Statistics relating to the trading of goods between Member States (Intrastat); Commission implementing powers

2008/0026(COD) - 07/02/2008 - Legislative proposal

PURPOSE: to reduce the administrative burden on enterprises by simplifying provisions relating to statistics on the trading of goods between the Member States.

LEGISLATIVE ACT: Regulation of the European Parliament and of the Council.

BACKGROUND: this proposal is being presented within the context of the Commission's drive to cut unnecessary red tape. Simplifying existing EU legislation, and thereby reducing the burden on business, is one of the Commission's key priorities.

Intra-Community trade statistics record physical flows of movable goods between Member States. Data is collected on a monthly basis from companies by the national statistical authorities. The statistics compiled on the basis of this data contains record on incoming flows (arrivals) and outgoing flows (dispatches), expressed in value and quantity broken down by reporting and partner Member State , as well as by commodity. The Commission was asked, by the Ecofin Council, to examine ways in which to reduce the statistical burden on enterprises and to analyse the feasibility of a "single-flow" method (in Intrastat) and alternative methods, which would deliver the same results.

CONTENT: based on the above, the Commission is proposing this Regulation, the purpose of which is to reduce the administrative burden on enterprises by simplifying provisions relating to statistics on the trading of goods between the Member States. It intends to realise this objective by:

- reducing the number of enterprises obliged to report their intra-Community trade statistics (Intrastat), thus reducing the statistical reporting burden;
- tightening the quality requirements for the compilation of intra-Community trade statistics in order to compensate for the loss in data accuracy for trade that is not declared by enterprises but estimated by national authorities;
- responding to user needs through the compilation of intra-Community trade statistics broken down by business characteristics; and
- adjusting, in accordance with the joint European Parliament, Council and Commission states, Regulation (EC) No 638/2004 laying down the procedures for the exercise of implementing powers conferred on the Commission. This Regulation introduced a regulatory procedure with scrutiny for measures of general scope designed to amend non-essential elements of a basic instrument adopted, including the deleting of some elements by supplementing the instrument by the addition of new non-essential elements.

Adoption of these provisions should lead to a significant reduction in the statistical reporting burden on enterprises, whilst at the same time ensuring the quality of statistical data. The proposed measures should reduce the trade coverage for arrivals to 95% and keep the current trade coverage for dispatches at 97%. This solution is consistent with a future single-flow option based on the collection of dispatch data and benefit SMEs in particular.

In other measures, the proposal allows for additional user requests, as regards trade by business. Member States will be able to provide annual trade data broken down by business characteristics that show, for

example, how European companies operate within the global context. The link between business and trade statistics will be established by matching information available in the intra-Community trade register with information from the Member States' business registers. Currently, most Member States compile these statistics on a voluntary basis. This proposal seeks to make the compilation of this data mandatory.

On a final point, although lowering the coverage rate for companies reporting to Intrastat, will have no budgetary implications, applying tighter quality requirements will do. The budgetary implication concern investing in research and in validation and adjustment tools within the national administration. The budget for the MEETS programme will cover these implementation costs.