

# Community statistics relating to external trade with non-member countries

2007/0233(COD) - 30/10/2007 - Legislative proposal

**PURPOSE:** to revise the current statistical system of trade in goods with non-member countries (Extrastat).

**PROPOSED ACT:** Regulation of the European Parliament and of the Council.

**CONTENT:** external trade statistics (Extrastat) record Member States' imports and exports of goods with non-member countries. This information is of essential importance for European economic and trade policies and for analysing market developments for individual commodities. Apart from certain specific movements, Extrastat is based on data collected from customs declarations.

The purpose of this proposal is to revise the current statistical system of trade in goods with non-member countries (Extrastat) in order to:

- make the legislation clearer, simpler and more transparent;
- adjust the system of extra-Community trade statistics to the changes to be introduced in the procedures regarding the customs declaration through the introduction of Single Authorisations for use of the simplified declaration or the local clearance procedure as well as through centralised clearance under the modernised Community Customs Code (to replace Council Regulation (EEC) No 2913/92 of 12 October 1992);
- reduce the 'Rotterdam effect' resulting (a) in an over-representation in external trade statistics of Member States having a high level of customs clearance or export but playing only the role of transit countries to the detriment of the Member States of actual destination or dispatch of the goods and (b) in a double reporting of the same goods in Extrastat as non Community goods and then in Intrastat as Community goods coming from another MS, with a comparable situation at export;
- increase the relevance, accuracy, timeliness and comparability of external trade statistics, and establish a system for quality assessment;
- support the linking of trade statistics with business statistics;
- respond to user needs by compiling additional trade statistics using information available in customs declarations;
- control, in line with the European Statistics Code of Practice, the privileged access to sensitive external trade data.

Single Authorisation for use of the simplified declaration or the local clearance procedure in the context of release for free circulation, to be introduced in 2008, as well as 'Centralised Customs Clearance', which will be introduced by the modernized Customs Code, will allow a person to lodge a customs declaration at the place where he is established for goods which are presented at another place. Under these procedures, the lodging of the customs declaration may be dissociated both from the place of entry or exit and examination of the goods and from the place of final destination of imported goods or the place of actual dispatch of goods to be exported. As a result, customs data required for statistics may not be available in the Member State of final destination for imports or the Member State of actual dispatch for exports, but only in the Member State where the declaration is lodged. This is the reason why it is necessary to reconsider the concept of the 'importing' or 'exporting' Member State from a statistical point of view, to define more precisely the customs data source for compiling Community statistics and the data to be reported, and to ensure information exchange between national administrations of the different Member States involved.

Adjusting the definition of the importing and exporting Member State will also reduce the 'Rotterdam effect', which appears when goods, either before leaving the EU or after entry into the EU, move between Member States, but customs formalities are carried out in the Member State of entry in or exit from the EU. As a result, for imports, the trade flows are reported once as non-Community goods in the Extrastat system and a second time as Community goods within the Intrastat system (i.e. statistics relating to the trading of goods between Member States). For exports, the statistics imply that export is from the Member State of exit, rather than that where the actual exporter is established. This makes the interpretation of Community Statistics complicated.

Improvements in accuracy and timeliness are feasible. The proposal calls for import and export figures to be continuously updated, taking into account the most recent data available, including changes made at Customs after the declaration was accepted. The prescribed time for transmitting data to Eurostat will be shortened to 40 days after the reference month, with the possibility of shortening it even further in the future.

The Commission (Eurostat) received additional user requests which have been taken into account in the draft legal framework:

- information is required for monitoring the share of the Euro in international merchandise trade. Therefore, the invoicing currency for exports and imports will be reported at an aggregated level;
- more reliable data is needed on the tariff treatment of goods imported into the EU, including information on quotas;
- external trade statistics provide data for the Balance of Payments and National Accounts. The characteristics which enable external trade statistics to be adapted for Balance of Payments purposes will be included in the mandatory and standard data set;
- in order to allocate EU exports and imports to Member States under 'Centralised Customs Clearance', users need data on the 'Member State of final destination', for imports, and the 'Member State of actual export', for exports?;
- within the new Extrastat framework, Member States' trade data will be broken down by business characteristics such that it is possible to see, for instance, how European companies are operating in the context of globalisation. The link between business and trade statistics can be established by using information on the importer and exporter available in the customs declaration.