



COMMISSION OF THE EUROPEAN COMMUNITIES

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Proposal for a
COUNCIL REGULATION (EC, Euratom)

amending Regulation (EC, Euratom) No 58/97
concerning structural business statistics

(presented by the Commission)

EXPLANATORY MEMORANDUM

(The draft Regulation proposed aims at complementing Council Regulation (EC, Euratom) No 58/97 concerning structural business statistics with a detailed module for structural statistics in insurance)

PART ONE

Application of the principle of subsidiarity

- (a) *What are the objectives of the proposed measures, and how do they relate to the Community's obligations?*

The general purpose of the regulation is to require Member States to provide Eurostat with comparable and harmonized statistical data relating to the insurance sector. The recent developments in Community monetary, economic and social integration require information to support the development and appraisal of initiatives and decisions. The development and appraisal of initiatives and decisions need to be based on more reliable, exhaustive, up-to-date and comparable statistics. Statistical information on businesses is required for the follow-up of the internal market (also in the frame of the Single Market Action Plan) and the development and appraisal of a large number of EU policies. In addition, businesses themselves need information on the business cycle and its impact in their sector in national and international markets. More specifically for insurance enterprises, an assessment of the effectiveness of the internal market, opened up in July 1994, has to be provided. The internationalization of the enterprises (via branches, subsidiaries or the freedom of providing cross-border services), the effects of the opening-up of the internal market on the markets competition and on the businesses competitiveness will be monitored. This statistical information shall also be used in other sectors of statistics such as in macro-economic or balance-of-payments statistics.

- (b) *Is the measure in an area where the Community has sole jurisdiction or where it shares jurisdiction with the Member States?*

The Member States are responsible for the actual data collection and the methods finally applied. The Regulation lays down the norms, standards and definitions necessary for collecting, compiling, transmitting and evaluating insurance statistics within the European Union. The Regulation is mainly based on existing EU legislation (such as Directive 91/674/EEC of 20 December 1991, Directive 92/49/EEC of 18 June 1992 or Directive 92/96/EEC of 10 November 1992) setting up measures to harmonize the annual and consolidated accounts of insurance undertakings or opening-up the internal market for direct life and non-life insurance. Many characteristics are also included in the enterprises' returns for supervisory returns. Therefore and also with respect to Article 6 of Regulation No 58/97 the draft Regulation does not define the actual collection methods to be used.

(c) *What is the scale of the problem at Community level?*

All Member States are currently collecting information on the authorized population of insurance enterprises (based on the published accounts or based on the returns used for supervisory purposes). With the support of Member States Eurostat has started in 1994 data collections of a voluntary base of mostly non-harmonized statistical data on insurance enterprises. The Regulation is largely based on the existing data circuits. It will entail the collection of very little additional data, not yet covered in ongoing data collections, for a limited number of Member States only. In order to make maximum use of these statistics, some very limited adaptations of definitions and norms shall be needed for some Member States.

(d) *What would be the most effective solution among those available to the Community and the Member States?*

It is only via such a Community initiative that the aim of establishing a harmonized EU statistical system with comparable data on the insurance sector can be achieved.

(e) *What practical gains does the proposed measure offer and what would be the cost of failure to take action?*

The implementation of this legal act will increase the availability, improves the comparability and consistency of insurance statistics on a Community-wide basis. The statistics - in general produced on the base of data already collected - with their increase in reliability and quality would be a most valuable source of information for both public and private bodies alike.

A failure to implement this Regulation would imply an impossibility to assess accurately the impact of the EU legislation in particular as regards - in the frame of the Single Market Action Plan - the assessment of the effectiveness of the internal market in insurance. It would also leave incomplete the collection of statistics aiming at the analysis on the structure, activity, competitiveness and performance of businesses in the Community established by Council Regulation (EC, Euratom) No 58/97. A failure to implement this Regulation would additionally imply that the transparency of the insurance sector is not enhanced which is likely to handicap businesses in the new environment provided by the opening-up of the internal market in insurance.

(f) *What options are available to the Community?*

The choice of a Regulation is the most appropriate instrument as it ensures the direct application of this act in the Member States which is an important fact given the urgent need for information. This regulation presents an Annex meant to be added to the existing Annexes to Council Regulation (EC, Euratom) No 58/97.

- (g) *Are uniform rules needed, or is the adoption of a regulation setting out the general objectives and leaving implementation to the Member States sufficient?*

Member States will remain responsible for the data collections and for adapting their national collection systems. This Regulation only sets out a number of standards to ensure the data transmission of a common list of characteristics within a set timetable.

PART TWO

General statement

1. The general purpose of the Regulation is to require Member States to provide Eurostat with comparable statistical data relating to the structure, activity, competitiveness and performance of businesses in the insurance sector at European level. It should be noted that it is the Member States that are responsible for the data collection, not the Commission. The Regulation lays down the norms and standards necessary for producing comparable statistics within the European Union. In a majority of countries almost all of the characteristics for which statistics are to be compiled are already part of the Council Directive 91/674/EEC (where the Council adopted measures to harmonize the annual accounts and consolidated accounts of insurance undertakings) or are included in the enterprises' returns for supervisory purposes. Therefore and also with respect to Article 6 of Regulation No 58/97 the draft Regulation does not define the actual collection methods to be used. Each Member State may therefore carry out the data collections in the manner most appropriate to its own situation. Mostly the relevant national authorities are already collecting the largest part of the data required in the Regulation (based on the published accounts or on the returns used for supervisory purposes).
2. Based on the main aims of the Single European Act, the European single market in insurance was built progressively. At the beginning of the 1990s the second generation of life and non-life insurance directives¹ reached important intermediate stages towards an increasing integration of the European insurance markets. The completion of the single market in insurance - however - is owed to the third generation of these directives², which came into force on the 1 July 1994. Since then enterprises can sell all their products in other Member States by using the right of creating an establishment (branch) or by using the freedom to provide services abroad. Furthermore, clients have the unrestricted choice between all competing insurers authorized in the Member States and all the products offered by these enterprises. Based on a first limited assessment of the effectiveness of the single market in insurance, further actions would be needed which are already laid down in the Single Market Action Plan in 1997.

1 Council Directive of 8 November 1990 (90/619/EEC), life.
Council Directive of 22 June 1988 (88/357/EEC), non-life.

2 Council Directive of 10 November 1992 (92/96/EEC), life.
Council Directive of 18 June 1992 (92/49/EEC), non-life.

The third insurance directives are based on the principle of mutual recognition of minimum standards. They are accompanied by the Accounting Directive³ which harmonizes the annual and consolidated accounts of insurance undertakings. In most Member States, it came into force with the accounting year 1995. This Directive provides comparability of the accounts of insurance enterprises throughout the EU. It has laid down common rules on the structure and on the disclosure of the balance sheet and the profit and loss account as well as on definitions and methodology of the data published.

The third insurance directives have caused considerable deregulation of the European insurance markets. They have almost completed the European single market in insurance. Based on the changed legal situation, larger structural changes of the European insurance industry did already take place and are still expected in the forthcoming years.

The step-by-step completion of the internal market and the setting-up of the Internal Market action plan has thoroughly increased the need for reliable Community statistics on the sector.

General objectives

3. The draft legal act on insurance statistics aims to answer the various demands for reliable and comparable statistical data. Within the framework laid down by the Statistical Programme of the European Community, the legal act also takes into account other legislation in existence in the area of insurance statistics. Starting with the reference year 1992, a voluntary data collection in the insurance services sector was already undertaken by Eurostat and has led to a useful but incomplete and unharmonized set of data. Moreover, the national and Community administrations involved must be encouraged to use the most appropriate tools (e.g. EDI), systems and networks to process and exchange data in order to maintain the highest quality of data interchange and to use resources efficiently. A legal base is required now to ensure an improvement in both the quality and reliability of the insurance data to be collected, compiled, and transmitted.

Detailed objectives

The collection of reliable, regular, timely, harmonized and comparable data on the structure, development and breakdown of total business and business per product, international activities, employment, investments, capital and reserves and technical provisions of non-life, life, composite insurance, specialist reinsurance enterprises and Lloyd's underwriters. The statistics will enable to measure the effectiveness of the internal market in insurance and its impact on the markets competition, prices and competitiveness of the enterprises.

³ Council Directive of 19 December 1991 (91/674/EEC).

The compilation of such harmonized statistical information will serve to meet the needs of Member States and the Commission for the purpose of common EU policy objectives.

With a view to limiting the statistical burden on enterprises and national authorities, the largest part of the data to be collected is based on the data already published by the enterprises or data already forwarded to national authorities in the frame of enterprises' supervision.

User needs

4. The relevant national authorities, coordinated by Eurostat, have a significant role to play in meeting the European Union's need for information on the business Community. The recent developments in Community monetary, economic and social integration require information to support the development and appraisal of initiatives and decisions. The development and appraisal of initiatives and decisions need to be based on more reliable, exhaustive, up-to-date and comparable statistics. Statistical information on businesses is required for the follow-up of the internal market (also in the frame of the Single Market Action Plan) and the development and appraisal of a large number of EU policies. In addition, businesses themselves need information on the business cycle and its impact in their sector in national and international markets. More specifically for insurance enterprises, an assessment of the effectiveness of the internal market, opened up in July 1994, has to be provided. The internationalization of the enterprises (via branches, subsidiaries or the freedom of providing cross-border services), the effects of the opening-up of the internal market on the markets competition and on the businesses competitiveness will be monitored.
5. Needs were expressed on extension of the coverage of Community statistics in the services sector concerning insurance services (as foreseen in Council Decision 92/326 of 18 June 1992). Indeed, the final report on user needs in services statistics presented at the SPC of September 1994 stressed the need for detailed insurance information on i.e. structural and economic variables, exports and imports, employment data, investment structure.

Existing situation

6. Up to the development of the Insurance Services Statistics no comprehensive system on harmonized insurance data at Community level was available. A few very limited indicators were however already captured in the horizontal statistics on services and non-services enterprises which are based on Annex 1 of Regulation No 58/97.
7. The harmonization of the insurance industry at EU level started with the adoption by the Council of the three generations of Directives on life and non-life insurance (79/267/EEC, 90/619/EEC 92/96/EEC and 73/239/EEC, 88/357/EEC, 92/49/EEC respectively) and the Directive on annual accounts and consolidated accounts of insurance undertakings (91/674/EEC). These EU Directives liberalized the EU insurance markets for direct life and non-life insurance. Directive 91/674/EEC, moreover, provides a harmonized structure and contents of the published accounts to be established for the insurance enterprises. In many Member States these published accounts are also the base for the returns

enterprises are forwarding for supervisory purposes. This legislative framework is the base for the European statistical system on insurance enterprises with the effect of minimizing the burden on the businesses and authorities concerned as largely being based on existing administrative sources.

Aims of the new legal instrument

8. To establish a common framework for the collection, compilation, transmission and evaluation of Community statistics on the structure, activity and performance of insurance services. The statistics to be compiled aim at improving the knowledge of the national, Community and international development of the insurance sector. This statistical system will support the need of information of the Commission, Member States, the insurance sector itself (with its enterprises and clients) and a wide range of other users.
9. To continue the strengthening of the development of the Community statistical system, to incorporate into the production of insurance statistics the Community statistical tools such as the classification of activities (NACE Rev.1 - Council Regulation No 761/93 of 24 March 1993) and the classification of products by activities CPA (Council Regulation No 3696/93 of 29 October 1993).
10. To provide flexibility to allow minor changes notably to the list of indicators to be collected in the future (use of Council Decision 87/373 of 13 July 1987 on "Comitology"). In the framework of the Comitology procedure as laid down in Article 13 of Regulation No 58/97, Article 12 of the same framework regulation (in its indent (i)) provides the flexibility - under certain conditions - to update the list of characteristics.

Consultation of interested parties

11. A detailed analysis of the needs for statistics in the services sector (where no harmonized Community surveys exist at present) was already prepared for the purpose of Council Regulation No 58/97 concerning structural business statistics. This looked at the needs of various Commission services as well as the needs expressed at national level.
12. The principal users of the insurance services statistics within the Commission have been consulted during the preparation of the draft legislation.
13. The National Statistical Offices and the Insurance Supervisory Authorities responsible for data collections have been consulted on many occasions during the preparation of this text. This draft Regulation was indeed presented and discussed at the meetings of the relevant working group (last meeting of this group in July 1996) in Eurostat where both delegates of the competent national authorities and representatives of European professional associations and other international organizations were present. DG XV of the Commission (with its relevant unit) participated very actively in the meetings of this working group. The proposal follows closely the needs for statistical information in this field as expressed by DG XV. A very close dialogue has been undertaken during the drafting of the methodological manual which will support this legislation at technical and methodological level.

14. Discussions on this draft Regulation have also taken place at the Statistical Programme Committee (SPC) and the Insurance Committee (IC). The draft Regulation was submitted to the IC in April 1996 and to the SPC on 17 March 1997. Both Committees support the legislation. It was particularly pointed out that the draft Regulation should be forwarded to the Council where outstanding details and the consideration of need for national derogation would be pursued. However, reserves have been made by some countries as regards the extension of the reporting requirements placed on the insurance businesses. Additional form filling burdens on enterprises and processing burdens for national authorities concerned would be unwelcome.
15. Nonetheless, the draft text is supported from most of the Member States which have closely been involved in the preparatory work. At the end of the development work, some Member States have already commenced the implementation of the draft Regulation at national level on a voluntary basis. Based on these experiences, it can be concluded that the costs on businesses as well as the costs on national authorities will be very limited in most of the Member States.
16. In the framework of the ongoing cooperation with the European Monetary Institute, the need for the Insurance Services Statistics in the larger framework of the statistics needed for the Economic and Monetary Union has been stated.

Proposal for a
COUNCIL REGULATION (EC, Euratom)

amending Regulation (EC, Euratom) No 58/97
concerning structural business statistics

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 213 thereof,

Having regard to the proposal from the Commission⁴,

Having regard to the Opinion of the European Parliament⁵,

Having regard to the Opinion of the Economic and Social Committee⁶,

Whereas Council Regulation (EC, Euratom) No 58/97⁷ established a common framework for the collection, compilation, transmission and evaluation of Community statistics on the structure, activity, competitiveness and performance of businesses in the Community; whereas developments in Community monetary, economic and social integration require the extension of the aforesaid framework to the insurance sector;

Whereas the compilation of national and regional accounts according to Council Regulation (EC) No 2223/96⁸ requires comparable, complete and reliable insurance statistics;

Whereas it is therefore necessary to amend Regulation (EC, Euratom) No 58/97 on the basis of Council Directives 92/49/EEC⁹ and 92/96/EEC¹⁰, as amended by Directive 95/26/EC¹¹ of the European Parliament and of the Council completing the internal market for direct life and non-life insurance and of Council Directive 91/674/EEC¹² concerning the annual and consolidated accounts of insurance undertakings;

Whereas the Statistical Programme Committee¹³ and the Insurance Committee¹⁴ have been consulted,

⁴ OJ No

⁵ OJ No

⁶ OJ No

⁷ OJ No L 14, 17.1.1997, p. 1.

⁸ OJ No L 310, 30.11.1996, p. 1.

⁹ OJ No L 228, 11.8.1992, p. 1

¹⁰ OJ No L 360, 9.12.1992, p. 1.

¹¹ OJ No L 168, 18.7.1995, p. 7

¹² OJ No L 374, 31.12.1991, p. 7.

¹³ OJ No L 181, 28.6.1989, p. 47.

¹⁴ OJ No L 374, 31.12.1991, p. 32.

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EC, Euratom) No 58/97 is amended as follows:

1. The following indent is added to Article 5:
“... a detailed module for structural statistics in insurance defined in Annex 5.”
2. An Annex 5, as set out in the Annex to this Regulation, is added.

Article 2

This Regulation shall enter into force on the twentieth day following that of its publication in the *Official Journal of the European Communities*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels,

For the Council
The President

“ANNEX 5**A DETAILED MODULE FOR STRUCTURAL STATISTICS IN INSURANCE***Section 1***Aims**

The aim of this Annex is to establish a common framework for the collection, compilation, transmission and evaluation of Community statistics on the structure, activity, performance and competitiveness of insurance services. This module includes a detailed list of characteristics on which statistics shall be compiled in order to improve knowledge of the national, Community and international development of the insurance sector.

*Section 2***Scope**

The statistics to be compiled shall relate to the domains referred to in points (i), (ii) and (iii) of Article 2 of this Regulation, and in particular to:

- (1) the detailed analysis of the structure, activity, performance and competitiveness of insurance enterprises;
- (2) the development and distribution of total business and business per product, customer patterns, international activities, employment, investments, capital and reserves and technical provisions.

*Section 3***Coverage**

- (1) Such statistics shall be compiled for all activities within the scope of NACE Rev.1 division 66 except for class 66.02.
- (2) The compilation of statistics shall cover the following enterprises:
 - non-life insurance enterprises: all those referred to in Article 2(1)(a) of Council Directive 91/674/EEC of 19 December 1991¹⁵;
 - life assurance enterprises: all those referred to in Article 2(1)(b) of Directive 91/674/EEC;
 - specialist reinsurance enterprises: all those referred to in Article 2(1)(c) of Directive 91/674/EEC;

¹⁵ OJ No L 374, 31.12.1991, p. 7.

- Lloyd's underwriters: all those referred to in Article 4 of Directive 91/674/EEC;
 - composite insurance enterprises: all those carrying out life and non-life insurance business.
- (3) In addition to paragraph 2, branches of insurance enterprises referred to under Title III of Council Directives 73/239/EEC¹⁶ and 79/267/EEC¹⁷ and whose activity falls within one of the NACE Rev.1 classes referred to in paragraph 1 shall be assimilated to the corresponding enterprises as defined in paragraph 2.
- (4) For the purposes of the harmonized Community statistics, Member States shall be free to exclude the enterprises mentioned in Article 3 of Directive 73/239/EEC and Article 2(2) and (3), Articles 3 and 4 of Directive 79/267/EEC.

Section 4

Characteristics

- (1) The characteristics and statistics presented in list A, paragraph 3 and list B, paragraph 4, shall be compiled in accordance with Section 5. When characteristics are derived directly from the annual accounts, accounting years ending within a reference year shall be assimilated to the said reference year.
- (2) In the lists A and B, characteristics relating to life insurance enterprises are identified by the number 1, those relating to non-life insurance enterprises by the number 2, those relating to composite insurance enterprises by the number 3, those relating to specialist reinsurance enterprises by the number 4, those relating to the life insurance business of composite insurance enterprises by the number 5 and those relating to the non-life insurance business (including reinsurance accepted) of composite insurance enterprises by the number 6.
- (3) List A includes the following information:
- (i) characteristics listed in Article 6 of Directive 91/674/EEC concerning life, non-life, composite and specialist reinsurance enterprises: asset side of the balance sheet: items C I (showing land and buildings occupied by an insurance enterprise for its own activities separately), C II, C II 1 + C II 3 as an aggregate, C II 2 + C II 4 as an aggregate, C III, C III 1, C III 2, C III 3, C III 4, C III 5, C III 6 + C III 7 as an aggregate, C IV, D; liability side of the balance sheet: items A, A I, A II + A III + A IV as an aggregate, B, C 1 a (separately for the life and non-life business of composite enterprises), C 2 a (separately for the life and non-life business of composite enterprises), C 3 a (separately for the life and non-life business of composite enterprises), C 4 a, C 5, C 6 a, D a, G III (without separation of convertible loans), G IV.

¹⁶ OJ No L 228, 16.8.1973, p. 13.

¹⁷ OJ No L 63, 13.3.1979, p. 13.

- (ii) characteristics listed in Article 34, Part I, of Directive 91/674/EEC concerning non-life and specialist reinsurance enterprises and the non-life business of composite insurance enterprises: items 1 a, 1 b, 1 c, 1 d, 2, 4 a aa, 4 a bb, 4 b aa, 4 b bb, 7 (gross amount), 7 d, 9, 10 (separately for the gross and net amount).
- (iii) characteristics listed in Article 34, Part II, Directive 91/674/EEC concerning life insurance enterprises and the life business of composite insurance enterprises: items 1 a, 1 b, 1 c (the gross amount and the reinsurers share separately), 2, 3, 5 a aa, 5 a bb, 5 b aa, 5 b bb, 6 a aa, 6 a bb, 8 (gross amount), 8 d, 9, 10, 12, 13 (the gross and net amount separately).
- (iv) characteristics listed in Article 34, Part III, of Directive 91/674/EEC concerning life, non-life, composite and specialist reinsurance enterprises: items 3, 4 (only for life and composite enterprises), 5, 6 (only for non-life, composite and specialist reinsurance enterprises), 7, 8, 9+14+15 as an aggregate, 10 (before tax), 13, 16.
- (v) characteristics referred to in Article 63 of Directive 91/674/EEC:
 - concerning life and non-life insurance enterprises and life and non-life business of composite insurance enterprises: gross direct premiums written by (sub)categories of the CPA (5-digit level and subcategories 66.03.21, 66.03.22);
 - concerning non-life insurance enterprises and non-life business of composite insurance enterprises: gross claims incurred, direct business, gross operating expenses, direct business and reinsurance balance, direct business, all variables by (sub)categories of the CPA (5-digit level and subcategories 66.03.21, 66.03.22);
 - concerning life insurance enterprises and life business of composite insurance enterprises: gross direct premiums written with the breakdown as shown in number II, item 1;
 - concerning life and non-life insurance enterprises and life and non-life business of composite insurance enterprises: geographical breakdown of gross direct premiums written in the Member State of the enterprise's head office, other Member States, other EEA countries, Switzerland, USA, Japan, third countries.
- (vi) characteristics referred to in Article 64 of Directive 91/674/EEC concerning life, non-life, composite and specialist reinsurance enterprises: commissions for direct insurance business (excluding specialist reinsurance enterprises) and total insurance business.
- (vii) additional characteristics listed below:

Code	Title	Enterprises/ business concerned
	Structural data	
<u>11 110</u>	<u>Number of enterprises</u>	<u>(1, 2, 3, 4)</u>
11 111	Number of enterprises broken down by legal status	(1, 2, 3, 4)
11 112	Number of enterprises broken down by size class of gross premiums written	(1, 2, 3)
11 113	Number of enterprises broken down by size class of gross technical provisions	(1)
11 115	Number of enterprises by residence of the parent enterprise	(1, 2, 3, 4)
11 410	Total number and location of branches in other countries	(1, 2, 3)
	Accounting data/ Technical part of the profit and loss account	
32 114	Gross premiums written broken down by legal status	(1, 2, 4, 5, 6)
32 115	Gross direct premiums written broken down according to the residence of the parent enterprise	(1, 2, 5, 6)
32 116	Gross reinsurance premiums accepted, written premiums broken down according to the residence of the parent enterprise	(1, 2, 4, 6)
32 182	Reinsurers share of gross premiums written broken down according to the residence of the parent enterprise	(1, 2, 4, 5, 6)
32 160	Other items in the technical account, gross amount	(1, 2, 4, 5, 6)
32 180	Reinsurance balance	(1, 2, 4, 5, 6)
32 188	Reinsurers share of the gross amount of other items in the technical account	(1, 2, 4, 5, 6)
	Accounting data/ non-technical part of the profit and loss account	
32 190	Subtotal II (net balance of the technical account)	(3)
	Additional data relating to the profit and loss account	
32 614	External expenses on goods and services	(1, 2, 3, 4)
<u>13 310</u>	<u>Personnel costs</u>	<u>(1, 2, 3, 4)</u>
32 615	External and internal claims management expenses	(1, 2, 4, 5, 6)
32 616	Acquisition costs	(1, 2, 4, 5, 6)
32 617	Administrative expenses	(1, 2, 4, 5, 6)
32 618	Gross other technical charges	(1, 2, 4, 5, 6)
32 619	Investment management charges	(1, 2, 4, 5, 6)
32 711	Income from participating interests	(1, 2, 4, 5, 6)
32 713	Income from land and buildings	(1, 2, 4, 5, 6)
32 714	Income from other investments	(1, 2, 4, 5, 6)
32 715	Value re-adjustments on investments	(1, 2, 4, 5, 6)
32 716	Gains on the realization on investments	(1, 2, 4, 5, 6)
32 721	Investment management charges, including interest	(1, 2, 4, 5, 6)
32 722	Value adjustments on investments	(1, 2, 4, 5, 6)
32 723	Losses on the realization on investments	(1, 2, 4, 5, 6)

Code	Title	Enterprises/ business concerned
33 121	Data by product [by (sub)categories of the CPA] Reinsurers share of gross direct premiums written (5-digit level, subcategories 66.03.21, 66.03.22)	(1, 2, 5, 6)
34 120	Data on internationalization (in general) Geographical breakdown of gross reinsurance premiums accepted, premiums written	(1, 2, 4, 5, 6)
34 130	Geographical breakdown of reinsurers share of gross premiums written	(1, 2, 4, 5, 6)
34 311	Data on internationalization (geographical breakdown of the business written under the right of establishment) Gross direct premiums written by CPA category (5-digit-level) and by Member State	(1, 2, 5, 6)
34 321	Data on internationalization (geographical breakdown of the business written under the right of freedom to provide services) Gross direct premiums written by CPA category (5-digit-level) and by Member State	(1, 2, 5, 6)
<u>16 110</u>	Data on employment <u>Number of persons employed</u>	(1, 2, 3, 4)
36 300	Data on the balance sheet (assets/liabilities) Balance sheet total	(1, 2, 3, 4)
37 331	Gross provisions for outstanding claims, related to direct business	(2, 6)
37 301	Total net technical provisions	(1,2,3,4)

(4) List B includes the following information:

- (i) characteristics listed in Article 34, Part I, of Directive 91/674/EEC concerning non-life and specialist reinsurance enterprises and the non-life business of composite insurance enterprises: items 3, 5, 6, 8.
- (ii) characteristics listed in Article 34, Part II, of Directive 91/674/EEC concerning life insurance enterprises and the life business of composite insurance enterprises: items 4, 6 b, 7, 11.
- (iii) additional characteristics listed below:

Code	Title	Enterprises/ business concerned
32 132	Accounting data/technical part of the profit and loss account Gross payments in respect of claims incurred in the current accounting year	(2, 4, 6)
	Data on the balance sheet (assets/liabilities)	
36 112	Land and buildings (current value)	(1, 2, 3, 4)
36 123	Investments in affiliated enterprises and participating interests (current value)	(1, 2, 3, 4)
36 133	Other financial investments (current value)	(1, 2, 3, 4)
36 210	Investments for the benefit of life-assurance policyholders who bear the investment risk - land and buildings	(1, 3)
36 220	Investments for the benefit of life-assurance policyholders who bear the investment risk - other financial investments	(1, 3)
37 101	Total capital and reserves, broken down by legal status	(1, 2, 3, 4)
37 333	Gross provision for outstanding claims related to direct business, by (sub)category of the CPA (5-digit level) and subcategories 66.03.21, 66.03.22	(2, 6)
	Residual data	
39 100	Number of contracts outstanding at the end of the accounting year, relating to direct business for all individual life insurance contracts and for the following (sub)categories of the CPA: 66.01.11, 66.01.12, 66.01.13, 66.01.14, 66.03.11, 66.03.4, 66.03.5	(1, 2, 5, 6)
39 200	Number of insured persons at the end of the accounting year, relating to direct business for all group life insurance contracts and for the following subcategories of the CPA: 66.03.12, 66.03.13	(1, 2, 5, 6)
39 300	Number of insured vehicles at the end of the accounting year, relating to direct business, for the following subcategories of the CPA: 66.03.21, 66.03.22	(2, 6)
39 400	Gross insured sum at the end of the accounting year, relating to direct business, for the following subcategories of the CPA: 66.01.11, 66.01.12, 66.01.13, 66.01.14, 66.01.4	(1, 5)
39 500	Number of claims incurred during the accounting year, relating to direct business, for the following subcategory of the CPA: 66.03.21	(2, 6)

Section 5
First reference year

The first reference year for which annual statistics shall be compiled is the 1996 calendar year for the characteristics and statistics of list A and the 2000 calendar year for the characteristics and statistics of list B.

Section 6
Production of results

The results are to be broken down to the NACE Rev.1, 4-digit level (classes).

Section 7
Transmission of results

The results shall be transmitted within 12 months from the end of the reference year for the enterprises referred to in Section 3, except specialist reinsurance enterprises, for which the results shall be transmitted within 18 months from the end of the reference period.

Section 8
Insurance Committee

The Commission shall inform the Insurance Committee set up under Council Directive 91/675/EEC¹⁸ about the implementation of this module and about all measures for adjustment to economic and technical developments concerning the collection and statistical processing of data, the processing and the transmission of results it has decided in accordance with Article 13 of this Regulation.

Section 9
Transition period

For the purposes of this detailed module, the transition periods shall not exceed three years from the beginning of the first reference years for the compilation of the statistics indicated in Section 5.

¹⁸ OJ No L 374, 31.12.1991, p. 32.

Financial Statement

Financial statement relating to Insurance Services Statistics

1. Title of operation

Proposal for a Council Regulation amending Regulation No 58/97 concerning structural business statistics

(The draft Regulation proposed aims at complementing Council Regulation (EC, Euratom) No 58/97 concerning structural business statistics with a detailed module for structural statistics in insurance)

2. Budget headings involved

Chapter B5-6000

3. Legal basis

Article 213 of the Treaty

Council Decision 89/382/EEC of 19 June 1989 establishing a Committee on the statistical programmes of the European Communities (OJ No L 181 of 28 June 1989).

4. Description of operation

4.1 General objective

This Council Regulation aims to make available harmonized statistical information on insurance services within the European Union to all users of such statistics. This information is necessary for drawing up, monitoring and evaluating Community policies, in particular concerning the internal market as well economic, financial, sectoral, competition, and enterprise policies. Furthermore, international treaties such as that instituting the General Agreements on Trade in Services (GATS) require harmonized Community statistics in this area.

4.2 Duration

Multi-annual (ongoing collection and compilation of statistical data).

Period covered by the action: 1996-2000

4.3 *Target population*

The beneficiaries of this operation are all users of official statistics: the Community institutions, the governments of the Member States, economic and social decision makers, the insurance industry, research institutes, universities and the media.

5. **Classification of expenditure or of revenue**

5.1 Non-compulsory expenditure

5.2 Differentiated appropriations.

5.3 *Type of revenue involved*

The sale of statistical products (databases, publications) partially covering production costs.

6. **Type of expenditure or revenue**

6.2 *Subsidy for cofinancing with other sources of the public sector*

Foreseen for the Member States for supporting the implementation of the action

The sale of insurance statistics (publications, data bases, etc.) will lead to some revenue which is estimated on about ECU 60 000 per year.

7. **Financial impact**

7.1 *Method of calculating total cost of operation*

In so far as existing data collection systems have to be slightly extended or adapted, the contribution from the Community budget is calculated on the basis of the following hypotheses:

- 8-10% of the running costs for the first four years of operation for the statistics on list A of Annex 5,
- 8-10% of the running costs for the first four years of operation for the statistics on list B of Annex 5.

Nature of expenditure by the Member States: contribution to the costs of data collection, data processing , dissemination and other running costs.

7.2 *Breakdown of commitment appropriations (ECU)*

Financial year	1997	1998	1999	2000	Total
Commitment appropriations	0.25 million ECU	0.25 million ECU	0.25 million ECU	0.25 million ECU	1.0 million ECU

7.3 *Schedule for commitment and payment appropriations (ECU)*

Financial year	1997	1998	1999	2000	Total
Commitment appropriations	0.25 million ECU	0.25 million ECU	0.25 million ECU	0.25 million ECU	1.0 million ECU
Payment appropriations					
1997	0.20 million ECU				0.20 million ECU
1998	0.05 million ECU	0.20 million ECU			0.25 million ECU
1999		0.05 million ECU	0.20 million ECU		0.25 million ECU
2000			0.05 million ECU	0.20 million ECU	0.25 million ECU
2001				0.05 million ECU	0.05 million ECU
Total	0.25 million ECU	0.25 million ECU	0.25 million ECU	0.25 million ECU	1.0 million ECU

8. What anti-fraud measures are planned in the proposal for the operation?

For the contracts and agreements entered into by the Commission payment is solely by results.

The statistical information is considered to be an objective instrument for evaluating Community action programmes and thus contributes to consolidating the anti-fraud provisions.

9. Elements of cost-effectiveness analysis

9.1 *Specific and quantified objectives; target population*
Specific objectives:

This Council Regulation aims to make available harmonized statistical information on insurance services within the European Union to all users of such statistics. This information is necessary for drawing up, monitoring and evaluating Community policies, in particular concerning the internal market as well economic, financial, sectoral, competition, and enterprise policies. Furthermore, international treaties such as that instituting the General Agreements on Trade in Services (GATS) require harmonized Community statistics in this area.

The Annex to the draft Regulation contains the lists of characteristics for which statistics should be provided.

Target population:

The beneficiaries of this operation are all users of official statistics: the Community institutions, the governments of the Member States, economic and social decision makers, the insurance industry, research institutes, universities and the media.

Information on the internal market in this area is needed to facilitate the proper functioning of the Single Market, to provide orientation for additional Commission actions which might get necessary and promote competitiveness of the Community economy.

Member States authorities are responsible for the data collection foreseen in this proposal.

9.2 *Grounds for the operation*

Reasons for choosing this operation rather than an alternative which would meet the same objectives.

This operation has the following objectives:

- to provide the Community institutions with the quantitative data for drawing up, monitoring and evaluating plans of action in accordance with Article 3 (2) of the Financial Regulation: “it therefore contributes to the more effective and appropriate use of the Community budget”;
- to provide the national governments with harmonized statistics on all Member States for evaluating and monitoring the progress of Community policies;
- to provide political, economic and social operators in the Community with statistical information on which to make and evaluate their decisions in their respective fields of action: it is therefore an essential part of the European information market;
- to provide the scientific community with the information necessary to further analysis and knowledge of economic and social life in the Community.

Statistical activities generally and data collection in particular draw extensively on the principle of subsidiarity, and the operating and administration costs are almost exclusively met by the national governments. Nevertheless, the (in the case of insurance services statistics very limited) expenditure is essential to provide an incentive for harmonizing the scope of the national surveys and standardising the results produced by Member States. The extension of national surveys only involve minor adaptations in all countries. Some indicators may not exist in some countries and will have to be introduced but are therefore to be delivered in a later stage.

Choice of intervention

- (a) This operation is mainly financed by Member States which already have ample systems for collecting data on insurance services.
- (b) Statistical information is collected by a highly decentralised level, on which the national systems have a responsibility at individual Member State level. The Community statistical programme is becoming an integral part of the national statistical programmes, thereby contributing to establishing a European statistical area.

As well as providing statistics on insurance services within the European Union, the proposals should improve the availability of data used for the compilation of national accounts, balance of payments statistics or other derived statistics.

- (c) The potential of multiplier effects (ability to mobilise other sources of finance) is relatively limited. However, the data foreseen by the draft Regulation will be of considerably greater relevance for users wishing to make international comparisons of the insurance markets within the European Union, but also to countries outside the European Union. This should lead to a greater revenue for the sale of statistical products.

Main factors of uncertainty which could affect the specific results of the operation

Difficulties may arise if certain Member States -or the Commission- do not manage to release the necessary resources for the success of the operation, which is unlikely as these are very limited.

9.3 Monitoring and evaluation of the operation

Performance indicators selected

The operation is monitored as part of the Community statistical programme. The progress of the statistical programme is continuously monitored against a control chart which sets out the targets and resources necessary for each project in target/performance terms. At the start of each year, Eurostat prepares a report on the progress of the programme in the previous year. This is in three parts:

1. It summarizes the main goals achieved during the year in terms of each policy;
2. It describes the objectives laid down for each project and the results obtained;
3. It provides statistics on the use of human, budgetary, IT and administrative resources during the previous year.

The quality of the statistics compiled will be regularly checked.

Details and frequency of planned evaluation

It is proposed in Council Regulation No 58/97 concerning structural business statistics that the Commission shall submit a report to the Parliament and the Council on the experience acquired from the work carried out pursuant to the Regulation. This report shall be prepared at least every three years.

10. Administrative expenditure (Part A of the budget)

The provision of the required administrative resources is dependant upon the annual decision of the Commission concerning the allocation of resources, taking particular account of the extra personnel and financial resources made available by the budget authority.

10.1. Effect on the number of Commission staff?

Duration	Staff to be assigned to managing the operation		Source	Additional resources	Duration
	<u>Permanent posts</u>	<u>Temporary posts</u>			
			Existing resources in the DG or department concerned		
Officials or temporary staff					
A	1		1		
B	1		1		
C					
Other resources					
Total					

10.2. Total financial impact of the additional human resources

	Amount	Method of calculation
Officials		
Temporary staff		
Other resources		
Total /year		

10.3. Increase in other administrative expenditure as a result of the operation

Budget heading	Amount	Method of calculation
Total /year		

Impact Assessment Form

The impact of the proposal on business
with special reference to small and medium-sized enterprises (SMEs)

Title of proposal

Proposal for a Council Regulation amending Regulation No 58/97 concerning structural business statistics

(The draft Regulation proposed aims at complementing Council Regulation (EC, Euratom) No 58/97 concerning structural business statistics with a detailed module for structural statistics in insurance)

Reference number

The proposal

1. *Taking account of the principle of subsidiarity, why is Community legislation necessary in this area and what are its main aims?*

The Commission requires statistical information on the structure, activity, competitiveness and performance of the European business Community, in particular for the evaluation and follow-up of the internal market. The need for harmonized business statistics has grown with the development of the internal market and the increasing international competition.

The statistical surveys in place in the Member States have, for the most part, developed since the adoption of the Council Directives No 64/475 of 30 July 1964 and No 72/221 of 6 June 1972, which covered the industrial sectors of the economy only. These developments have often taken place in an uncoordinated and piecemeal manner as they have been undertaken by national statistical offices in response to national needs for data. The need for harmonized data has often been expressed within the European Union. Despite efforts by the Commission (Eurostat), it has not been possible to produce comparable statistics within the European Union and the inflexibility of the existing legislation has meant that the European business statistical system has not developed in line with national systems nor with changes in the business environment. Council Regulation (EC/Euratom) No 58/97 on structural business statistics brings the existing legislation up to date, notably in its coverage of the service sectors and provides an instrument for coordinating the many different business surveys undertaken within the EU such that unnecessary burden through duplication and heterogeneity of data collection can be avoided. The proposed Regulation consists of an additional sectoral annex to Regulation No 58/97 on the insurance sector. It aims at harmonizing the statistical information available on insurance services in the framework of the abovementioned Regulation.

The purpose of the legislation is to make available comparable and harmonized statistics on insurance enterprises for all EU Member States. It aims to do this by harmonizing the results to be compiled by Member States in terms of the coverage, definitions and classifications used. It does not try to harmonize the current data collection systems in each Member State. The requirement that will be imposed by this Regulation is that each Member State must be able to compile results which are comparable between EU countries, using the data collected in their national systems. Very few changes will be required in the national data collection systems as most of the characteristics to be collected are already available at national level. Most of these characteristics are defined in Council Directive 91/674/EEC for the harmonization of annual accounts and consolidated accounts of insurance undertakings ("Accounting Directive") or are part of existing reporting circuits in the frame of the enterprises' supervision.

The impact on business

2. Who will be affected by the proposal?

which sectors of business?

The proposal aims in the long term to compile comparable statistics on the insurance sector in the Member States in the framework of Council Regulation No 58/97/EEC. Without considering the very small enterprises which can be exempted from the coverage of the Regulation only about 4 000 enterprises are concerned. The requirements in the insurance sector reflect the state of development of this sector with rather detailed data circuits already existing for many years. The insurance specific annex proposed in this draft Regulation shows a level of detail comparable to the existing annexes of Regulation No 58/97.

The sectors of business affected by the proposal are those active in the NACE Rev.1 classes 66.01 and 66.03 (including specialist reinsurance enterprises).

which sizes of business (what is the concentration of small and medium-sized firms)?

The Regulation lays down that the results to be transmitted to the Commission (Eurostat) should be representative of enterprises of all size classes. It does not say how this data should be collected but leaves the responsibility for the national data collection system to each Member State.

Most characteristics proposed on which statistics should be compiled are already collected at national level by the insurance supervisory authorities on the basis of the published accounts of the enterprises or on the basis of the supervisory returns forwarded to the competent national authorities. All authorized enterprises must therefore already establish the information defined in the "Accounting Directive" (91/674/EEC). The enterprises to which this applies are defined in Article 2 of this Directive.

In addition, Member States will be permitted to exempt certain small insurance businesses from the coverage of the proposal. This is laid down in Section 3 paragraph 4, of the draft Regulation. For the very limited data which are not yet part of existing circuits, Regulation No 58/97, moreover, allows estimation procedures rather than comprehensive data collections. Both possibilities, the exemption of small businesses and the estimation procedures will strictly limit the burden on small and medium enterprises.

In short this proposal makes thorough use of administrative sources and does not cause specific statistical data collection exercises. It allows the national authorities to extract most of the variables from existing data sources (data published by the enterprises or extracted from supervisory returns). This use of administrative sources, if employed by Member States, will widely minimize the number of variables which need to be collected additionally from the businesses concerned. For some Member States it can be assumed that no additional data will have to be collected at all. The use of administrative sources, if employed by Member States, will reduce the burden on businesses required to reply several times to identical questions.

Are there particular geographical areas of the Community where these businesses are found?

Regulation No 58/97 concerning structural business statistics requires that any samples drawn by Member States should be representative at a regional as well as a national level. The regional breakdown of a small number of variables for all sectors is foreseen by Regulation No 58/97. As regional information is not relevant for insurance services no regional breakdown will be required for this sector.

3. *What will business have to do to comply with the proposal?*

Member States are required to collect the data necessary for the compilation of harmonized results. Most data is already collected at the national level from the competent national authorities. For the largest part of the data collection, there will be no need to contact the statistical units (enterprises) concerned.

For the remaining part, not yet available at national level in the frame of existing data circuits, Member States may decide to sample the statistical units (enterprises) and send a reduced questionnaire. Those units drawn in the samples may be obliged (at the discretion of each Member State) to give honest and complete information within the prescribed deadlines.

4. *What economic effect is the proposal likely to have?*

on employment

on investment and the creation of new businesses

on the competitive position of businesses

The economic effects will be indirect in so far as it is expected that the Regulation will improve the quality and availability of statistics on insurance services at Community level, thus improving transparency on the effectiveness of the internal market and on the competitiveness of enterprises in this sector. In general, the competitiveness of the businesses increases as decision takers have better information on the insurance markets in other Member States. Therefore, they will be able to improve their corporate and investment strategies and increase the internationalisation of their businesses. More competitive insurance services with a broader range of products offered to final customers will be achieved.

4.1. *Costs*

In accordance with the 18th Declaration in the Treaty on the European Union on estimated costs under Commission proposals, an attempt is made to evaluate costs for the relevant authorities at national level of compiling the information requested in the draft Regulation.

In order to assess the response burden of the proposed Regulation on the business community, the Commission (Eurostat) - with regard to the knowledge gained in elaborating the draft Regulation and with regard to the application of the Regulation on voluntary basis (see also point 6) - estimates the costs on the enterprises concerned as being marginal. In some Member States no additional costs on enterprises at all will arise. It is moreover thought that additional data collections from businesses via national associations can be avoided by introducing this Regulation. It was indeed agreed that the associations would get some data sets from Eurostat which would limit the data they collect themselves from the enterprises.

Depending on the inclusion of the Regulation's requirements in the current reporting circuits, no or only very marginal costs are expected at the level of national authorities concerned (i.e. at National Statistical Institutes or at National Insurance Supervisory Authorities). In Member States where some very limited data have to be added to the existing data collections limited costs will arise for a one-off adaptation of the reporting returns and internal data processing systems. After implementation of these very limited adaptations only in the few Member States concerned, the permanent costs caused by the collection of this limited additional data will be absolutely marginal.

4.2. *Benefits*

It is difficult to evaluate to what extent a better understanding of the structure, activity, competitiveness and performance of the insurance services in the European Community resulting from harmonized statistics will have on the creation of enterprises, employment and on competitiveness. Any effect will be an indirect one resulting from better formulation and evaluation of policies and strategies, at the level of the businesses as well as at the level of political bodies.

The recent developments in Community economic and social integration require information for supporting the development and following the impact of initiatives and decisions to be based on more reliable, exhaustive, up-to-date and comparable statistics. Statistical information on insurance services is required for the follow-up of the internal market and for insurance in particular for the development and appraisal of economic, social, financial, sectoral, competition, and enterprise policies. Furthermore, international treaties such as that instituting the General Agreements on Trade in Services (GATS) require harmonized and high quality Community statistics in this area. In addition, insurance enterprises themselves need information on their activity and performance relative to competitors in their sector in national and international markets. Consumers even shall thanks to this information be better informed and more aware of the new market opportunities and more competitive prices.

Finally, the surveys proposed in this Regulation provide an indispensable reference for other business statistics such as product statistics. It also creates a solid statistical base for the compilation of national accounts and balance of payments statistics in this sector. This will lead to a considerable improvement of these derived statistics in this specific sector.

As the benefit that will accrue from the availability of harmonized community statistics can not be quantified, it is equally difficult to quantify the net benefit of these same statistics. However, the size of the Community programmes whose execution and evaluation will benefit from the availability of better statistics suggest that the benefit will considerably outweigh the costs of the data collection exercise and the slight extra burden on some enterprises.

5. *Does the proposal contain measures to take account of the specific situation of small and medium-sized firms (reduced or different requirements etc.)?*

For the data to be collected (published data or data delivered in the frame of the financial supervision of insurance enterprises), the population concerned is the total population. This is in line with existing reporting circuits in Member States which are affecting all authorized enterprises. Nevertheless, Member States are free to exclude the enterprises mentioned in Article 3 of Council Directive 73/239/EEC and Article 2(2) and (3), 3 and 4 of Council Directive 79/267/EEC, i.e. very small businesses of often only local importance.

For the data which is not yet part of existing data collections and not available from other sources, Member States are free to organize sample surveys. This is laid down in Article 6 of Council Regulation No 58/97.

In the past, Member States may have used surveys with a threshold (or cut-off), below which enterprises are only facing reduced reporting burden. This threshold could often have been in line with the alleviation as mentioned above (i.e. referring to small businesses of local importance only). As it is impossible to compare heterogeneous statistics between countries it is necessary to compile results which are representative to the whole population and to allow only alleviation to businesses of very limited economic importance. This is in particular important with regard to the structure of the European insurance markets.

However this does not mean that all enterprises have to be questioned on the limited data not yet included in existing data collections. The use of sampling and methods of statistical inference (expressly permitted by Regulation No 58/97) will thoroughly limit the amount of additional requirements to the units concerned. This is particularly true for smaller enterprises which could even completely be exempted from any additional requirements.

Where small and medium sized enterprises are included in the sampling process, the possibility of not inquiring those entities is open to the Member States, who would then need to use statistical inference methods to compile the full list of variables for the population considered.

As the structure of this sector mainly consists of larger or medium sized enterprises already used to detailed reporting systems for purposes of publication or supervision and as smaller businesses of limited importance may be completely exempted from the data collection, it would be inappropriate to fix additional thresholds in the legislation. The Member States are in better position to judge the usefulness of these practices.

Bearing in mind the current practices in the Member States it is very likely that they will all make use of some or all of the possibilities as laid down above. However as the competent national authorities taking over the statistical function of compiling aggregated data on insurance enterprises are often the insurance supervisory authorities and not the national statistical institutes, their methods of acquiring the very limited information not yet collected may be different. It might well be that national questionnaires already in use are enlarged with the very limited data not collected yet in some Member States.

Consultation

6. *List of the organizations which have been consulted on the proposal and outline their main views*

A detailed analysis of the needs for statistics in the services sector (where no harmonized Community surveys exist at present) was already prepared for the purpose of the Council Regulation No 58/97 concerning structural business statistics. This looked at the needs of various Commission services as well as the needs expressed at national level.

The principal users of the insurance services statistics within the Commission have been consulted during the preparation of the draft legislation.

The National Statistical Offices and the Insurance Supervisory Authorities responsible for data collections have been consulted on many occasions during the preparation of this text. This draft Regulation was indeed presented and discussed at the meetings of the relevant working group (last meeting of this group in July 1996) in Eurostat where both delegates of the competent national authorities and representatives of European professional associations and other international organizations were present. DG XV of the Commission (with its relevant unit) participated very actively in the meetings of this working group. The proposal follows closely the needs for statistical information in this field as expressed by DG XV. A very close dialogue has been undertaken during the drafting of the methodological manual which will support this legislation at technical and methodological level.

Discussions on this draft Regulation have also taken place at the Statistical Programme Committee (SPC) and the Insurance Committee (IC). The draft Regulation was submitted to the IC in April 1996 and to the SPC on 17 March 1997. Both Committees support the legislation. It was particularly pointed out that the draft Regulation should be forwarded to the Council where outstanding details and the consideration of need for national derogation would be pursued. However, reserves have been made by some countries as regards the extension of the reporting requirements placed on the insurance businesses. Additional form filling burdens on enterprises and processing burdens for national authorities concerned would be unwelcome.

Nonetheless, the draft text is supported from most of the Member States which have closely been involved in the preparatory work. At the end of the development work, some Member States have already commenced the implementation of the draft Regulation at national level on a voluntary basis. Based on this experience, it can be concluded that the costs on businesses as well as the costs on national authorities will be very limited in most of the Member States.

In the framework of the ongoing cooperation with the European Monetary Institute, the need for the Insurance Services Statistics in the larger framework of the statistics needed for the Economic and Monetary Union has been stated.

FORM CONCERNING THE EFTA COUNTRIES OF THE EEA

Title of the proposal

Proposal for a Council Regulation amending Regulation No 58/97 concerning structural business statistics

(The draft Regulation proposed aims at complementing Council Regulation (EC, Euratom) No 58/97 concerning structural business statistics with a detailed module for structural statistics in insurance)

The impact on the EFTA countries of the EEA

According to the Protocol of the EEA Agreement on Cooperation in the field of statistics, the EFTA states will participate within the framework of plans for priority actions in the field of statistical information.

The EFTA countries of the EEA are concerned by the draft Regulation, and were involved in the discussions on the matter.

Some delegates of EFTA countries took part in the meetings of the working parties and committees at which the draft was discussed. The March meeting of the Statistical Programme Committee, where the decision was taken to send the proposal to the Council for adoption, was in an EEA meeting.

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