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REPORT

drawn up on behalf of the Committee on Economic
and Monetary Affairs

on the proposals from the Commission of the European
Communities to the Council for

I. a regulation laying down certain measures for
the standardization and simplification of
statistics of trade between Member States
(Doc. 1-1181/82 - COM(82) 859 final)

II. a regulation introducing a specimen declaration
form to be used in intra-Community trade
(Doc. 1-1190/82 - COM(82) 860 final/2)

Rapporteur: Mr K. NYBORG

By letter of 20 January 1983 the Council requested the European Parliament to deliver an opinion on the Commission's proposal for a Council regulation (EEC) laying down certain measures for the standardization and simplification of statistics of trade between Member States (Doc. 1-1181/82).

By letter of 24 January 1983 the Council requested the European Parliament to deliver an opinion on the Commission's proposal for a Council regulation (EEC) introducing a specimen declaration form to be used in intra-Community trade (Doc. 1-1190/82).

The European Parliament referred both proposals to the Committee on Economic and Monetary Affairs as the committee responsible and to the Committee on Transport for its opinion.

At its meeting of 25 January 1983 the Committee on Economic and Monetary Affairs appointed Mr Kai NYBORG rapporteur.

It considered the Commission's two proposals at its meeting of 23 and 24 February 1983 and the rapporteur proposed that he should deal with both of them in the same report in view of their interconnection. The committee adopted the amendments to the Commission's proposals, approved the proposals as amended and adopted the motion for a resolution, in each case unanimously, at its meeting of 20 April 1983.

The following took part in the vote: Mr MOREAU, chairman; Mr MACARIO and Mr DELEAU, vice-chairmen; Mr NYBORG, rapporteur; Mr BALFOUR (deputizing for Mr de FERRANTI), Mr BEAZLEY, Mr BEUMER (deputizing for Mr COLLOMB), Mr von BISMARCK, Mr BONACCINI, Mr CABORN, Mr CAROSSINO (deputizing for Mrs HOFFMANN), Mrs DESOUCHES, Mr FRANZ, Mr DE GUCHT, Mr HEINEMANN (deputizing for Mr WALTER), Mr HERMAN, Mr KEY (deputizing for Mr RUFFOLO), Mr LEONARDI, Mr MIHR, Mr NORDMANN, Mr PAPANTONIOU, Mr PATTERSON (deputizing for Sir Brandon RHYS WILLIAMS), Mr ROGALLA (deputizing for Mr SCHWARTZENBERG), Mr ROGERS, Mr SCHINZEL, Mr SCHNITKER, Mr VAN ROMPUY, Mr WAGNER and Mr von WOGAU.

The final version of the report was tabled on 21 April 1983.

The opinion of the Committee on Transport is attached.

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The Committee on Economic and Monetary Affairs hereby submits to the European Parliament the following amendments and motion for a resolution, together with explanatory statement:

Amendments proposed by the Committee
on Economic and Monetary Affairs

Text proposed by the Commission

Proposal from the Commission of the European Communities to the Council for a regulation introducing a specimen declaration form to be used in intra-Community trade.

Preamble and recitals unchanged

Article 1

1. The declarations referred to in Article 4(1) of Regulation (EEC) No ... must be entered on a set of COM forms corresponding to the specimen shown in Annex I.

These COM forms may, where appropriate, either be supplemented by one or more COM/c forms, also made up in sets, and corresponding to the specimens shown in Annex II and Annex III or the additional information about the goods may be given in some other way authorized in advance.

2. Provisions concerning the quality of paper, the format of the declaration forms, the number of copies and their colour shall be laid down by the committee set up pursuant to Article 12 of Council regulation (EEC) No ... in accordance with the procedure specified in Article 14 of the same regulation.

Article 1

1. The declarations referred to in Article 4(1) of Regulation (EEC) No ... must be entered on a set of COM forms corresponding to the specimen shown in Annex I.

These COM forms may, where appropriate, be supplemented by one or more COM/c forms, also made up in sets, and corresponding to the specimens shown in Annex II and Annex III.

2. The forms referred to in paragraph 1 shall be printed on paper dressed for writing purposes and weighing at least 40 g/m². The paper shall be white for copies for 1 to 3 inclusive, green for copy 4 and yellow for copies 5 to 7 inclusive.

Amendments proposed by the Committee
on Economic and Monetary Affairs

3. Deleted

4. Deleted

Text proposed by the Commission

3. The size of the COM form and the COM/c form shown in Annex II shall be 210 x 297 mm. The size of the COM/c form shown in Annex III shall be 297 x 420 mm.

4. The COM and COM/c forms shall show the name and address of the printer or a mark enabling the printer to be identified.

Article 2 unchanged

MOTION FOR A RESOLUTION

closing the procedure for consultation of the European Parliament on the proposals from the Commission of the European Communities to the Council for

- I. a regulation laying down certain measures for the standardization and simplification of statistics of trade between Member States
- II. a regulation introducing a specimen declaration form to be used in intra-Community trade

The European Parliament,

- having regard to the proposals from the Commission of the European Communities to the Council¹,
 - having been consulted by the Council (Docs. 1-1181/82 and 1-1190/82),
 - having regard to the report of the Committee on Economic and Monetary Affairs and the opinion of the Committee on Transport (Doc. 1-226/83),
 - having regard to the results of the vote on the Commission's proposals,
- A. having regard to its resolution of 13 January 1983 on the Commission's proposal for a Council regulation simplifying customs formalities in trade within the Community,
 - B. having regard to its own and the Commission's joint endeavours to strengthen the internal market and the desire to ensure that intra-Community trade is subject to simpler procedures than those governing trade with non-member countries,

¹ OJ No. C 21, 26 January 1983, p.4

OJ No. C 71, 16 March 1983, p.1

1. Approves of the objective of the Commission's proposals and is sure that, once businesses have got used to using the new document, they will find their paperwork considerably simplified; emphasizes, nonetheless, that the document, when finalized, will have to be used for many years, so the Commission must allow itself sufficient time, in cooperation with the committees on trade regulations, professional organizations and the national authorities, to resolve any outstanding technical problems and produce as simple and intelligible a document as possible;

Since, however, this should not prevent the decision as to the principle being taken now, calls on the Council to approve the Commission's proposal by the end of June 1983 and to leave it to the proposed 'Committee on the free movement of goods within the Community', on which the Member States are to be represented, to decide on the technical details;

2. Stresses that the desire of the undertakings and the Member States to have detailed trade and transport statistics has meant that the various dispatch forms include numerous details which are not necessary, for instance, for tax purposes; as long as there is no effort to curb this desire, and business circles also seem unwilling to do so, then the relevant information will have to go on being collected, which means that the forms will remain complicated;

3. Emphasizes that the intention is not that the form should be filled in all at once; the exporter need only declare the information required for exporting the goods; the other data concerning transport, Community transit and import can be filled in later; on the other hand, the form allows the exporter, if he wishes, to fill in all or some of those spaces which would otherwise have to be filled in by the importer, and thus reduce the total administrative costs connected with the export, transport and import of his goods;

4. Insists that this new document should eventually replace all other documents currently used in connection with normal trade between Member States, namely, export declarations, T2 forms, border declarations and import declarations;

5. Believes that the proposal for the standardization and simplification of trade statistics would appear to be an essential precondition for the

reasonable use of the proposed form, and that it should also be possible to simplify transport statistics;

6. Points out that the possibility of applying simplified procedures for exporters and importers and forwarding agents is not curtailed by the introduction of the new form, but depends, as heretofore, on the approval of the responsible national authorities; all the same, asks the Commission to take steps to ensure that greater use is made of simplified procedures in those Member States where these improvements - made possible by Community legislation - are applied only to a limited extent or not at all;

7. Reiterates its earlier requests to the Council to abolish the guarantee requirement applicable to most businesses in connection with the 'internal Community transit' procedure and to integrate the calculation and payment of the import VAT into the general VAT accounts; this would make it possible to simplify the proposed form still further;

8. Emphasizes once again that its long-term objective is to free trade between Member States from all formalities relating to the crossing of the Community's internal borders; the proposed form can therefore be no more than an interim solution and attention is drawn to the fact that the method of collecting national statistical data and the lack of harmonization in important sectors constitute major obstacles to the simplification of the dispatch documents; a procedural reform in this field is therefore urgently required and should be based on the principles that less exacting demands should be made as regards the amount of statistical data to be collected in the case of intra-Community trade than in that of trade between the Community and third countries, and that in the long run the collection of the reference data can no longer be automatically carried out in connection with the movement of goods from one Member State to another.

9. Instructs its President to forward to the Council and Commission, as Parliament's opinion, the Commission's proposal as voted by Parliament and the corresponding resolution.

EXPLANATORY STATEMENT

1. The Commission's proposals must be seen as part of the overall strategy to strengthen the Community's internal market. At its January 1983 part-session the European Parliament adopted a position on three specific Commission proposals in this context (cf. the two reports drawn up on behalf of the Committee on Economic and Monetary Affairs by, respectively, Mr von WOGAU and Mr ROGALLA). In the vote on the Commission's proposal for a Council Regulation simplifying customs formalities in trade within the Community, Parliament adopted an amendment to the effect that it must be consulted on the specimen declaration form to be used in intra-Community trade; this is what has now happened.

Attention should also be drawn to the resolution adopted at the European Council meeting of December 1982, in which the Council of Ministers is instructed to implement a special work programme with a view to speeding up progress in the internal market.

2. The Committee on Economic and Monetary Affairs has therefore done its best to deliver an opinion on the Commission's proposals within very tight deadlines.

By the nature of the subject, the proposals are highly technical, but that does not mean that their political or economic importance should be underestimated; it should be observed once again that the cost of delays and administrative formalities connected with the movement of goods across the Community's internal borders amounts to 12,000 m ECU, an amount of much the same magnitude as Community expenditure on the agricultural policy.

It should also be observed that during the preparatory stage the industrial and trade organizations expressed misgivings at the idea that a single document should replace the documents which are used at present for, respectively, export, transport and import declarations; the undertakings feared that this 'single administrative document' could become more complicated than the existing ones.

3. In order to judge how far their fears were justified, your rapporteur has had talks with selected import-export firms, professional organizations, committees on trade regulations, forwarding agents, wholesalers, customs and tax authorities and EUROSTAT.

His general impression from these talks is that there is growing support for and understanding of the Commission's proposals, and that the introduction of this new administrative document after an interim period will simplify matters; however it is both necessary and possible to simplify still further the textual presentation of the form and its annexes.

4. The reservations expressed concern in particular two aspects. Firstly, it is feared that the simplified procedures adopted in certain Member States will now lapse; such procedures can allow larger undertakings to declare the statistical reference data once a month on tape or 'authorized' consignors and consignees to adopt specific simplified practices.

Secondly, some exporters are concerned only with formalities relating to export; those relating to transport and import are carried out by others. If a form is now introduced covering all these stages, it is understandable that the exporter may have the impression that his paperwork will be increased. However, the exporter need only fill in that part of the form relating directly to export, and any simplified procedures connected with this can be retained. On the other hand, it must be stressed that the exporter's paperwork is only part of the 'paperwork' involved overall, and that all of the administrative cost is ultimately added to the price of the product; from an overall standpoint, therefore, it is in the exporter's interests that the total costs should be reduced, even if it may appear at first glance that his own workload is increased.

5. The Commission's representatives have given satisfactory answers to a number of key questions, e.g. concerning groupage services and have shown a marked willingness to thrash out an appropriate solution to the various practical problems. The Committee on Economic and Monetary Affairs is fully confident that the Commission, in cooperation with representatives of the Member States, among others, will be able to work out a document and a procedure which are as simple and easy to understand as is possible in present circumstances, although in this as in many other fields, it will hardly be possible to achieve a solution that fully satisfies the wishes of all interested parties.

6. The Committee on Economic and Monetary Affairs will therefore refrain from giving an opinion on a number of purely technical points such as, for instance, what code letters should be used in the various boxes, whether it is necessary to declare the payment date and the value of the goods 'at frontier', whether

both the 'gross' and the 'net' weights should be given, whether the form need necessarily be signed by the consignor, etc., although it is the committee's view that the request for such information reflects an excessive statistical perfectionism; the committee wishes, however, to add a few comments on some fundamental aspects.

Statistics

7. The Commission's proposal implies that intra-Community trade can be divided into 8,500 headings used in the NIMEXE nomenclature. Until now the Member States have been able to subdivide these headings into further subheadings according to their special needs. Denmark, for instance, uses about 400 subheadings in all, whereas larger Member States like France and Germany use 4-5,000 subheadings; France uses 400-500 subheadings for such groups of products as cheese and wine alone.

These different national subheadings will, of course, complicate the filling-in of the new declaration form; this is why the Commission has simultaneously submitted a proposal for simplifying and standardizing trade statistics.

The difficulties in reaching agreement about such standardization of the statistical reference data (without this necessarily implying standardization of the national statistics) may delay agreement concerning the declaration form itself; the Committee on Economic and Monetary Affairs would prefer a common classification to be agreed upon at the time that the new form is compiled, since it will otherwise be necessary to declare both the exporting and the importing countries' statistical code numbers. The committee therefore calls on the Commission's services to engage in talks with the various Member States to decide which of the national subheadings should be included in the common classification, although 400-500 for wine would appear excessive. The committee feels, however, that the administrative problems created by a limited reduction in the number of headings should not be overestimated.

8. As regards transport statistics, the committee is aware that it is naturally tempting to use the declaration form as a means of collecting reference data; however, only a proportion of traffic can be registered in this way (excluding, for instance, port operation, tramp trade, transit traffic, storage and empty running). Far from attempting to cover these forms of transport data, the committee proposes that the transport data elicited by means of the declaration form should be simplified; the central problem with regard to transport data is that the need for them has never been clearly defined.

9. As stated in the motion for a resolution, the Committee on Economic and Monetary Affairs is of the opinion that the national statistical services must gradually come to realize that in the long run the collecting of the statistical data can no longer be carried out automatically in connection with the movement of goods from one Member State to another.

Comments on the individual articles

Article 1(1)

10. The committee's amendments to paragraph 1 and paragraphs 2 to 4 must be taken as a whole and seen as an attempt to determine which provisions are to be laid down in a regulation and which may be established by administrative procedures.

The committee considers it preferable for a number of purely technical provisions to be established by administrative measures and points out that Parliament has already adopted an amendment whereby the Council is to consult Parliament in cases where the committee of Member States' representatives is unable to reach agreement.

11. The committee had originally intended to stipulate in paragraph 1 that the set of forms must not consist of more than six copies, firstly because the last copies are difficult to read and secondly because this is the maximum number that a data-processing machine can write at one go. Furthermore, the committee considers it possible to reduce the number of copies; it should not be necessary for both the Member State of consignment and the Member State of destination each to have two copies, one for customs and one for statistical use; if a Member State requires more than one, this can be obtained by photocopying; in addition, a 'copy for return' is proposed for control purposes.

The committee has not submitted amendments concerning the number of copies, however, since the Commission has pointed out that the committee of representatives should be able to find the most flexible means of resolving this issue, and that in certain cases it will be possible for the number of copies to be reduced. The committee wishes to emphasize, however, that it thus regards the Commission as under an obligation to ensure that the maximum number of copies required is laid down as six.

12. As regards the supplementary COM/c forms, a number of technical objections arise; for example, only three tariff headings can be given in the case of foodstuffs; the A3 format is inappropriate for electronic processing and, lastly, certain firms have suggested that it should be possible for this supplementary information to be given in another way rather than being bound by a formula laid down in advance. The Committee on Economic and Monetary Affairs agrees that it should be possible to give the information in another way than by filling in the different COM/c forms, for example by direct computer transcription, as long as this method is approved in advance by either the Commission or one of the authorities directly concerned.

The Commission has proposed that this matter too should be dealt with by the committee of representatives; the Committee on Economic and Monetary Affairs understands the reasoning behind this but still wishes to ensure that the possibility is allowed for in the text of the regulation. The committee of representatives can then, if necessary, lay down more precise criteria for when an alternative method may be used. The advantage of retaining this provision in the regulation is that those Member States which plan to establish flexible procedures will not be impeded in doing so by other Member States.

13. The Committee on Economic and Monetary Affairs also considered allowing the committee of representatives to formulate the explanatory note in Annex IV; it decided against doing so, however, since the Commission rightly pointed out that these instructions must specify, *inter alia*, whether completion of the various sections is voluntary or compulsory.

OPINION OF THE COMMITTEE ON TRANSPORT

Letter from the chairman of the committee
to
Mr MOREAU, chairman of the Committee on Economic and Monetary Affairs

Dear Mr Chairman,

At its meeting of 26 April 1983, the Committee on Transport considered the Commission proposals referred to above.

The intention of both draft regulations is to strengthen the internal Community market by simplifying the formalities involved in intra-Community trade.

As you are aware, the European Parliament Committee on Transport attaches great importance to these issues and has frequently called in the past for measures to facilitate the movement of transfrontier transport within the Community.

In 1979, a detailed own-initiative report¹ was drawn up by Mr SCHYNS on this subject; it proposed a number of practical measures to eliminate the difficulties for transfrontier transport at internal Community borders.

¹ Doc. 678/78

At the end of last year, the Committee on Transport delivered a detailed opinion drawn up by Mr MORELAND to your committee on Commission proposals to simplify the formalities and checks in respect of goods traffic between Member States, and to introduce a common export declaration and dispatch procedure.

In its opinion, the Committee on Transport stressed that, far from improving, traffic flow at internal Community borders had, unfortunately, deteriorated. The committee also pointed out that no plausible explanation could be given to Community citizens for the all too frequent, long periods of waiting at border crossings. For this reason, the opinion - which was incorporated in the report on this subject by Mr von WOGAU¹ - also included further recommendations to accelerate the control procedure and simplify the necessary documents.

The Committee on Transport welcomes the two new Commission proposals as further steps towards eliminating obstacles to transfrontier road haulage within the Community and would ask you to regard this letter as its opinion on the draft regulations concerned².

Yours faithfully,

Horst SEEFELD
Committee Chairman

¹ Doc. 1-960/82, OJ C 42 of 14 February 1983, p.67;

² The following took part in the vote: Mr Seefeld, chairman; Mr Kaloyannis (vice-chairman); Mr Buttafuoco, Mr Cardia, Mr Gauthier (deputizing for Mrs Scaroni), Mr Hoffmann, Mr Key, Mr Klinkenborg, Mr Moorhouse and Mr Vandewiele