initiated by the Commission against the Member State that delays the provision of data;

11. Calls on the Commission to facilitate further exchange of best practices and coordination between Member States as regards the organisational arrangements for administrative cooperation;

12. Invites Member States to fully exploit the possibility of delegating competences as regards information exchange to local tax offices in order to speed up and improve the quality of cooperation; notes that a secured electronic information channel between local offices in different Member States was made available by the Commission in 2007;

13. Recognises that administrative cooperation at EU level is an essential tool for combating tax fraud; encourages Member States to exploit fully the possibility of setting up effective administrative cooperation between local tax offices, including by means of electronic communication;

14. Notes that Belgium founded the Eurocanet (European Carousel Network) in order to improve the spontaneous exchange of information; notes that, meanwhile, 24 Member States participate in this exchange of information on companies suspected of being involved in missing trader fraud;

15. Notes that, according to experts, Eurocanet enables tax administrations to detect VAT fraud quicker as it provides for a comprehensive information exchange, uses the Belgian authorities as a central coordinating point and provides for the involvement of operational administrative anti-fraud services;

16. Observes however that the efficiency of Eurocanet is reduced by the fact that three big Member States, Germany, Italy and the UK, do not participate; calls on Germany, Italy and the UK to join Eurocanet;

17. Is worried at the Court of Auditors' detection of serious weaknesses in the VAT Information Exchange System (VIES) due to delays in collecting and capturing data and problems in correcting wrong data; requests Member States and the Commission to remedy these weaknesses as a matter of urgency by the end of 2008;

18. Fails to understand why Member States, despite the Commission’s efforts to facilitate an agreement, still have not agreed on common criteria for the cancellation of VAT numbers, although the possibility for a quick withdrawal of a VAT number is an essential element in stopping and preventing VAT fraud;

19. Regrets that simultaneous, multilateral controls are not sufficiently used by Member States, although the Community provides for their funding and the Court of Auditors reports that good results can be achieved;

20. Regrets, particularly in the light of the abovementioned shortcomings observed by the Court of Auditors with regard to Germany, that Germany did not comply with the Court of Auditors' audit request; supports the Court of Auditors' view that Germany's refusal constitutes a breach of its obligations under the EC Treaty; notes that the Commission has started infringement proceedings before the Court of Justice against Germany; invites the Court of Auditors to carry out the planned audit in Germany in the case of a finding of infringement by the Court of Justice;

21. Notes that the Council’s working party on tax questions discussed the Court of Auditors’ Special Report; invites the Council to adopt formal conclusions regarding the Court of Auditors' findings, as it is done for the other Special Reports during the Commission discharge procedure, before December 2008;

Follow-up to the Court of Auditors’ findings in terms of new Community legislation

22. Welcomes the Commission’s proposals for amendment of the VAT Directive (1) and of the VAT Administrative Cooperation Regulation (2) designed to speed up the collection and exchange of information on intra-Community transactions from 2010 onwards, and urges the Council to adopt the proposed measures quickly;

23. Invites the Commission to submit further proposals aimed at reinforcing Member States' ability to collect non-paid VAT by making traders jointly and severally liable for tax losses in cases where their non-compliance with reporting obligations facilitated the fraud;

24. Invites the Commission to submit further proposals on automated access by all other Member States to certain non-sensitive data held by Member States on their own taxable persons and on the harmonisation of procedures for the registration and de-registration of persons liable for VAT to ensure the swift detection and de-registration of counterfeit taxable persons;

The Commission’s current role and future perspectives

25. Notes that, under Regulation (EC) No 1798/2003, the Commission evaluates the functioning of administrative cooperation and pools Member States’ experience; notes the Commission’s intention to set up a monitoring system with quantifiable indicators in order to assess whether Member States are able and actually do provide efficient assistance to each other; requests the Commission to inform Parliament of the state of play before the start of the forthcoming discharge procedure;

(1) Directive 2006/112/EC.
26. Notes that the Commission has no access to the content of information exchanged under Regulation (EC) No 1798/2003, but that its role is limited to the maintenance and development of the communication network; agrees with the Court of Auditors that this hampers the Commission’s ability to detect the reasons for problems and to put forward solutions;

27. Notes that Member States refuse to grant the Commission (OLAF) access to the content of the data exchanged under Regulation (EC) No 1798/2003 and to data exchanged in the framework of Eurocanet; notes the position of the Commission (OLAF) that, if it was granted access to the data, it would generate significant added value by providing analysis on trends and newly detected fraudulent schemes from a Community perspective;

28. Notes that Europol opened an analytical work file on missing trader intra-Community fraud in April 2008, which aims at identifying the organisers of fraud, uncovering their criminal networks and analysing the most common forms of missing trader intra-Community fraud;

29. Notes the conclusions of the Ecofin Council of 7 October 2008, which agreed to establish a new mechanism to improve cooperation between Member States in order to combat VAT fraud, the so-called ‘Eurofisc’; notes that Eurofisc would build on Eurocanet; further notes that, according to the guidelines adopted by the Ecofin Council, Eurofisc would be a decentralised network for the exchange of information between Member States, would involve all Member States on a voluntary basis and would be organised by agreement of the participating Member States, with the support of the Commission;

30. Agrees that a strong political impetus is needed in order to achieve substantial improvements in cooperation in the fight against VAT fraud: is, however, convinced that the introduction of Eurofisc can only provide added value if participation in it is compulsory for all Member States in order to avoid the problems encountered by Eurocanet and if the Commission fully participates in the activities of Eurofisc and plays a coordinating role;

31. Asks the Council to continue negotiations on the proposal for a regulation on mutual administrative assistance in the fight against fraud affecting the financial interests of the European Community, including VAT fraud, which would provide a detailed framework for multidisciplinary administrative anti-fraud cooperation;

32. Invites the Commission’s responsible services, DG Taxation and Customs Union and the European Anti-Fraud Office (OLAF), to create a task force in order to examine the following questions:

— how can the Commission achieve synergies between the different services working on the fight against VAT fraud in order to avoid duplication of work and competition between different services?

— to what extent should the Commission be granted access to the content of information exchanged between Member States?

— could the Commission become a central coordinating body for administrative cooperation between Member States, and if so how?

— how should the Commission’s activities in fighting VAT fraud relate to the activities of Europol and Eurojust?

Stepping up cooperation between judicial authorities

33. Calls on Member States to remove legal obstacles in national law which hamper cross-border prosecution, in particular in cases where the VAT losses occur in another Member State;
34. Notes that, according to the Commission, Community revenue resulting from the VAT own resource is protected by the Convention on the protection of the European Community’s financial interests of 1995 (1); observes that the Council adopted an explanatory report in 1997 which explicitly excluded VAT from the scope of the Convention; notes that the explanatory report has no legally binding effects; invites the Council to review its interpretation in order to remove legal obstacles hampering the prosecution of cross-border VAT fraud;

* * *

35. Instructs its President to forward this resolution to the Council, the Commission, the Court of Auditors, Europol and Eurojust and the governments and parliaments of the Member States.

(1) OJ C 316, 27.11.1995, p. 49.

The situation of women in the Balkans
P6_TA(2008)0582

European Parliament resolution of 4 December 2008 on the situation of women in the Balkans (2008/2119 (INI))

(2010/C 21 E/04)

The European Parliament,

— having regard to Articles 6 and 49 of the Treaty on European Union,
— having regard to the Charter of Fundamental Rights of the European Union,
— having regard to the Convention on the Elimination of All Forms of Discrimination against Women (CEDAW), adopted by the UN General Assembly on 18 December 1979,
— having regard to the UN Security Council Resolution 1325 (2000) of 31 October 2000 on women, peace, and security,
— having regard to the work of the Vienna Conference on Human Rights (1993), which affirmed human rights and condemned the violation of these rights in the name of culture or tradition,
— having regard to the Brussels Declaration on Preventing and Combating Trafficking in Human Beings adopted on 20 September 2002,
— having regard to the communication from the Commission of 25 October 2007 entitled ‘Towards an EU response to situations of fragility — engaging in difficult environments for sustainable development, stability and peace’ (COM(2007)0643),
— having regard to the communication from the Commission of 5 March 2008 entitled ‘Western Balkans: Enhancing the European perspective’ (COM(2008)0127),
— having regard to the activities and the progress report of the Gender Task Force operational under the Stability Pact for South-Eastern Europe (2004),