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STATISTICAL IMPLICATIONS OF THE SINGLE MARKET OF THE EEC

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STATISTICS RELATING TO THE TRADING OF GOODS BETWEEN MEMBER STATESTHE SITUATION AFTER 1992

- The Commission's proposal for a Council Regulation -

1. The elimination of physical barriers called for in the White Paper and confirmed by the Single European Act will mean that the formalities, documents and checks currently existing for intra-Community trade in goods and forming the basis of the statistical data collection procedure for intra-Community trade statistics - will disappear. Assuming that we are not to dispense altogether with intra-Community trade statistics after 1992, we need to rethink the way these statistics have to be drawn up.

2. The SOEC started by considering whether - and if so, to what extent - there would still be a need for such statistics after 1992. Answers received from statistics users indicated that neither the Member States nor the Community as such can immediately afford to do without detailed figures entirely once the Internal Market becomes a reality. Private business and business associations are particularly dependent on detailed statistics for market observation and analysis. The national civil services too need intra-Community trade figures as a policy-making instrument in a variety of fields (e.g. economic and monetary policy) and for keeping a general eye on economic developments. Nor can the Commission do without such data if it is to monitor the competition situation. Indeed, the Commission is required under the EEC Treaty to scrutinize national aids to see whether they have any adverse effect on trade between Member States.

3. For these and a wide variety of other reasons, intra-Community trade figures will still be needed after 1992, which means that there will have to be a substitute system capable of supplying information which is as exhaustive, reliable and up-to-date as possible. In drawing up a new concept for intra-Community trade statistics, the SOEC adopted the following guidelines :

- No extra burden on parties responsible for providing the information in the form of new data; all possible means of simplification should be utilized;
- As far as possible, equalization of the burden on parties responsible for providing the information in all Member States;
- The intra-Community trade figures should be compatible with the external trade figures;
- The data collection procedure should be made as flexible as possible, making more use of simplified, computerized reporting systems.

4. The Commission's proposal for a regulation aims to define a general framework for all statistics relating to the trading of goods between Member States with a continuing *raison d'être* at Community or national level after 1992, and to develop a data collection system with as wide a scope as possible. To meet the aims of the white paper (i.e. to guarantee the free movement of goods under similar conditions throughout the Community), the draft regulation proposes that virtually all movements of goods between Member States be covered by Community rules, the result being that we shall have to define not only statistics of trade between Member States (special trade), but also the framework conditions for recording warehousing and transit movements.

5. The main elements in the draft regulation are

- a) the introduction of a central data collection system (known as the INTRASTAT System)
- b) a new version of statistics of trade between the Member States.

The draft text still needs further refinement in some places in the form of implementation provisions; in some cases, this will have to wait for further developments in respect of customs and tax legislation. Nonetheless, the proposed text will give future parties responsible for providing the information and users of the statistics a general idea of the approach which has been adopted.

6. The INTRASTAT System

The new survey system can be summed up as follows:

- Scope

The INTRASTAT System will be used in principle for statistics of trade between the Member States and for transit and warehousing traffic statistics. There will be a number of exceptions, e.g. for certain movements of goods, which will still be subject to customs and tax formalities (e.g. non-Community goods moving from one Member State to another for processing under customs control); these can continue to be used for statistical purposes.

- Obligation to provide information,  
party responsible for providing the information

Generally speaking, any natural or legal person involved in trading of goods between Member States is obliged to supply the required information. Further details on the persons to whom the mandatory provision applies are given in the rules for each specific set of statistics. Private persons are not required to make returns. However, special surveys can be carried out at regular intervals to yield data on commodity movements involving private persons.

- Reporting procedure

Data collection under the INTRASTAT System will no longer be based on customs and tax formalities and procedures. The parties responsible for providing the information will now be able to choose whether to transmit the data direct to the national statistical institutes or via a network of regional data collection offices (as far as such a system will be offered by Member States).

- Data transmission safeguards

a) Register

The Member States will be required to draw up by the end of 1992 a register of parties responsible for providing the information. Parties responsible for providing the information liable to value-added tax will normally use the registration number allocated to them by the national VAT authorities. With a view to keeping the register up to date, the VAT authorities will supply the national statistical institutes with the requisite information at quarterly intervals.

b) Contacting parties responsible for providing the information

One problem will be that firms coming under the mandatory reporting provisions will not always be aware that they are required to report intra-Community trade data to the statistical authorities. The idea is therefore that the VAT authorities should make firms which are liable to VAT aware of their statistical obligations. Parties responsible for providing the information who are not subject to VAT should be duly informed by "intermediaries" (e.g. forwarding agents) involved either upstream or downstream of the parties responsible for providing the information in a goods transaction.

- Data transmission

The parties responsible for providing the information will be free to transmit the data to the national authorities either in the form of individual returns or - on application - in the form of consolidated returns comprising the figures for a specified period. It is planned to lay down simplified procedures for the recording of data and to concentrate on creating the right conditions for improved use of automatic information processing and electronic transmission.

7. Statistics of trade between Member States

Of all the statistics covered by the INTRASTAT System, the statistics of trade between the Member States are undoubtedly the most important and have to be given priority. It is for this reason that a separate section of the proposal for a regulation lays down the rules and definitions applicable under the new system. The aim here has been first and foremost to ensure continuity of these statistics and optimum compatibility between the intra-Community and the external trade figures.

As regards the most important elements, the following points apply:

- Subject

As before, all goods movements between the Member States should be recorded in terms of special trade (i.e. excluding transit and warehouse traffic). However, for practical reasons, it is intended to extend the scope to include certain good movements into tax warehouses, the result being a slight change in the definition of special trade.

- Characteristics

The draft text provides for a distinction between mandatory and optional characteristics. The mandatory characteristics are to all intents and purposes the absolutely minimum level of basic information needed for the production and utilization of statistics of this kind, including:

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- type of goods
- Member State of consignment, Member State of destination
- quantity of the goods (not mass and supplementary units)
- value of the goods
- (where appropriate) statistical system.

This list can be extended if necessary. However, there is a time limit (up to end 1978) for Member States to include a number of optional characteristics (the list has not yet been decided on), the aim here being, as requested, to make the reporting procedure easier. One can expect that, as the Internal Market progresses, these data can be reduced progressively.

- Degree of detail

The main problem here is which goods nomenclature should be used. The draft text merely proposes that whatever nomenclature is chosen should be compatible with the Harmonized System. The Commission's intention is to introduce a goods nomenclature for intra-Community trade which will greatly simplify matters. For firms involved in trade with both Member and non-member countries, however, it is up to the respondent to decide whether to use exclusively the nomenclature laid down for trade with non-member countries.

- Periodicity, "freshness"

To meet users' needs, the survey will be conducted on a monthly basis as hitherto. Transmission deadlines are still to be decided, but should - for purely practical considerations - take as their guideline the deadlines for external trade figures.

- Mandatory respondents

The person required for providing the information is the natural or legal person who concluded the contract giving rise to the despatch or delivery of the goods in question. If there is no such contract, the person required for providing the information is the person who dispatches or provides for the dispatch of the goods (or who takes possession or provides for possession to be taken of the goods), failing this, the person in possession of the goods. As was pointed out earlier, private persons are not subject to the mandatory reporting provisions. The transitional provisions will lay down the threshold value up to which no statistical returns need to be made.

6. The proposal for a regulation provides for an advisory committee on statistics relating to the trading between Member States.

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