

can provide a sound basis for the implementation of the Commission's tax policy strategies in the future, as the

cooperation of national tax authorities is particularly important here.

Brussels, 29 October 1997.

The President
of the Economic and Social Committee
Tom JENKINS

Opinion of the Economic and Social Committee on the 'Proposal for a European Parliament and Council Regulation (EC) amending Council Regulation (EEC) No 3330/91 on the statistics relating to the trading of goods between Member States' ⁽¹⁾

(98/C 19/15)

On 24 October 1997, the Council decided to consult the Economic and Social Committee, under Article 100 A of the Treaty establishing the European Community, on the above-mentioned proposal.

The Section for Economic, Financial and Monetary Questions, which was responsible for the preparatory work, adopted its opinion on 14 October 1997. The Rapporteur working without a study group was Mr Walker.

At its 349th Plenary Session of 29 and 30 October 1997 (meeting of 29 October 1997) the Economic and Social Committee adopted the following opinion by 113 votes to 2 with 8 abstentions.

1. Introduction

1.1. Intrastat is the system which lays down the rules for the collection and compilation of statistics relating to the trading of goods between Member States. It was introduced on 1 January 1993, following the abolition of customs formalities within the European Community, and will end on the date of change-over to an origin-based common system of VAT. The Commission's proposal would reduce the compliance burden on businesses by removing some of the data which they are currently required to provide.

1.1.1. The Intrastat system is based on the principle of direct data collection from intra-Community operators whose total intra-EU purchases or sales exceed a certain annual threshold; at present, the level of this threshold differs from one Member State to another. Those businesses which exceed the threshold applicable in their Member State are obliged to submit a monthly declaration of their despatches and arrivals of goods. This declaration has replaced the copy of the customs declaration which previously served as a statistical medium.

1.1.2. A similar system, Extrastat, exists for the collection and compilation of statistics relating to the trading of goods between Member States and non-EU countries.

1.2. Under the Intrastat system, a Supplementary Declaration (SD) form must be submitted monthly, showing for each transaction various items of information, including:

- a) in the Member State of arrival, the Member State of consignment of the goods;
- b) in the Member State of despatch, the Member State of destination of the goods;
- c) the delivery terms;
- d) the quantity of the goods in net mass and supplementary units;
- e) the value of the goods;
- f) the nature of the transaction;
- g) the presumed mode of transport.

1.3. In addition, Member States are at present allowed to require that the following information be shown on the statistical data medium:

- a) in the Member State of arrival, the country of origin; however, this item may be required only as allowed

⁽¹⁾ OJ C 203, 3. 7. 1997, p. 10.

by Community law; in this context, country of origin means the country where the goods were manufactured or originated as opposed to country of consignment, which means the Member State from which the goods were shipped or, where applicable, the last Member State in which they were transhipped prior to reaching the Member State of arrival;

- b) in the Member State of despatch, the region of origin;
- c) in the Member State of arrival, the region of destination;
- d) in the Member State of despatch, the port or airport of loading;
- e) in the Member State of arrival, the port or airport of unloading;
- f) in the Member State of despatch and in the Member State of arrival, the presumed port or airport of transshipment situated in another Member State, provided that the latter prepares transit statistics;
- g) where appropriate, statistical procedure.

1.3.1. Member States are not permitted to require any information other than that listed above to be shown on the statistical data medium.

1.4. After three years of system application, it has emerged from data analysis, from the results of a survey of providers of statistical information (PSIs) and users, and from the conclusions of a seminar attended by all system participants, that the task of supplying this information is often difficult and restricting and that the statistics produced are sometimes of inadequate quality and limited relevance.

1.5. On 24 February 1996, the ministers responsible for the Internal Market decided to take steps to simplify legislation relating to the Internal Market, under the SLIM initiative, and the Intrastat system was one of the projects chosen.

1.5.1. A team, comprising representatives of up to five Member States and a number of trade representatives reported on 31 October 1996 and recommended a package of changes to the Intrastat system. This report was approved by the Council on 26 November 1996.

2. The Commission's proposals

2.1. The details of delivery terms would no longer be required to be shown on the SD but Member States would have the option to prescribe that this information should continue to be provided until 31 December 1999.

2.2. The presumed mode of transport would be removed from the SD but this would not take effect until 1 January 2000.

2.2.1. This delay is necessary to allow some Member States to adapt their national statistical systems to EU standards. The date of 1 January 2000 coincides with the expiry of the derogations in this respect currently granted to those Member States.

2.2.2. Nevertheless, in those Member States which already apply Directives 78/546/EEC, 80/1117/EEC, 80/1119/EEC and 95/64/EC in full, or can provide the data by other means, the Commission may authorise removal of this information from the statistical data medium at an earlier date.

2.3. With immediate effect, Member States would no longer be permitted to prescribe the provision of any additional information except, in the Member State of arrival, the country of origin and (until 31 December 1999) the delivery terms.

2.3.1. The Commission considers that the right to require optional data should be abolished in order to reduce the burden on PSIs and to ensure equality of treatment of PSIs across the EU, except for the reporting of the country of origin, which is deemed to be of particular benefit to numerous users and should therefore be retained.

2.4. The power to fix transmission deadlines for the submission of the statistical data medium by PSIs would be removed from the Commission and vested in the national administrations of Member States.

2.5. In the interests of transparency, the Commission would undertake to publish in the Official Journal of the European Communities, C series, details of what data was required by each Member State.

3. General Comments

3.1. In its Opinion⁽¹⁾ on the Report of the Commission on the SLIM Pilot Project, the ESC stated that, 'The Committee shares the opinion of the EC that over-complicated regulation carries a high economic cost, endangering the competitiveness of industry and its employment-creating potential. All regulation — whether at Community or national level — must be fully justified and proportional to its objectives. This applies both to new legislative initiatives and to existing legislation.'

3.2. The ESC therefore approves the present proposals of the Commission as giving effect to the

⁽¹⁾ OJ C 206, 7. 7. 1997.

objectives of the SLIM initiative to produce simpler, more transparent and more effective legislation and as being in line with the recommendations of the Intrastat team which participated in the pilot project.

3.2.1. The reduction in the amount of information required would bring a welcome element of simplification to the Intrastat SD form; the publication of details of the data requirements of each Member State in the Official Journal, C series, would enhance the transparency of the process; and the effectiveness of the legislation should be increased because a reduction in the compliance burden is likely to lead to higher levels of compliance.

3.3. However, the Committee feels that there is scope for doing more in this area. In its Opinion on the Report of the Commission on the SLIM Pilot Project it stated that, 'The lack of consistency between national and Community level legislation also causes problems for business and for the public.'

3.4. In this context, the ESC considers that it would be a further improvement if the SD form were absolutely standard across the whole of the European Union, in order to assist businesses with branches or subsidiaries

in more than one Member State and to improve the uniformity of the data collected. At present, there are variations between Member States, such as the way in which the state code is entered, and this increases the compliance burden on businesses. Standardisation should be by way of reducing the form to the simplest one currently in use, not by creating a form equivalent to the most complex extant example.

3.5. The ESC notes with approval that Member States would no longer be permitted to require the inclusion of a large measure of additional information on the SD form. However, it would point out that there is nothing to prevent Member States from requiring such information to be provided on other forms of national origin and hopes that Member States will not frustrate the working of the SLIM initiative by demanding this information in other ways.

4. Conclusions

4.1. The ESC endorses the Commission's proposals but would like to see their beneficial impact on businesses enhanced by standardisation of the SD form across the European Union on the pattern of the least complex of the existing forms.

Brussels, 29 October 1997.

The President
of the Economic and Social Committee
Tom JENKINS
