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EUROPEAN PARLIAMENT

Working Documents

1979 - 1980

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2 May 1979

DOCUMENT 103/79

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 amending Regulation (EEC) No 222/77 on Community transit (Doc. 551/78)**
- II. a regulation defining the conditions under which a person may be permitted to make a customs declaration (Doc. 609/78)**

**Rapporteur: Mr K. NYBORG**

1-2



By letter of 19 December 1978 the Council of the European Communities requested the European Parliament, pursuant to Article 235 of the EEC Treaty, to deliver an opinion on the proposal from the Commission of the European Communities to the Council for a regulation amending Regulation No. 222/77 on Community transit.

The President of the European Parliament referred this proposal to the Committee on Economic and Monetary Affairs as the committee responsible and to the Committee on Budgets and the Committee on External Economic Relations for their opinions.

On 24 January 1979 the Committee on Economic and Monetary Affairs appointed Mr K. NYBORG rapporteur.

By letter of 11 January 1979 the Council of the European Communities requested the European Parliament, pursuant to Article 235 of the EEC Treaty, to deliver an opinion on the proposal from the Commission of the European Communities to the Council for a regulation defining the conditions under which a person may be permitted to make a customs declaration.

The President of the European Parliament referred this proposal to the Committee on Economic and Monetary Affairs.

On 21 February 1979 the Committee on Economic and Monetary Affairs appointed Mr K. NYBORG rapporteur.

It considered these proposals at its meeting of 5 April 1979 and unanimously adopted the motion for a resolution.

Present: Mr Pisani, chairman; Mr Notenboom and Mr Leonardi, vice-chairmen; Mr Nyborg, rapporteur; Mr Ansquer, Lord Ardwick, Mr van der Gun, Mr Müller-Hermann and Mr Spinelli.

The opinions of the Committee on Budgets and the Committee on External Economic Relations are attached.

C O N T E N T S

	<u>Page</u>
A. MOTION FOR A RESOLUTION .....	5
B. EXPLANATORY STATEMENT .....	8
Opinion of the Committee on Budgets.....	10
Opinion of the Committee on External Economic Relations.....	11

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

MOTION FOR A RESOLUTION

embodying the opinion of the European Parliament on the proposals from the Commission of the European Communities to the Council for

- I. a regulation amending Regulation No. 222/77 on Community transit
- II. a regulation defining the conditions under which a person may be permitted to make a customs declaration

The European Parliament,

- having regard to the proposals from the Commission of the European Communities to the Council for
  - a regulation amending Regulation No. 222/77 on Community transit,<sup>1</sup> and
  - a regulation defining the conditions under which a person may be permitted to make a customs declaration<sup>2</sup>,
- having been consulted by the Council pursuant to Article 235 of the EEC Treaty (Docs. 551/78 and 609/78),
- having regard to the report of the Committee on Economic and Monetary Affairs and the opinion of the Committee on External Economic Relations and the Committee on Budgets (Doc. 103/79),

1. Reiterates its desire<sup>3</sup> for a simplification and standardization of documents and the subsequent abolition of all formalities for goods in internal Community transit and for the abolition, for traders, of the guarantee in respect of such goods;
2. Approves the substitution of the EUA for u.a., but does not see the point, in this situation, of increasing the amount of the guarantee;

<sup>1</sup> OJ No. C 306, 22.12.1978, p. 3

<sup>2</sup> OJ No. C 29, 1.2.1979, p. 3

<sup>3</sup> Resolution of the European Parliament of 12.4.1978, OJ No. C 108, 8.5.1978 p. 29 ff.

3. Regrets that the Commission adopted its multi-annual programme for customs union too late for the European Parliament to deliver an opinion before direct elections, and notes with surprise that the Council has no intention of consulting the European Parliament on that programme;
4. Approves, with these reservations, the Commission's proposals but requests the Commission to incorporate the following amendment in its proposal pursuant to the second paragraph of Article 149 of the EEC Treaty.

Council Regulation defining the conditions under which a person  
may be permitted to make a customs declaration (Doc. 609/78)

Preamble and recitals unchanged

Articles 1 to 4 unchanged

Article 5

Persons who have committed serious  
or repeated\* offences against customs,  
fiscal or economic legislation may be  
excluded from the right to declare  
on behalf of another person.

Article 5

Persons who have committed serious  
(two words deleted) offences against  
customs, fiscal or economic  
legislation may be excluded from the  
right to declare on behalf of  
another person.

Articles 6 and 7 unchanged

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<sup>1</sup> For complete text see OJ No. C 29, 1.2.1979, p. 3

\* In other language versions this reads '...serious and repeated...'

EXPLANATORY STATEMENT

The rapporteur originally intended to take the multi-annual programme for the attainment of the customs union, adopted by the Commission on 9 March 1979 as the basis for a report on developments in this field since the European Parliament's resolution of 12 April 1978, and to deal with these two proposals at the same time. However, the Commission's multi-annual programme was adopted too late for a report to be drawn up, and the rapporteur has therefore been compelled to draw up a separate report on these two specific Commission proposals on which the European Parliament was consulted, in view of the urgent need for the Council to adopt them.

Moreover, the Council has still not consulted the European Parliament on the Commission's multi-annual programme, nor does it seem to have any intention of doing so. This is indeed surprising, as the Council did consult Parliament in the past (1975) on the Commission's programme of work on the simplification of customs procedures etc., and on 13 December 1978 the Commission stated<sup>1</sup> that the European Parliament would 'have the chance to monitor how it is put into practice'. In these circumstances the Committee on Economic and Monetary Affairs decided at its meeting of 22 March 1979 to draw up an own-initiative report.

Regulation on Community transit

The aim of this proposal is to :

- introduce the European unit of account (EUA) into the flat-rate guarantee system;
- update the amounts of the flat-rate guarantee fixed in 1969;
- facilitate customs formalities relating to intra-Community passenger transport.

The Committee on Economic and Monetary Affairs can wholeheartedly endorse the first and last of these aims. There would be no sense in continuing to use the old unit of account in the flat-rate guarantee system, and the committee agrees to the abolition of the present ceiling of 300 u.a. above which travellers are required to prove the Community status of goods which they are carrying by presenting an internal Community transit document (T2L). Under the proposal, goods would be accepted as having Community status when they are so declared and there is no reason to doubt the accuracy of the declaration.

<sup>1</sup> Debates of the EP, OJ Annex No. 237, December 1978, p. 149



However, the committee is less convinced of the justification for raising at this time the flat-rate guarantee from 5,000 u.a. to 7,000 EUA, as the European Parliament, in its resolution of 12.4.1978, favoured the abolition of this guarantee. The committee is aware that the Council is at present considering the fundamental question of whether or not to abolish this guarantee for goods in internal Community transit, but feels it would be wrong to raise the amount through this proposed regulation when the long-term aim is to abolish this guarantee completely, possibly by phasing it out gradually.

The committee is also aware that, for countries such as the Federal Republic of Germany and the Netherlands, which have revalued their currencies in recent years, the change from 5,000 u.a. to 7,000 EUA, if expressed in their national currencies, means a relatively insignificant change in the amount, and that for those countries which have devalued their currencies in recent years, the increase is less in real terms than the rise in prices since 1969. The amount of the guarantee, whether 5,000 or 7,000 EUA, is, however, a minor consideration.

Regulation defining the conditions under which a person may be permitted to make a customs declaration

The wide variations in the provisions in the Member States governing the right to make customs declarations on behalf of other persons affect the costs incurred by firms trading across the Community's internal frontiers. In some Member States firms may delegate to their employees or to other agents the task of preparing the necessary documents, while in other Member States they are compelled to use licensed clearing agents. The varying provisions in the Member States do therefore directly affect the cost of customs clearance and are incompatible with the proper operation of the customs union.

The proposal is also a step towards the removal of restrictions on the exchange of clearing agents' services and towards extending the freedom of citizens to engage in business within the Community.

The Committee on Economic and Monetary Affairs can therefore wholeheartedly endorse the Commission's proposal to remove this differential treatment by introducing common rules. The committee considers that the measures proposed by the Commission are appropriate. The committee has only one amendment to propose, on the grounds that it ought to be possible to exclude persons who have committed a serious offence against customs and other legislation from the right to declare on behalf of another person even if the offence is an isolated one.

OPINION OF THE COMMITTEE ON BUDGETS

Letter from the chairman of the committee to Mr E. PISANI, chairman of the Committee on Economic and Monetary Affairs

25 January 1979

Dear Mr Pisani,

At its meeting of 24/25 January 1979 the Committee on Budgets considered this proposal for a regulation.

The committee approved the amendments both to the Flat-rate guarantee system and to the Special provisions applying to goods carried by travellers or contained in their luggage. It regards these amendments, which have no financial implications for the general budget of the Community, as appropriate and valuable improvements to the provisions governing Community transit.

Yours sincerely,

(sgd) Erwin Lange

Present : Mr LANGE, chairman; Lord BESSBOROUGH, Mr DALYELL, Mr MEINTZ, "  
Mr RYAN, Mr SCHREIBER, Mr SCOTT-HOPKINS, Mr SHAW, Mr SPINELLI and Mr WURTZ.

OPINION OF THE COMMITTEE ON EXTERNAL ECONOMIC RELATIONS

Letter from the vice-chairman of the committee to Mr E. PISANI, chairman  
of the Committee on Economic and Monetary Affairs

1 March 1979

Dear Mr Pisani,

The proposal for a Council regulation (EEC) amending Regulation (EEC) No. 222/77 on Community transit, which was referred to the Committee on External Economic Relations for an opinion to be delivered to your committee, relates to the flat-rate guarantee system and to the provisions applicable to goods carried by travellers or contained in their luggage.

In view of the fact that the proposed amendments (introduction of the EUA) affect the agreements concluded with Switzerland and Austria extending the application of the Community transit provisions to both those countries, these agreements must be amended and the amendments approved in accordance with Swiss and Austrian national procedures.

The Committee on External Economic Relations has no observations to make and proposes the approval of this resolution.

Yours sincerely,

(sgd.) Manfred SCHMIDT

Present: Mr Schmidt, chairman; Mr Baas, Mr Bayerl, Mr Brugha, Mr Fitch, Mr Galluzzi, Mr McDonald (deputizing for Mr L'Estrange), Mr Mont, Mr E. Muller, Mr Rossi, Mr Tolman, Mr van Aerssen, Mr Vandewiele and Mr Vanvelthoven (deputizing for Lord Kennet).

