

Proposal for a regulation of the European Parliament and of the Council on the production of annual Community statistics on steel for the reference years 2003-2009

(2003/C 45 E/17)

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(Submitted by the Commission on 25 October 2002)

EXPLANATORY MEMORANDUM

1. Background

The present Community system for steel statistics rests on the European Coal and Steel Community (ECSC) Treaty which expired on 23 July 2002. There are some 300 enterprises in the European steel industry, producing a fifth of world steel output. Almost all of them are large enterprises, with a strong interest in using statistics. 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 was quarterly, and there were a dozen annual ones. The number was reduced in 2000.

In a companion regulation, the Commission is proposing to extend the life of the ECSC steel statistics system until the end of 2002. This proposal deals with Community steel statistics from 2003 onwards. Eurostat has carried out user needs studies, and these showed the areas where statistical information was required 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. However the needs for Community policy making will be much less after the end of the ECSC Treaty. For this reason, this proposal implies a very large reduction in official Community steel statistics compared with the ECSC statistical system.

One option would have been to make no proposal, but to rely on existing Community legislation. In fact, this is largely the case. Statistics on production and sales of steel products, which constituted a large part of the ECSC statistical system, will be absorbed into the existing Community system of production statistics, Procom. A modernised list of steel products has recently been approved, and collection will start in 2003. The monthly series on employment in steelworks will be discontinued, but annual data for employment in the steel industry will continue to be available from Structural Business Statistics.

Four of the existing annual ECSC questionnaires produce information which are important for developing and monitoring Community policy, but which are not collected under existing Community legislation. The present proposal is for a regulation covering the period 2003 to 2009 to allow for a core set of the information in these questionnaires to continue to be collected in all EU States where there is a significant steel industry. The proposed regulation is for a fixed period, with a provision for an intermediate report after four years to evaluate the results and propose possible future actions.

2. Content of the regulation

The proposed regulation covers data previously collected in four ECSC questionnaires (2-50, 2-58, 2-60 and 2-61). After discussion with users, the list of variables from these questionnaires has been reduced. This list is the annex of Regulation. It covers: iron and steel scrap balance sheets; energy balance sheets; investment by type of plant; and steel making capacity.

The steel scrap balance data covers the demand and supply of iron and steel scrap. This is nowadays an important raw material for steel making, and for which a free and open market is needed internationally. The Commission may need this information if third countries restrict exports of scrap to help their domestic industries.

The energy balance sheet yields not only information on energy use and production within the steel industry but indirectly also on emission of pollutants. For example, blast furnaces use coke, limestone, and iron ore to make steel, and produce carbon dioxide as a waste product. The energy balance sheet data enables the quantity of these CO₂ emissions to be calculated.

The investment expenditure and capacity data are used to assess possible future under- or over- capacity for particular classes of steel products. This information is useful not only to the industry but also for international trade negotiations. It also feeds into a network of world steel capacity monitoring organised under the auspices of the OECD.

The adoption of this regulation would allow the compilation of important Community steel statistics series to be continued.

The draft regulation was discussed at the meeting of the Statistical Programme Committee held on 19th and 20th September 2001. A large majority of Member States were in favour of this Regulation.

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 Commission,

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

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

Whereas:

- (1) The statistics on the steel industry were based on the ECSC Treaty which will come to an end on 23 July 2002. A new Regulation is therefore needed on the collection of Community statistics on the steel industry pursuant to the EC Treaty.
- (2) It is necessary to continue collecting statistics on the steel industry in order to implement future Community policies on the steel industry. No other existing statistical system at a European level is able to satisfy the need for such statistics.
- (3) A transitional phase running from 2003 to 2009 is needed to determine whether steel statistics can be integrated into other statistical systems.

(4) Enterprises in the steel industry need worldwide information on investment and capacity in order to assess possible future undercapacity or overcapacity for particular classes of steel products. Community statistics on investment and capacity contribute to a global network of information on world steel capacity, organised under the auspices of the OECD.

(5) Statistics on energy consumption in the steel industry yield information not only on energy use and production within the steel industry but indirectly also on emission of pollutants.

(6) Statistics on the availability of stocks of iron and steel scrap are needed to monitor the use of this important raw material for steel making, for which a free and open market is needed internationally.

(7) The measures necessary for the implementation of this Regulation should be adopted in accordance with Council Decision 1999/468/EC of 28 June 1999 laying down the procedures for the exercise of implementing powers conferred on the Commission ⁽¹⁾,

HAVE ADOPTED THIS REGULATION:

Article 1

Subject-matter

This Regulation establishes a common framework for the systematic production of Community statistics on steel for the reference years 2003-2009.

⁽¹⁾ OJ L 184, 17.7.1999, p. 23.

*Article 2***Definitions**

For the purpose of this Regulation, the terms 'Community statistics' and 'production of statistics' shall bear the meanings given to them by Council Regulation (EC) 322/97 ⁽¹⁾.

*Article 3***Scope**

Member States shall submit to the Statistical Office of the European Communities ('Eurostat') data on the steel industry, defined as group 27.1 of the general industrial classification of economic activities in the European Community, ('NACE Rev. 1') established by Council Regulation (EEC) 3037/90 ⁽²⁾.

Where the value-added at factor cost of the enterprises in a Member State's steel industry represents less than 1 % of the Community total, the data on the characteristics need not be collected.

*Article 4***Characteristics**

The data supplied, which shall conform to the format set out in the Annex, shall relate to kind-of-activity unit characteristics and to enterprises having 50 or more employees.

*Article 5***Time reference and periodicity**

Member States shall compile the data specified in this Regulation for the first time for the year 2003 and for each year thereafter until 2009.

*Article 6***Transmission of data**

The competent national authorities shall send to Eurostat data and metadata, supplied in accordance with this Regulation, in electronic form.

Transmission shall conform to an appropriate interchange standard approved in accordance with the procedure referred to in Article 8(2). Eurostat shall make available detailed documentation in relation to approved standards and shall supply guidelines on how to implement these standards according to the requirements of this Regulation.

*Article 7***Implementing measures**

The following measures for the implementation of this Regulation shall be laid down in accordance with the procedure referred to in Article 8(2):

- (a) additions or modifications to the list of characteristics, or deletions from it;
- (b) transmission formats.

*Article 8***Procedure**

1. The Commission shall be assisted by the Statistical Programme Committee, instituted by Decision 89/382/EEC/Euratom ⁽³⁾.

2. Where reference is made to this paragraph, Articles 5 and 7 of Decision 1999/468/EC shall apply, having regard to the provisions of Article 8 thereof.

The period referred to in Article 5(6) of Decision 1999/468/EC shall be three months.

3. The Committee shall adopt its rules of procedure.

*Article 9***Reports**

Within five years of the entry into force of this Regulation, the Commission shall submit a report to the European Parliament and the Council on its implementation.

In particular, the report shall:

- (a) assess the benefits accruing to the Community, the Member States and the providers and users of statistical information of the statistics produced in relation to their costs;
- (b) assess the quality of the statistics produced;
- (c) verify synergy with other Community activities;
- (d) propose any changes considered necessary to improve the operation of this Regulation.

*Article 10***Entry into force**

This Regulation shall enter into force on the 20th day following that of its publication in the *Official Journal of the European Communities*.

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

⁽¹⁾ OJ L 52, 22.2.1997, p. 1.

⁽²⁾ OJ L 293, 24.10.1990, p. 1.

⁽³⁾ OJ L 181, 28.6.1989, p. 47.

ANNEX

LIST OF CHARACTERISTICS TO BE TRANSMITTED TO EUROSTAT IN ACCORDANCE WITH ARTICLE 4

1. Yearly statistics on the steel and cast iron scrap balance sheet

Unit: metric tonnes

Code	Title
	STEEL AND CAST IRON SCRAP BALANCE SHEET
1010	Stocks on first day of year
1020	Arising within the works
1030	Receipts (1031 + 1032 + 1033)
1031	— from home sources
1032	— from Community countries
1033	— from third countries
1040	Total available (1010 + 1020 + 1030)
1050	Consumption total
1051	— of which electric furnaces
1052	— of which stainless scrap
1060	Deliveries
1070	Stocks on last day of year (1040 - 1050 - 1060)

2. Fuel and Energy Consumption and Balance Sheet for Electrical Energy in the Steel Industry

Part A: Fuel and Energy Consumption broken down by type of plant (*)

Unit: metric tonnes or Giga Joules (GJ)

Code	Title	Comment
	FUEL AND ENERGY CONSUMPTION	
2010	Solid fuels (2011 + 2012)	metric tonnes
2011	— Coke	metric tonnes
2012	— Other solid fuels	metric tonnes
2020	Liquid fuels	metric tonnes
2030	Gas (2031 + 2032 + 2033 + 2034)	GJ
2031	— Blast furnace gas	GJ
2032	— Coke oven gas	GJ
2033	— Converter gas	GJ
2034	— Other gas	GJ
2040	External deliveries of blast furnaces gas	GJ
2050	External deliveries of converter gas	GJ

(*) Plant for load preparation — Blast furnaces and electric iron making furnaces — Melting shops — Rolling mill departments — Electricity generating stations — Other plant.

Part B: Balance Sheet for Electrical Energy in the Steel Industry

Unit: MWh

Code	Title
	BALANCE SHEET FOR ELECTRICAL ENERGY IN THE STEEL INDUSTRY
3100	Resources (3101 + 3102)
3101	— Gross production
3102	— Receipts from outside
3200	Used (3210 + 3220 + 3230)
3210	Consumption by plant (3211 + 3212 + 3213 + 3214 + 3215 + 3216 + 3217)
3211	— Sinter plant and plant for preparation of burden
3212	— Blast furnaces and electric iron making furnaces
3213	— Electric melting shops and continuous casting
3214	— Other melting shops and continuous casting
3215	— Rolling mill departments
3216	— Electricity generating stations
3217	— Other plant
3220	Deliveries to outside
3230	Losses

3. Enquiry on Investments in the Iron and Steel Industry (Expenditure and Capacity)

Part A: Expenditure

Unit: Millions of Euro

Code	Title
	INVESTMENT EXPENDITURE IN THE IRON AND STEEL INDUSTRY
4010	Coking plant
4020	Plant for load preparation
4030	Plant for ironmaking and ferro-alloys (including blast furnaces)
4040	Steelworks melting shops
4041	— of which electric
4050	Continuous casting
4060	Rolling mills (4061 + 4062 + 4063 + 4064)
4061	— Flat products
4062	— Long products
4063	— Cold wide strip mills
4064	— Coating installations
4070	Other plant
4100	General total (4010 + 4020 + 4030 + 4040 + 4050 + 4060 + 4070)
4200	Of which to combat pollution

Part B: Capacity

Unit: 1 000 tonnes per year

Code	Title
	MAXIMUM POSSIBLE PRODUCTION IN THE IRON AND STEEL INDUSTRY (CAPACITY)
5010	Coke
5020	Load preparation
5030	Pig iron and ferro-alloys
5040	Crude steel (5041 + 5042)
5041	— of which electric
5042	— of which used in continuous casting
5050	Products obtained directly by hot rolling (5051 + 5052)
5051	— Flat products
5052	— Long products
5060	Products obtained from hot rolling products (excluding coated products)
5061	— of which products obtained by cold rolling
5070	Coated products