

FINAL REPORT

Measurement data and analysis

as specified in the specific contracts 5&6 on Modules 3&4

under the Framework Contract n° ENTR/06/61

Report on the Statistics Priority Area

EU PROJECT ON BASELINE MEASUREMENT AND
REDUCTION OF ADMINISTRATIVE COSTS

5th March 2009

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Executive Summary

The European Commission has embarked on an ambitious 'Better Regulation' exercise aimed at a reduction of the administrative burden for European business by 25% by 2012. A key part of its Action Programme consists of measuring the administrative cost for business of meeting obligations to provide information under selected items of the EU legislation and the relevant national implementing legislation. A Consortium consisting of Capgemini, Deloitte and Ramboll Management was engaged by the European Commission to carry out the measurement.

The Standard Cost Model (SCM) that was used for this measurement is a method for determining the administrative costs for business imposed by regulation. The SCM method is a way of breaking down regulation into a range of manageable components that can be measured. The SCM neither addresses nor questions the policy objectives of each piece of regulation. As such, the measurement and analysis focus only on the administrative activities that must be undertaken in order to comply with regulation, not on the benefits that accrue from the legislation.

This document is the Final Report on the measurement of the Statistics Priority Area (Priority Area). Its results are based on measurements conducted in six Member States, namely Belgium, France, Italy, Poland, Portugal and Sweden, together with existing data from five Member States – Austria, Denmark, Germany, the Netherlands and the United Kingdom – that have previously conducted baseline measurements. This report presents:

- The results of the measurement;
- Cost data for all 27 Member States as input for the prioritisation and analysis of future simplification work;
- Analysis of the measurement data;
- First suggestions collected during interviews and workshops on how to reduce the administrative burden for business arising from the Information Obligations identified¹.

¹ During the interviews and workshops with business and experts, several initial simplification ideas were collected. A structured and detailed analysis of possible reduction measures is being conducted as part of Module 5. Thus, this report only contains a summary of the suggestions gathered during the measurement phase and does not represent a final list of simplification suggestions.

The Directives and Regulations in scope for the Statistics Priority Area are:

- Regulation (EC) No 638/2004 of the European Parliament and of the Council of 31 March 2004 on Community Statistics relating to the trading of goods between Member States and repealing Council Regulation (EEC) No 3330/91;
- Council Directive 2001/109/EC of the European Parliament and of the Council of 19 December 2001 concerning the statistical surveys to be carried out by the Member States in order to determine the production of plantations of certain species on fruit trees;
- Council Directive 93/23/EEC of 1 June 1993 on the statistical surveys to be carried out on pig production;
- Council Directive 93/24/EEC of 1 June 1993 on the statistical surveys to be carried out on bovine animals;
- Council Regulation (EEC) No 3924/91 of 19 December 1991 on the establishment of a Community survey of industrial production;
- Council Regulation (EC, Euratom) No 58/97 of 20 December 1996 concerning Structural Business Statistics.

The purpose of these Regulations and Directives was to set up a legislative framework for the production of Community statistics on the trading of goods between Member States, structural business statistics, industrial production, pig and bovine population and fruit tree plantations.

Main findings in Statistics Priority Area

- On the basis of three Directives and three Regulations, a total of 8 EU Information Obligations (IOs) were identified;
- The transposition of the EU IOs resulted in 255² national IOs transposing EU Requirements and 14 Possibilities not stated in the EU Acts across the 27 Member States;
- The total administrative cost of these 8 IOs and National obligations is estimated at a total of €628,88 million EU-wide;
- Of the €628,88 million administrative cost, €552,25 million has been classified as administrative burden;
- Of the €628.80 million of administrative costs, 98% (€618.30 million) stem from EU Requirements, whereas 2% (€10.59 million) is due to national obligations going beyond EU Requirements.

The identification of the Core Elements and Possibilities was carried out by analysing the national legislation. The mapping and the identification of the Possibilities not stated was carried out following the legislative text and not by analyses of the statistical forms that the businesses need to fill in and send to the National Statistical Offices. It appears that not all additional requirements are reflected in the national legislation. Therefore, Possibilities Not Stated in the EU Legal Act were not been identified in this specific Priority Area.

The Table below shows the total administrative cost of the EU IOs and national obligations going beyond EU Requirements.

² There is not a one to one relationship between number of IO and Possibilities at EU level and national IO. Not all Possibilities are transposed in all Member States.

Table 1: Total Administrative cost of EU Requirements and National Obligations going beyond EU Requirements

		EU Requirement	National obligation going beyond EU Requirements	Total	Total Admin. Burden		
			Possibility not stated in the EU Act		Admin. Burden	Share of Admin. Cost (%)	
			Admin. Cost		Admin. Cost	Admin. Cost	Admin. Burden
			(€ x 1,000)		(€ x 1,000)	(€ x 1,000)	(€ x 1,000)
EU Requirement	EU Legislation						
1. Intrastat statistical information on dispatches and arrivals of Community goods	Regulation (EC) No 638/2004 of the European Parliament and of the Council of 31 March 2004 on Community statistics relating to the trading of goods between Member States and repealing Council Regulation (EEC) No 3330/91	393,676	0	393,676	317,046	80.53	
2. Data collection for structural business statistics	Council Regulation (EC, Euratom) No 58/97 of 20 December 1996 concerning structural business statistics	106,637	361	106,998	106,998	100	
3. Statistical surveys of industrial production	Council Regulation (EEC) No 3924/91 of 19 December 1991 on the establishment of a Community survey of industrial production	93,232	7,549	100,781	100,781	100	
4. Statistical surveys on bovine population	Council Directive 93/24/EEC of 1 June 1993 on the statistical surveys to be carried out on bovine animal production	11,016	14	11,030	11,030	100	
5. Statistical surveys on pig population	Council Directive 93/23/EEC of 1 June 1993 on the statistical surveys to be carried out on pig production	6,989	2,666	9,654	9,654	100	
6. Statistical surveys on fruit tree plantations	Directive 2001/109/EC of the European Parliament and of the Council of 19 December 2001 concerning the statistical surveys to be carried out by the Member States in order to determine the production potential of plantations of certain species of fruit tree	6,131	0	6,131	6,131	100	

7. Statistical surveys on pig slaughters	Council Directive 93/23/EEC of 1 June 1993 on the statistical surveys to be carried out on pig production	399	0	399	399	100
8. Statistical surveys on bovine slaughters	Council Directive 93/24/EEC of 1 June 1993 on the statistical surveys to be carried out on bovine animal production	214	0	214	214	100
TOTAL		618,294	10,590	628,883	552,253	87.81

This Table is based on data compiled by the Consortium

Within the Regulations and Directives in scope, the Information Obligations “Intrastat statistical information on dispatches and arrivals of Community goods”, “Statistical surveys on industrial production” and “Data collection for structural business statistics” are the most burdensome. Together, they represent 96% of the total burden created for the eight IOs in the scope. The “Intrastat” IO alone accounts for 63% of the total burden. The time it takes to retrieve and adjust relevant data, and the total number of entities involved in those IOs are the main drivers in creating this level of burden.

The other Information Obligations in scope relate to Statistical surveys on bovine and pig population, bovine and pig slaughters and fruit tree plantations. Together, these five IOs represent less than 4% of the total burden of this Priority Area. Those IOs are not seen as burdensome at macro level but nevertheless can be considered as time consuming for the businesses involved.

During the interviews and workshops with businesses and experts, several initial simplification ideas were collected. Those are preliminary ideas that will be further developed in Module 5-2 of the overall project. It does not represent a final list of simplification suggestions:

- Simplify the nomenclature codes for Intrastat declarations;
- Have a single flow for the Intrastat declaration. It should be possible for every Member State to detect just one flow (export), the other (import) should be obtained from the exports declared by all the partner countries;
- Study the possibility of increasing the exclusion thresholds for the Intrastat Information Obligation. This would reduce the number of businesses submitting the Intrastat declaration. This is currently being proposed in the revised legislation;

- Align the data required in the Structural Business Statistics form with the standard national Annual accounts form;
- Improve the exchange of information between the different departments within the Member States;
- Reduce the frequency with which businesses are required to comply with the Structural Business Statistics from yearly to every two years;
- Merge/align the Intrastat declaration with the VAT declaration in all Member States.

These preliminary suggestions, the baseline measurement data, the analysis of the business processes implemented by businesses to comply with the IOs and different ways of handling the IOs across Member States, all contribute to this report as a strong basis for the work the Consortium is currently performing for identifying, analysing and prioritising suggestions for reducing the administrative burdens linked to the IOs in scope of this measurement.

1. Introduction

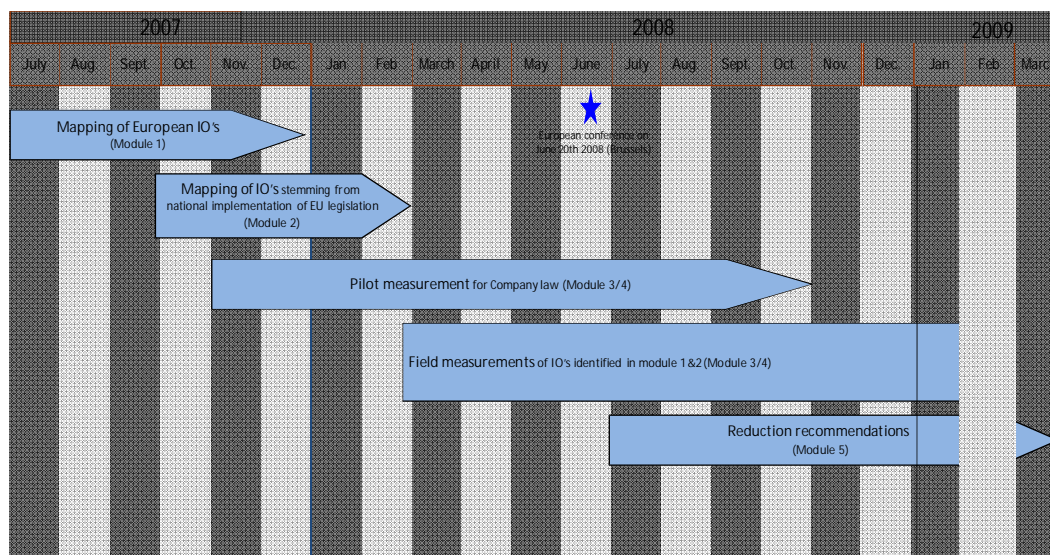
The “EU Project on baseline measurement and reduction of administrative costs” covers Information Obligations (IOs) stemming from 42 Community legislative acts³ and from the related national transposition acts, grouped into 13 Priority Areas (Priority Areas):

- Agriculture and Agricultural Subsidies;
- Annual Accounts/Company Law;
- Cohesion Policy;
- Environment;
- Financial Services;
- Fisheries;
- Food Safety;
- Pharmaceutical Legislation;
- Public Procurement;
- Statistics;
- Tax Law (VAT);
- Transport;
- Working Environment/Employment Relations.

³ See: http://ec.europa.eu/enterprise/admin-burdens-reduction/docs/42_LegislativeActs.pdf.

The Project uses the EU Standard Cost Model (SCM) methodology and is structured in five modules, as shown in the following Figure:

Figure 1: Project structure and timeline



By Capgemini/Deloitte/Ramboll Management.

As the Figure above shows, the first step was to map the Information Obligations (IOs) (Modules 1 & 2). The focus was both on the IOs stemming directly from EU legislation and on those stemming from the national implementation of EU legislation. Moreover, the “over-implementation” (or “gold-plating”) of an EU Legal Act at national level, in terms of additional IOs or procedural requirements, amended frequency, or population (i.e. coverage) – the so-called national obligations going beyond EU Requirements – was also documented, as it could lead to an increase in administrative costs linked to the provisions of the EU legislation.

The next phase was to determine the administrative costs resulting from the EU IOs and national obligations going beyond EU Requirements (Modules 3 & 4 respectively) through interviews and workshops, along with estimates made by experts. Data was collected in a sample of businesses in six Member States (the ‘Measurement Countries’) and supplemented by existing data from Member States having already undertaken SCM

measurements (the 'Baseline Countries')⁴. Based upon this dataset, the administrative cost for the remaining EU Member States (the 'Extrapolation Countries') was estimated through extrapolation. National obligations going beyond EU Requirements were measured in all countries where they occur as they are specific to each Member State (MS).

The current work within this project focuses on the development of reduction proposals to reach the European Commission's goal of a 25% reduction in administrative burdens by 2012 (Module 5).

The current report covers the results of the work undertaken for Modules 3 and 4 for the Statistics Priority Area. More specifically, it contains:

- In Section 2: an overview of the Statistics Priority Area framework. This section presents the focus of the Priority Area, the chosen measurement approach, as well as the high-level findings of the mapping and measurement phases;
- In Section 3: an analysis of the legal acts and the most burdensome IOs in scope;
- In Section 4: an outlook section looking ahead to the next phase;
- Annexes: including a listing of methodological challenges faced in this Priority Area.

It does not include a detailed description of the Action Programme for Reducing Administrative Burdens in the European Union or of the underlying methodology followed by the Consortium. The main report on the Measurement data and analysis as specified in the specific contracts 5&6 on Modules 3&4 under the Framework Contract n° ENTR/06/61 presents both of these together with the overall results of 12 mainstream Priority Areas.

⁴ European Commission Communication, 24 January 2007, Action Programme for Reducing Administrative Burdens in the European Union – COM (2007)23 final.

2. Statistics Priority Area Framework

This section sets the scene for the detailed presentation of the results of the data collection in the sections which follow. This section contains:

- An introduction to the Directives and Regulations in scope;
- A summary of the general methodological concept and the measurement approach chosen in the Priority Area, and
- An overview of the high-level findings of the mapping phase and the measurement results.

2.1 Focus of the Priority Area

Scope

The Directives and Regulations in scope for the Statistics Priority Area are:

- Regulation (EC) No 638/2004 of the European Parliament and of the Council of 31 March 2004 on Community Statistics relating to the trading of goods between Member States and repealing Council Regulation (EEC) No 3330/91;
- Council Regulation (EC, Euratom) No 58/97 of 20 December 1996 concerning Structural Business Statistics;
- Council Regulation (EEC) No 3924/91 of 19 December 1991 on the establishment of a Community survey of industrial production;
- Council Directive 2001/109/EC of the European Parliament and of the Council of 19 December 2001 concerning the statistical surveys to be carried out by the Member States in order to determine the production potential of plantations of certain species of fruit trees;
- Council Directive 93/23/EEC of 1 June 1993 on the statistical surveys to be carried out on pig production;
- Council Directive 93/24/EEC of 1 June 1993 on the statistical surveys to be carried out on bovine animals.

Target group affected by the legislation

Each Directives or Regulations cover a different target group:

- Trading companies: are the target group for Council Regulation (EC) No 638/2004 on the trading of goods between Member States;

- The target population covered by Regulation 58/97 on Structural Business Statistics are businesses of NACE sections C to K. This is the so-called business economy. Those sections regroup the categories mentioned in the previous point as well as construction, service activities, hotels and restaurants, transport and communication, financial intermediation and real estate, renting and business activities;
- The target population covered by Regulation 3924/91 on the Community survey of industrial production are 'Undertakings with industrial production with over 20 persons employed with targeted economic activities listed in sections C, D and E of NACE Rev. 1.1'. Those sections comprise the following categories: all manufacturing industries, electricity, gas and water supply and mining and extraction businesses;
- Fruit production holdings are the target group for Directive 2001/109/EC;
- Directives 93/23/EEC and 93/24/EEC target Agricultural holdings with pigs and/or bovine animals and slaughterhouses.

2.2 Measurement Approach

The methodology used during this project is based on the adapted EU SCM Manual submitted as part of the Module 1 Final Report in mid-February 2008. A short introduction to the main characteristics of the general measurement approach, as well as the approach chosen within Statistics Priority Area, is given below. For more information on the methodology, please see the main report and/or the adapted EU SCM Manual.

2.2.1 General methodological concepts

The EU Standard Cost Model (EU SCM) breaks down administrative costs imposed by legal acts into components that can be assessed with reasonable accuracy⁵. Thanks to this analytical approach, it is possible to:

- a) Locate the most costly obligations and the greatest reduction opportunities
- b) Formulate reduction proposals, and
- c) Determine at which level reduction measures should be adopted.

⁵ The SCM does not aim at producing statistically valid results, but rather estimates (i.e. figures based on relatively small samples or expert judgment). Considering the level of detail and the number of parameters involved, conducting statistic measurements would not be cost-efficient.

The EU SCM methodology neither addresses nor questions the policy objectives of each piece of legislation. As such, the measurement focuses only on the administrative activities that must be undertaken in order to comply with legislation and not on whether the legislation itself is reasonable or not.

While the methodology may also be applied to civil society and the public and private sectors, this project focuses exclusively on the administrative costs for business.

Thus, administrative costs are defined as the costs incurred by enterprises in meeting legal Information Obligations. An Information Obligation (IO) is a legal obligation placed on businesses to provide information on their activity or production, either to public authorities or to private parties⁶. Every IO has attributes that describe the:

- Content of the data required or data requirement (what must be provided)
- Target group (who must provide it), and
- Frequency (when it must be provided).

IOs stemming from EU legislation are labelled EU IOs, while IOs stemming from national implementation are called national IOs.

Some EU legislative acts also mention the possibility for Member States to ask for additional information (i.e. "...Member States may ... require the inclusion of other statements in the annual accounts in addition to the documents referred to in the first sub-paragraph ..."). Such Possibilities Stated in the EU Legal Act are not to be understood as EU Requirements insofar as Member States are not obliged to ask for that information. Nevertheless such Possibilities Stated in the EU Legal Act were documented by the Consortium as they often pave the way for additional legislative requirements introduced at national level.

In many cases the possibility for Member States to ask for additional information also exists even though it is not stated in the EU legal text⁷. Listing such Possibilities not stated

⁶ These private parties are usually consumers and/or other businesses.

⁷ As a general principle, Member States have the right to legislate on any issues as long as "Possibilities not stated in the EU Legal Act" do not contradict EU law.

in the EU Legal Act as part of the description of EU legal texts would be fastidious and inefficient. Documenting cases of national obligations going beyond what the EU requires has, however, been part of the screening of national IOs.

Together, the Possibilities stated in the EU Legal Act and the Possibilities not stated in the EU Legal Act are called “National obligations going beyond EU Requirements”.

When analysing the administrative costs, a distinction should be made between information that would be collected and processed by businesses even in the absence of the legislation, and information that is solely collected because of a legal obligation. The former are called “business-as-usual” (BAU) costs⁸, the latter administrative burdens. Added together, the administrative burdens and business-as-usual costs constitute the administrative costs. Having quantitative figures on the business-as-usual costs is of crucial importance for the Commission in the light of its reduction target, which is expressed in terms of administrative burdens (not administrative costs).

The objective of Modules 1 and 2 was to carry out a preparatory analysis of the EU and national legislation to form the foundation for the field measurements of administrative costs in the 27 European Member States. Within Module 1 and 2, the IO stemming directly from EU legislation in scope as well as any national obligations going beyond the EU Requirements in scope of this project were identified and registered⁹.

In Module 3 and 4 different approaches were used to collect and calculate the information needed to determine the administrative costs at the EU level as well as at the national level. The remainder of this section presents a brief overview of these approaches and the underlying rationales.

Experience from all previous SCM measurements shows that the top 20% most burdensome IO in any given area will represent 80% of the costs. Following this principle,

⁸ A description on how the BAU costs were calculated can be found in the Main Report.

⁹ For more information on Module 1 and 2, please see first edition of the adapted EU SCM manual and the Final Report for Module 1 and 2.

an initial assessment of population and cost parameters was conducted and estimation produced of the expected administrative costs for each EU IO.

The IOs selected for interviews and workshops were clustered in groups that could logically be covered by interviews at about the same time, most often because they involved the same target group and administrative tasks that the same employee type usually performs. The result was a list of several groups of IOs known as campaigns.

EU IOs were only measured in a sample of six Member States. The data collected in the six Measurement Countries supplemented with data from existing measurements on the EU IOs from the Baseline Countries were extrapolated to similar IOs in the other countries and aggregated to the EU level. However, for the national obligations going beyond EU Requirements, data was collected in each country where they were identified. Obviously, extrapolation cannot apply to these as they are peculiar to the specific country.

The extrapolation exercise consisted of predicting cost and can basically be understood as generating the best estimates of the administrative activities conducted by businesses in a country where data has not been collected, based on data from other countries where data was collected. The SCM does not aim at producing statistically valid results, but rather estimates (i.e. figures based on relatively small samples or expert judgment). Considering the level of detail and the number of parameters involved, conducting statistical measurements would not have been cost-efficient.

The selection of Member States for measuring the prioritised IOs was based on the following criteria:

- Population of the countries
- Spread of geographic location
- Duration of EU Membership
- If/when legislation is applicable
- Implementation of Possibilities Stated in the EU Legal Acts.

The purpose of using the selection criteria was to guarantee that the results represented different population/country sizes within the EU. Furthermore, it ensured that the data

collection covered different geographical regions (geographically and also in terms of the historical development of the EU). Lastly, the selection criteria were designed to ensure that the Member States chosen for data collection had transposed the legislation. Combined, the selection criteria ensured a sound foundation for the extrapolation.

One of the requirements of the EU project on baseline measurement and reduction of administrative costs was to follow a 'full Member State coverage measurement approach'. This meant that Member States which were relatively less important in terms of size were also part of the measurement. As a result, the sample selected is not always representative for each Priority Area. Further studies would be needed to achieve fully representative results.

When data collection was carried out, the results were summarised for each business interviewed. These empirical results were then standardized with the objective of providing a single estimate for a normally efficient business to complete each administrative activity required to comply with a given national IO.

By combining the data collected from the workshops, face-to-face interviews and telephone interviews, a qualitative assessment was made of the resources a business devotes to each cost parameter related to fulfilling an IO. More specifically, an assessment was conducted on internal time spent and employee type per activity, consultancy costs, and costs of equipment. The goal of the standardisation is not to average the cost data obtained through the workshops and interviews, but to get a plausible result for a normally efficient business for each IO. The normally efficient business is defined as a business within the target group that perform administrative activities required by the IOs neither better nor worse than may reasonably be expected.

2.2.2 Measurement Approach chosen for the Statistics Priority Area

For the Statistics Priority Area, eight IOs were mapped in the pieces of legislation in scope, and two of them were prioritised.

Table 2: EU Requirements within the Statistics Priority Area

EU Legislation name	Status	EU Requirement name
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EU Legislation name	Status	EU Requirement name
Regulation 58/97 concerning structural business statistics	Prioritised	Statistical survey on Community business statistics
Regulation (EC) 638/2004 on Community Statistics	Prioritised	Statistical survey for gathering Intrastat statistical information on dispatches and arrivals of Community goods
Regulation 3924/91	Non-prioritised	Statistical survey of industrial production
Directive 93/23/EEC	Non-prioritised	Statistical surveys on pig population
Directive 93/23/EEC	Non-prioritised	Statistical survey on pig slaughters
Directive 93/24/EEC	Non-prioritised	Statistical surveys on bovine population
Directive 93/24/EEC	Non-prioritised	Statistical survey on bovine slaughters
Directive 2001/109/EC	Non-prioritised	Statistical survey on fruit plantations

This Table is based on data compiled by the Consortium

To prioritise the EU IOs, an assessment of the following aspects was conducted:

- Number of activities per year required by each IO;
- Assessment of the internal time spent (complexity) based on three different categories (simple, medium and complex);
- Employee type/ qualification level (tariffs): The administrative activity judged qualitatively on the basis of what qualification level was necessary to carry it out;
- External time spent (Consultancy costs) and acquisitions (Equipment costs): If specific tasks are outsourced to external providers (e.g. demanded reports from experts, lawyers etc.) the costs were also taken into account, and then based on three different categories (low, average and high).

The prioritisation of each IO was based on the expected number of occurrences and the complexity of the IOs. All IOs with high priority and some of the IOs with medium priority were specifically addressed in the interviews and workshops with businesses. For the remaining IOs, the administrative costs were assessed by holding interviews with experts. The purpose of the prioritisation was to select those IOs which had the highest estimated cost. The position on the priority list, i.e. if the IO belonged to the top 20% or the remaining 80% of estimated costs, determined the manner in which data was collected. The 20% assumed most burdensome IOs within each Priority Area were designated as Prioritised IOs and earmarked for in-depth measurement. The remaining 80% for each

Priority Area were marked as Non-prioritised IOs and were therefore subject to less rigorous measurement. The Prioritised IOs were analysed and measured through workshops and interviews, whereas IOs with lower estimated costs were costed through telephone interviews and expert assessments, or similar less intensive methods. In this way, the resources were predominantly concentrated on collecting data on the most costly IOs.¹⁰ The demarcation between Prioritised IOs and Non-prioritised IOs was made at Priority Area level only and not at overall project level, as to have done the latter would have led to some of the less burdensome Priority Areas having only Non-prioritised IOs.

Segmentation

To measure those prioritised Information Obligations, we defined a specific segmentation related to the sizes of the businesses:

- Micro/Small/Medium enterprises of fewer than 250 employees or annual turnover of less than €50 million;
- Large enterprises with more than 250 employees or annual turnover of more than €50 million.

This segmentation is applicable to both of the prioritised IOs on “Data collection for Structural Business Statistics” and on “Intrastat statistical information on dispatches and arrivals of Community goods”. Those segments were selected for the measurement as the size of the business had emerged in earlier measurement as the main factor impacting the time spent by businesses to fulfil those IOs. The segments on micro, small and medium-sized businesses were regrouped for the measurement as we were not expecting major differences in term of administrative costs across those three segments.

¹⁰ In a few cases the data collection showed that non-prioritised IOs were more cost intensive than prioritised IO. Due to the iterative process in the project and the time and resource constraints, this had to be accepted without changing the data collection approach.

Data Collection

Following the prioritisation and the segmentation, relevant interview subjects and experts were selected and recruited for the data collection phase. For the Statistics Priority Area, five data points per IO were collected through face-to-face interviews in each Measurement Country.

Campaigns

Based on the above parameters, we defined four campaigns (the logical grouping of IOs that can be covered by interviews or workshops) for Statistics. Those campaigns were:

- Campaign 1: "Data collection for Structural Business Statistics" for micro/small/medium-sized businesses;
- Campaign 2: "Data collection for Structural Business Statistics" for large businesses;
- Campaign 3: "Intrastat statistical information on dispatches and arrivals of Community goods" for micro/small/medium-sized businesses;
- Campaign 4: "Intrastat statistical information on dispatches and arrivals of Community goods" for large businesses.

Countries measured

The Member States that were chosen for the measurement of Statistics are: Belgium, France, Italy, Poland, Portugal and Sweden. In addition to those six countries, data from Baseline Countries were also used. Those countries are: Austria, Denmark, Germany, the Netherlands and the United Kingdom.

The Baseline Countries did not systematically measure all the Information Obligations in scope. The Table below shows which IO was measured per Baseline Country for the Statistics Priority Area.

Table 3: Baseline Countries' data within the Statistics Priority Area

EU Requirement Name	Austria	Denmark	Germany	Netherlands	UK
Statistical surveys for gathering Intrastat statistical information on dispatches and arrivals of Community goods	Retrieved	Retrieved	Retrieved	Retrieved	Retrieved
Statistical surveys on Community business structure	Retrieved	Retrieved	Retrieved	Retrieved	Extrapolated

EU Requirement Name	Austria	Denmark	Germany	Netherlands	UK
Statistical surveys of industrial production	Retrieved	Extrapolated	Extrapolated	Retrieved	Extrapolated
Statistical surveys on pig population	Extrapolated	Retrieved	Retrieved	Retrieved	Extrapolated
Statistical surveys on pig slaughters	Extrapolated	Retrieved	Extrapolated	Extrapolated	Extrapolated
Statistical surveys on bovine population	Extrapolated	Extrapolated	Retrieved	Retrieved	Extrapolated
Statistical surveys on bovine slaughters	Extrapolated	Retrieved	Extrapolated	Extrapolated	Extrapolated
Statistical surveys on fruit tree plantations	Extrapolated	Retrieved	Extrapolated	Retrieved	Extrapolated

This Table is based on data compiled by the Consortium

2.3 High-level findings of the EU and national mapping in Statistics Priority Area

The following section summarises the main findings of the EU and national mapping in Statistics Priority Area which resulted from the work done during Module 1 on the identification and classification of EU IOs and the Possibilities Stated in the EU Legal Act, followed by the identification of national IOs transposing EU legislation as well as the linking of EU IOs and national IOs in Module 2. The full results of this were presented in the final reports on Modules 1 and 2 of the EU project on baseline measurement and reduction of administrative costs¹¹.

2.3.1 Main Results of the EU mapping

The eight IOs that were identified from the Regulations and Directives in scope for the Statistics Priority Area are:

- “Data collection for Structural Business Statistics”
- “Intrastat statistical information on dispatches and arrivals of Community goods”
- “Statistical survey on industrial production”
- “Statistical survey on pig population”
- “Statistical survey on pig slaughter”
- “Statistical survey on bovine population”
- “Statistical survey on bovine slaughter”
- “Statistical survey on fruit plantations”.

All eight IOs are implicit IOs, which means that obligations are not directly addressed to businesses but nevertheless create an administrative burden for them. The EU texts do not oblige the businesses to fulfil the Information Obligation, but require the Member States

¹¹ For the details of the mapping please refer to the reports on Modules 1 and 2.

to have such information available and communicate it to Eurostat through the National Statistics Offices.

Table 4: Total number of EU IOs and Possibilities Stated in the EU Legal Act within Statistics Priority Area

EU Legislation	Total no. of EU Requirements	Total no. of Possibilities Stated in the EU Legal Act	Total
Council Directive 93/23/EEC of 1 June 1993	2	0	2
Council Directive 93/24/EEC of 1 June 1993	2	0	2
Council Regulation (EC, Euratom) No 58/97 of 20 December 1996	1	0	1
Council Regulation (EEC) No 3924/91 of 19 December 1991	1	0	1
Directive 2001/109/EC of the European Parliament and of the Council of 19 December 2001	1	0	1
Regulation (EC) No 638/2004 of the European Parliament and of the Council of 31 March 2004	1	0	1
Total	8	0	8

This Table is based on data compiled by the Consortium

No Possibilities stated in the EU Legal Act were identified in the Statistics Priority Area.

2.3.2 Main Results of the National Mapping

The Table below provides an overview of the identified IOs and Possibilities not stated in the EU acts per country and per Member State.

We would like to draw attention to the fact that there are a number of cases where no national equivalent of the EU Requirements was found. An IO may be 'missing' because:

- The IO was not found in the pieces of legislation validated by the European Commission and the national SPOCs
- The EU Directive is not applicable in a Member State
- The EU Directive had not been transposed in a Member State
- The EU Directive had been transposed, but after the baseline date for this project.

Table 5: Overview of National IOs and national obligations going beyond EU Requirements

	EU Requirements				National Obligations going beyond EU Requirements		Total No of national IOs
	No of EU Requirements Identified	No of EU Requirements not transposed	No of EU Requirement transposed in MS	No of National IOs transposing EU Requirements	Possibilities stated in the EU Act	Possibilities not stated in the EU Act	
Austria	8		8	8			8
Belgium	8		8	8		2	10
Bulgaria	8		8	9			9
Cyprus	8		8	8			8
Czech Republic	8		8	8		5	13
Denmark	8		8	21			21
Estonia	8		8	8			8
Finland	8		8	8			8
France	8		8	8			8
Germany	8		8	29		2	32
Greece	8		8	8			8
Hungary	8		8	8			8
Ireland	8	1	7	10			10
Italy	8		8	8			8
Latvia	8		8	8		1	9
Lithuania	8		8	8		1	9
Luxemburg	8	4	4	4			4
Malta	8	1	7	5			5
the Netherlands	8		8	10			10
Poland	8		8	8			8
Portugal	8	1	7	7			7
Romania	8		8	8		2	10
Slovakia	8		8	16			16
Slovenia	8		8	8			8
Spain	8		8	8		1	9
Sweden	8		8	8			8
United Kingdom	8		8	8			8
Total		7	209	255	0	14	269

This Table is based on data compiled by the Consortium.

The EU IOs identified from the Directives and Regulations in scope for the Statistics Priority Area have resulted in 255 national IOs and 14 Possibilities not stated in the EU act. No Possibilities stated in the EU acts were identified in this Priority Area.

For each Information Obligation mapped, the Consortium identified the Core Element imposed on Member States by EU legislation, and the “over-implementation” (or “gold-plating”) of the EU acts at national level in terms of procedural requirements, amended frequency, or population going beyond EU Requirements. Those “over-implementations” are called Possibilities not stated.

The identification of the Core Elements and Possibilities was performed by analysing the national legislation. For each identified Possibility not stated in the EU Legal Act, the additional administrative obligation was clearly described in the national legislation, and was registered as such during the mapping phase of the project.

The mapping and the identification of the Possibilities not stated was realised following the legislative text and not by analyses of the statistical forms that economic operators fill in and send to the National Statistical Offices.

The EU Legislation text linked to the Statistics Priority Area, states which characteristics and which breakdowns should be delivered to Eurostat. Member States can choose the way in which this data is collected: through surveys of businesses, through administrative data or through a combination of sources. In some cases Member States, due to national needs, collect a more detailed list of characteristics with more detailed breakdowns than that required by the legal act.

It appears that not all additional requirements are reflected in the national legislations. In the case where surveys are conducted more frequently, or when a list of products surveyed is longer than that foreseen at EU level, it does not appear and is not described as such in the national legislation. Those Possibilities not stated were not identified in this specific Priority Area.

The level of detail cannot be considered as a Possibility not stated in the EU Legal Act in the methodology of this project. In the case of a national legislation describing the data needing to be covered following EU Requirements, the definition of sub-category linked to the EU Requirements is not considered as a Possibility not stated in the EU Legal Act.

As an example, the level of detail required in the Structural Business Statistics form differs from Member State to Member State. This difference in detail has not been identified as Possibilities not stated in the EU act, as they are only discernible in the specific forms used by the Member States, not in the legislation itself. Through our interviews we have learned that the Member State which asks for the most detailed and extensive data is Poland. In Poland, the national legislative requirements followed the EU Requirements and did not require submission of additional data not described in the EU text. Therefore the additional requirements were not considered to be a Possibility not stated in the EU Legal Act. This illustrates the main difference in identification between the use of legislation and the Statistical Survey to map the Information Obligations.

For the IO "Statistical survey on industrial production", the additional national requirements are not always reflected in the national legislations. In certain Member States surveys are conducted more frequently than once per year or at a more detailed level than described in the national legislation. Following the Consortium approach these were not identified as Possibilities not stated.

National Requirements:

Bulgaria reported nine national IOs linked to the eight IOs in scope for the Statistics Priority Area. This comes from the IO "Intrastat statistical information on dispatches and arrivals of Community goods" that has been implemented through two national IOs, one for the "Submission of Intrastat Declaration" and one for the "Keeping e-book on arrival and dispatch of commodities".

Denmark shows 21 national IOs linked to the eight IOs in scope for the Statistics Priority Area. This is mainly driven by the structure and segmentation of the existing data. The Baseline Country (BLC) data has been used 'as-is'. In respect of mapping, this means that the IOs mapped in the BLC have been left unchanged, which in the case of Denmark has resulted in a situation where several national IOs should be linked to one EU IO. Denmark

mapped the IOs on "Intrastat", "Structural Business Statistics" and the IO on "agricultural" following a specific segmentation by sector of activity.

Germany is the Member State with the highest number of IOs reporting 29 national IOs linked to the eight IOs in scope for the Statistics Priority Area. All the IOs have been transferred on a 1:1 basis from the baseline measurement, except the for the EU IO "Statistical survey of industrial production" which has been registered into several national IOs following the different branches concerned.

Ireland reported 10 national IOs linked to the eight IOs in scope for the Statistics Priority Area. This is due to the IO "Statistical surveys on industrial production" that has been implemented through four national IOs. Directive 2001/109 on fruit tree plantations has not been transposed, as it is not applicable in Ireland.

Luxembourg only reported four national IOs linked to the Statistics Priority Area. The statistical office of Luxembourg (STATEC) confirmed that Directives 93/23 and 93/24 have not been transposed into national law.

In Malta, Directive 2001/109 on Statistical surveys on fruit tree plantations has not been transposed.

The Netherlands reported 10 national IOs linked to the eight IOs in scope for the Statistics Priority Area. This is driven by the structure and segmentation of the existing data. The Netherlands mapped the IO on "Structural Business Statistics" following a specific segmentation by sector of activity (e.g. Industry and Mining, manufacturing company and building company).

None of the transpositions for the Directive on the production potential of plantations (2001/109/EC) could be found in Portugal.

Slovakia reported 16 national IOs linked to the eight IOs in scope for the Statistics Priority Area. The reason for this is that each EU IO has been implemented into two national IOs, one linked to the production of the required data, and the other linked to the register of the relevant information necessary for the statistical surveys.

The Table below provides the total number of Possibilities not stated in the EU act per Member State.

Table 6: Overview of Possibilities not stated in the EU Legal Act listed by type

Country	No. Possibilities not stated in the EU Acts	Possibilities not stated in the EU Acts due to Content	Possibilities not stated in the EU Acts due to frequency or Target Group
BE	2	1	1
CZ	5	4	1
DE	2		2
ES	1		1
LT	1		1
LV	1		1
RO	2		2
Total	14	5	9

This Table is based on data compiled by the Consortium.

Possibilities not stated in the EU act linked to content

The EU regulates statistics on the dispatches and arrivals of goods prescribed by Regulation (EC) No 638/2004. In addition to this, Belgium requires information on the flow of goods in relation to arrivals and dispatches after repair or maintenance to also be submitted.

Directives 93/23/EEC and 93/24/EEC regulate the statistical surveys on pig and bovine populations. The data collected for these surveys is broader in the Czech Republic than specified in the IO at European level. The programme of Statistical Surveys in place in the Czech Republic contains reporting on pig and bovine breeding not related to the EU IOs in scope.

Possibilities not stated in the EU acts linked to frequency or target group

The Czech Republic identified Possibilities not stated linked to a target group

- Regulation 3924/91 focuses on undertakings with industrial production (NACE C to E) with more than 20 employees. In the Czech Republic, the target group is broader and includes all economic subjects (both natural and legal persons) with industrial activities;

- Regulation 58/97 regulates the statistical surveys on Community business structure for the businesses active in the fields specified in NACE Sections C to K and M to O. In the Czech Republic, the target group also includes NACE A and does not contain NACE O.

Germany reported 2 Possibilities not stated all linked to the Regulation (EEC) No 3924/91 covering statistical surveys of industrial production. This survey is generally required on a yearly basis, but the Regulation provides the possibility to increase the frequency for the Member States.

Latvia identified one Possibility not stated in the EU Legal Act linked to a target group: the Regulation 3924/91 covers the statistical surveys of industrial production with more than 20 employees. However, Latvia has a broader target group and also requires industrial undertakings with less than 20 employees to submit surveys on industrial production.

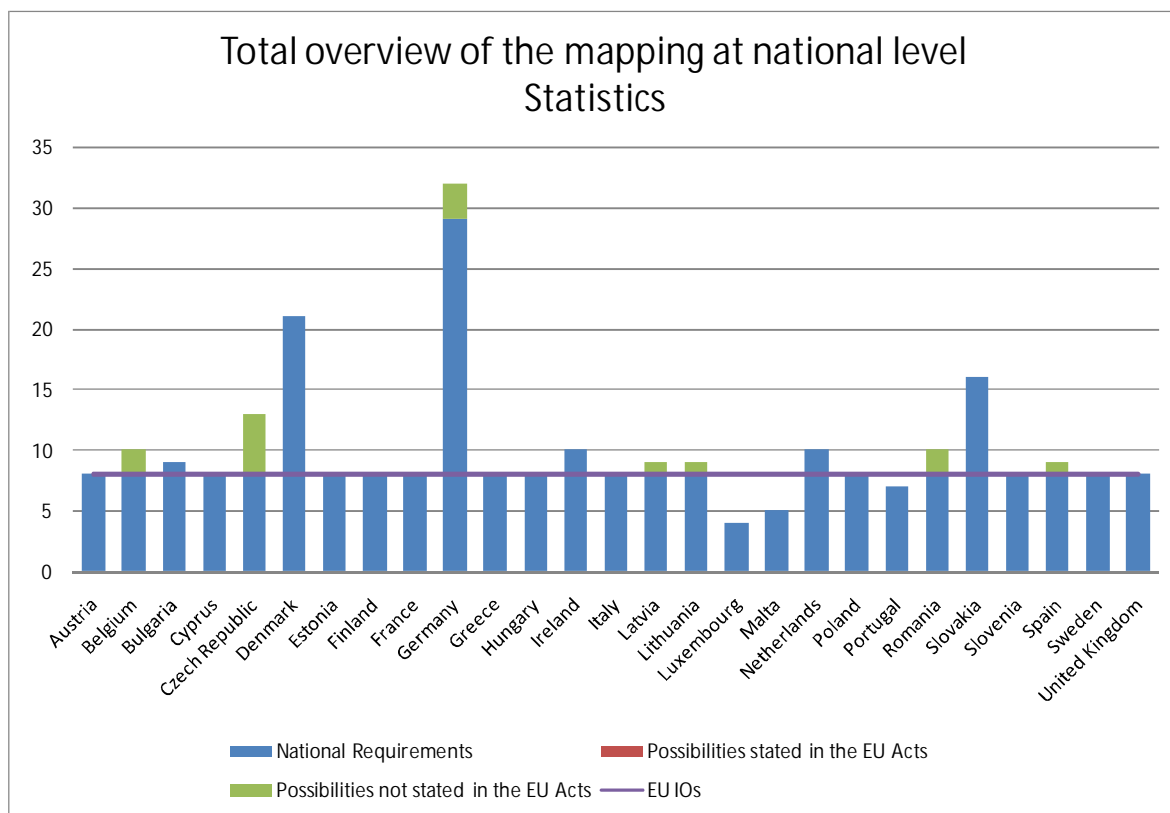
Lithuania identified one target group Possibility not stated in the EU Legal Act. Lithuania has a broader target group than is described in Regulation 58/97 on the Community business statistics including the businesses active in the fields specified in NACE Section B.

Romania identified two Possibilities not stated. One linked to a target group and the other linked to frequency. Romania has a broader target group than is described in Regulation 58/97 on the Community business statistics.

Spain identified one Possibility not stated in the EU Legal Act on the IO "Statistical surveys on pig population". Directive 93/23 requires the pig producers to fulfil the IO three times a year (April, August and December), while the Spanish authorities require the information to be submitted immediately/continuously.

The Figure below provides an overview of the total number of national Information Obligations and Possibilities not stated in the EU acts.

Figure 2: Number of National EU Requirements and National Obligations going beyond EU Requirements per Member State within the Statistics Priority Area



By Capgemini/Deloitte/Ramboll Management.

2.4 High Level Findings of the measurement in the Statistics Priority Area

The following section presents the total administrative costs and administrative burdens in the Statistics Priority Area. This is followed by a differentiated analysis by legal act and by Member State as well as an overview of the most burdensome IOs. This will form the basis for the detailed analysis in the next chapter.

The total administrative costs for the Statistics Priority Area are
 €628.88 million
 12.19% of these costs are considered as business-as-usual.
 Therefore, the administrative burden amounts to €552.25 million for the Statistics Priority Area.

It should be noted that while it is possible to calculate an indicative total administrative cost and indicative total administrative burden for the IO under this Priority Area, the measurement covers only a selection of all EU legislation relevant to the Priority Area. Therefore, additional administrative cost and burden exists that has not been covered by the measurement.

2.4.1 Administrative Costs and Administrative Burdens per EU legislation

The 42 pieces of legislation in the 13 priority areas chosen for the measurement exercise within the Action Programme are believed to account for over 80% of the administrative burden of EU origin¹². Yet, as expected, within this group large differences were to be found in the costs per legal act. An analysis of the administrative costs and burdens stemming from the legal acts in scope of Statistics Priority Area follows.

Table 7: Administrative Cost and Administrative Burden per item of EU legislation in the Statistics Priority Area by EU Requirements and National Obligations going beyond EU Requirements

	EU Requirement	National obligation going beyond EU Requirements		Total Admin. Cost	Total Admin. Burden	
		Possibility stated in the EU Act	Possibility not stated in the EU Act		Admin. Burden (€ x 1,000)	Share of admin. Cost (%)
	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Burden (€ x 1,000)	Share of admin. Cost (%)
Regulation (EC) No 638/2004 of the European Parliament and of the Council of 31 March 2004 on Community statistics relating to the trading of goods between Member States and repealing Council Regulation (EEC) No 3330/91	393,675.60	0	0	393,675.60	317,046.10	80.53
Directive 2001/109/EC of the European Parliament and of the Council of 19 December 2001 concerning the statistical surveys to be carried out by the Member States in order to determine the production potential of plantations of certain species of fruit tree	6,130.70	0	0	6,130.70	6,130.70	100
Council Directive 93/23/EEC of 1 June 1993 on the statistical surveys to be carried out on pig production	7,387.30	0	2,665.50	10,052.80	10,052.80	100
Council Directive 93/24/EEC of 1 June 1993 on the statistical surveys to be carried out on bovine animal production	11,229.10	0	14.4	11,243.60	11,243.60	100
Council Regulation (EEC) No 3924/91 of 19 December 1991 on the establishment of a Community survey of industrial production	93,231.90	0	7,549.00	100,781.00	100,781.00	100
Council Regulation (EC, Euratom) No 58/97 of 20 December 1996 concerning structural business statistics	106,636.80	0	361.1	106,997.90	106,997.90	100
Total	618,291.40	0	10,590.00	628,881.50	552,252.00	87.81

This Table is based on data compiled by the Consortium.

¹² Commission Working Document, 30 January 2008, COM(2008) 35 final, Reducing administrative burdens in the EU 2007 progress report and 2008 outlook, p. 3.

Of the six legislative acts in scope, the most burdensome pieces of legislation are Regulation (EC) No 638/2004 on "Community Statistics relating to the trading of goods between Member States", Regulation (EC) No 58/97 relating to "Structural Business Statistics" and Regulation (EEC) No 3924/91 on "Statistical survey of industrial production". These three Information Obligations account for 96% of the overall administrative cost at EU level, in all of the Statistics legislation in scope.

The EU IO on "Intrastat statistical information on dispatches and arrivals of Community goods" represents 57% of the total administrative burden covered by the IOs studied, with a total administrative burden that amounts to €317.00 million. The high figure generated by this IO is mainly due to the number of businesses needing to comply with this Information Obligation on a monthly basis. In 2007, approximately 600,000 businesses in the EU-27 were covered by the "Intrastat statistical information" requirement. The main factor that creates additional burden for the businesses complying with this IO is the numerous nomenclatures they need to include in the declaration on the sales and purchase sides, with a particular effort occurring on the purchase side of the declaration. Whereas a seller would normally know the characteristics of his products, this is less likely to be the case of the purchaser. One part of Intrastat declaration is considered as business-as-usual. The data retrieved in order to fill in the declaration comes from the sales and purchases realised by the businesses. This information is maintained in the accounting system and would be recorded even if the Regulation in scope did not require the businesses to produce such information. The businesses interviewed by the Consortium reported an average business-as-usual percentage of 25% for the Intrastat report. The total business-as-usual percentage of this IO is 18.34%. The difference in the business-as-usual figure compared to the Measurement Countries comes from the Baseline Countries that reported different percentages.

The EU IO on "Structural Business Statistics" (SBS) shows administrative burden of €107 million. The general experience with this IO is that it takes a significant amount of time to collect the necessary information. This Information Obligation must be submitted on a yearly basis, meaning that the process of collecting the data is less likely to be automated

and given this reduced frequency, more work is required to retrieve and analyse the data and to prepare the forms.

The EU IO on "Statistical Survey on Industrial Production" also known as "Prodcom" is the third most burdensome IO with a total administrative cost that amounts to €101 million. The total cost generated by this IO is mainly driven by the high number of businesses that need to submit this information to their National Statistical Offices and the time businesses need to spend to retrieve the data required to fulfil this IO where none of the tasks required can be considered as business-as-usual.

The remaining legislations in scope for the Statistics area are related to statistical surveys on pig and bovine and fruit tree plantations. These legislative texts represent less than 5% of the total burden analysed in this Priority Area.

The total administrative burden resulting from the existence of Possibilities not stated in the EU acts is €10.6 million, representing 1.7% of the total cost generated by the Priority Area. These have been identified in seven Member States.

The costs resulting from Possibilities not stated in the EU acts are mostly concentrated on the statistical survey on industrial production. The total cost generated by the Possibilities not stated in the EU acts on industrial production amounts to €7.6 million. This cost is mainly due to a higher frequency of this possibility not stated in the EU act in Germany. At EU level, this Information Obligation occurs on a yearly basis, while the German authorities require this information to be produced on a monthly or quarterly basis. Furthermore, the target group in Germany is larger than that addressed by the Regulation as it includes also businesses with fewer than 20 employees. The Czech Republic has a broader target group and requires every undertaking with industrial activities.

The data collected for the surveys on pig population are broader in the Czech Republic than stipulated by the IO at EU level. The total cost of the additional data amounts to €1.88 million, and derives mainly from the broader content of the report on "pig population" required by the Czech Republic.

A Possibility not stated in the EU Legal Act identified in Spain in relation to the “pig population” generated an additional cost of €2.6 million. The Possibilities not stated in the EU Legal Act target group on “Structural Business Statistics” identified in Romania and Lithuania generated €0.2 and €0.15 million respectively. The Czech Republic also identified two Possibilities not stated in the EU Legal Act linked to content in the “Statistical surveys on bovine and pig population”. Due to the low population and the low additional time required, the total amount generated only represents €43,000.

2.4.2 Administrative Costs stemming from EU IOs of International Origin

A number of the IOs identified in the EU legislation stem ultimately from international regulation, which has been transposed in EU legislation by the Directives and Regulations in scope of the project. Each EU IO was analysed in relation to any relevant international regulation. In cases where legally binding international regulation had a similar or analogous content to the EU IOs, the EU IO was categorised as an EU IO of International Origin.

For the Statistics Priority Area, there are no IOs stemming from international origin. There is no reference in the recitals of the need to fulfil an international obligation, and it does not contain reference to any international obligation.

2.4.3 Administrative costs and administrative burdens per Member State

The project offers the opportunity to identify differences in transposing and administering IOs at national level and thus obtain an insight into factors determining the level of administrative costs. This is important in identifying good practice and in learning how the costs for businesses can be reduced.

2.4.3.1 Different methodological approaches

When comparing costs at national level it is essential to recall that the data were collected in three different ways within this project:

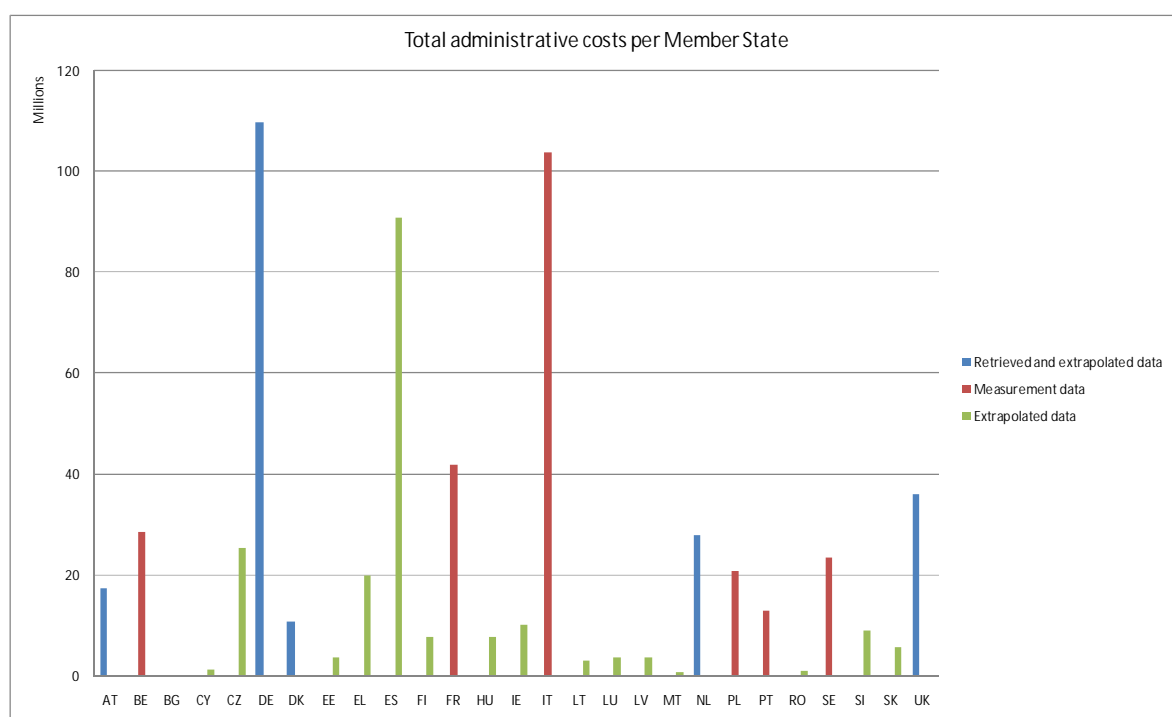
- Measurement in six Measurement Countries;
- Reuse of existing data in the so-called Baseline Countries;
- Extrapolation to other Member States of the cost data collected (Extrapolation Countries).

The combination of these three different approaches within the project creates special challenges when comparing data, i.e. Baseline Countries which have conducted measurements in the past have chosen different methodological approaches which reduce the comparability of their results. This has to be borne in mind when reading the following data comparisons.

The extrapolated costs are naturally less precise and less detailed than the measured costs. Analyses of specific legislative requirements should therefore only be based on data from countries that have been measured. However, the indicative total impact of EU legislation can be assessed using the extrapolated costs.

The Figure below shows a comparison for Member States. The comparison is based on data from the six Measurement Countries, the data from the Baseline Countries, and the extrapolated data for the other countries. The three sub-sections below present individual analyses of the data from each of the three data collection approaches.

Figure 3: Total Administrative Cost per Member State



By Capgemini/Deloitte/Ramboll Management.

Cost differences in the Extrapolation Countries can be explained by the following factors:

- Number of businesses in the country;
- Number of occurrences;
- Wage rate;
- Size and Sector of activity of the businesses.

The countries showing the highest indicative administrative costs are Germany, Italy and Spain, representing together 48% of the administrative costs in the Statistics Priority Area.

In Italy, the total administrative cost amounts to €104 million, which is mainly accounted for by the Intrastat declarations. A much higher number of businesses need to comply with the Statistics IOs in Italy than in any other Member States of similar size such as France or the United Kingdom, which impacts on the total administrative cost generated.

Spain and Germany have a three to five times higher average time spent per IO than any other EU-15 Member States. The Intrastat declaration represents the main part of the burden in Germany where the authorities, in addition, require the surveys on industrial production to be produced more frequently than foreseen in the EU text, creating additional costs for businesses.

The EU-12 Member States have average hourly wage tariffs that are up to 15 times lower than in the EU-15 Member States. This greatly influences the total administrative costs for the same period of time.

The level of automation of the submission of the IOs also influences the level of administrative costs. Even if the United Kingdom has a high hourly rate, the total cost generated is not as high as might be expected due to a well developed system of electronic filing and submission of statistical data. The dematerialisation of the process increased the quality and the efficiency of the data submission.

Table 8: Total Administrative Cost and Administrative Burden, and number of EU Requirements per Member State

Country	EU Requirement		National obligation going beyond EU Requirements				Total Admin. Cost	Total Admin. Burden	
			Possibility stated in the EU Act		Possibility not stated in the EU Act				
	No of IOs	Admin. Cost (€ x 1,000)	No of IOs	Admin. Cost (€ x 1,000)	No of IOs	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Burden (€ x 1,000)	Share of Admin. Cost (%)
AT Retrieved and extrapolated data	8	17,551.40	0	0	0	0	17,551.40	17,551.40	100
BE Measurement data	8	26,197.70	0	0	2	2,504.00	28,701.80	24,569.20	85.6
BG Extrapolated data	8	274.5	0	0	0	0	274.5	220.3	80.24
CY Extrapolated data	8	1,303.30	0	0	0	0	1,303.30	1,086.60	83.38
CZ Extrapolated data	8	23,579.10	0	0	5	1,876.60	25,455.70	20,741.30	81.48
DE Retrieved and extrapolated data	8	106,690.00	0	0	2	3,075.20	109,765.20	109,765.20	100
DK Retrieved and extrapolated data	8	10,818.20	0	0	0	0	10,818.20	8,394.90	77.6
EE Extrapolated data	8	3,736.80	0	0	0	0	3,736.80	3,017.90	80.76
EL Extrapolated data	8	19,891.20	0	0	0	0	19,891.20	16,293.30	81.91
ES Extrapolated data	8	88,267.10	0	0	1	2,637.00	90,904.10	80,887.40	88.98
FI Extrapolated data	8	7,855.30	0	0	0	0	7,855.30	6,273.50	79.86
FR Measurement data	8	41,914.70	0	0	0	0	41,914.70	35,624.70	84.99
HU Extrapolated data	8	7,710.40	0	0	0	0	7,710.40	6,487.80	84.14
IE Extrapolated data	7	10,130.90	0	0	0	0	10,130.90	8,830.60	87.17
IT Measurement data	8	103,892.30	0	0	0	0	103,892.30	85,961.60	82.74
LT Extrapolated data	8	2,952.10	0	0	1	152.8	3,104.90	2,554.40	82.27
LU Extrapolated data	4	3,841.60	0	0	0	0	3,841.60	3,153.60	82.09
LV Extrapolated data	8	3,713.20	0	0	1	136.1	3,849.30	3,519.20	91.42
MT Extrapolated data	5	840.2	0	0	0	0	840.2	696.8	82.93
NL Retrieved and extrapolated data	8	27,837.60	0	0	0	0	27,837.60	23,214.10	83.39
PL Measurement data	8	20,898.60	0	0	0	0	20,898.60	19,478.00	93.2
PT Measurement data	7	13,061.40	0	0	0	0	13,061.40	12,471.70	95.49

RO Extrapolated data	8	856.2	0	0	2	208.3	1,064.50	954.7	89.69
SE Measurement data	8	23,493.00	0	0	0	0	23,493.00	19,143.80	81.49
SI Extrapolated data	8	9,037.60	0	0	0	0	9,037.60	7,482.60	82.79
SK Extrapolated data	8	5,701.10	0	0	0	0	5,701.10	4,482.40	78.62
UK Retrieved and extrapolated data	8	36,246.10	0	0	0	0	36,246.10	29,395.10	81.1
Grand Total	205	618,291.40	0	0	14	10,590.00	628,881.50	552,252.00	87.81

This Table is based on data compiled by the Consortium.

In the sections below, the high level measurement results are explained for the three groups of countries:

- Measurement countries
- Baseline countries
- Extrapolation countries.

2.4.3.2 Measurement Countries

The measurement of the IOs took place in six preselected Member States. As stated in section 2.2., the Member States chosen for measuring the prioritised IOs in the Priority Area

Statistics were:

- Belgium
- France
- Italy
- Portugal
- Poland
- Sweden.

The Table below details the administrative cost for the Measurement Countries.

Table 9: Administrative Cost and Administrative Burden for the six Measurement Countries

Country	EU Requirement	National obligation going beyond EU Requirements		Total Admin. Cost	Total Admin. Burden
		Possibility stated in the EU Act	Possibility not stated in the EU Act		

	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Burden (€ x 1,000)	Share of Admin. Cost (%)
Belgium	26,197.70	0	2,504.00	28,701.80	24,569.20	85.6
France	41,914.70	0	0	41,914.70	35,624.70	84.99
Italy	103,892.30	0	0	103,892.30	85,961.60	82.74
Poland	20,898.60	0	0	20,898.60	19,478.00	93.2
Portugal	13,061.40	0	0	13,061.40	12,471.70	95.49
Sweden	23,493.00	0	0	23,493.00	19,143.80	81.49
Total	229,457.60	0	2,504.00	231,961.70	197,249.00	85.04

This Table is based on data compiled by the Consortium.

The administrative burden generated in the six Measurement Countries represents 35% of the total administrative burden generated by the Statistics Priority Area.

The Table above indicates the difference in total cost between the different Measurement Countries. As explained earlier the main administrative costs for the Statistics Priority Area are driven by the Information Obligation on the "Intrastat statistical information on dispatches and arrivals of Community goods" that represents 62% of the total costs generated in the six Measurement Countries. The Prioritised IOs were measured in the six Measurement Countries. The Non-Prioritised IOs were measured in Belgium, Portugal and Sweden. The data of these Information Obligations were extrapolated in the other Member States.

Of the six Member States, 45% of the costs were concentrated in Italy where the administrative costs are clearly above the average value. This can be explained by different factors. The Italian economic environment is constituted by a high number of businesses that will consequently generate higher administrative costs in order to fulfil the Statistics IOs.

The average time spent per business is another factor that influences the total costs generated. The eGov. solution already in place across the Measurement Countries helps gain efficiency and reliability. With the exception of Italy, all the Measurement Countries have already well dematerialised processes in place for submitting the data to the National Statistics offices, and the majority of businesses make use of these. The eGov. solution is also in place in Italy, but the micro and small businesses are still not ready to use the eGov. solution. As this segment represents the main part of the population, it impacts on the total results.

Possibilities not stated in the EU acts

The EU regulates the Statistical surveys of industrial production for every undertaking (NACE C to E). However, as noted above, Belgium requires that every industrial undertaking with an annual turnover of in intra-Community trade of over €1 million for dispatches and €400,000 for arrivals submit surveys of industrial production. This creates additional administrative costs in Belgium of €2.5 million.

2.4.3.3 Baseline Countries

A central aspiration of the project was to learn from measurements, which had already been undertaken in Member States. These measurements were an important input as they constitute the current “state of play” in those countries which have already carried out work in the SCM field¹³. Existing measurements were reused whenever possible and efficient. This was mainly the case when complete baseline measurements were available for a Priority Area and where the methodology used in the Baseline Countries was comparable enough to the EU SCM not to distort the extrapolation approach.

The following Table gives an overview of the administrative costs in the Baseline Countries.

Table 10: Administrative Cost and Administrative Burden for the Baseline Countries

Country	EU Requirement	National obligation going beyond EU Requirements		Total Admin. Cost	Total Admin. Burden	
		Possibility stated in the EU Act	Possibility not stated in the EU Act		Admin. Burden (€ x 1,000)	Share of Admin. Cost (%)
	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)		
Austria	17,551.40	0	0	17,551.40	17,551.40	100
Denmark	10,818.20	0	0	10,818.20	8,394.90	77.6
Germany	106,690.00	0	3,075.20	109,765.20	109,765.20	100
Netherlands	27,837.60	0	0	27,837.60	23,214.10	83.39
United Kingdom	36,246.10	0	0	36,246.10	29,395.10	81.1
Total	199,143.30	0	3,075.20	202,218.50	188,320.70	93.13

This Table is based on data compiled by the Consortium.

¹³ Wherever possible, data from the national baseline measurements was reused. However, where no comparable data was available the administrative costs were extrapolated. More specific information on the reuse of data from national baseline measurements is provided in the Annex ‘Challenges and constraints of reusing existing data from previous baseline measurements’.

The administrative burden generated in the Baseline Countries represents 34% of the total administrative burden generated by the Statistics Priority Area.

Unfortunately, not all Statistics IOs were covered by the existing measurements in all Baseline Countries. Therefore in the case of missing information, the Consortium extrapolated the data.

All the data linked to the IO "Intrastat" was retrieved in the five Baseline Countries. The average time spent by the five Baseline Countries is quite similar and approximate 100 minutes, with the exception of Germany which shows an average time spent of 200 minutes. This higher level of time spent and the high number of entities targeted, results in Germany having the highest Administrative Cost.

The data on "Structural Business Statistics" was retrieved in all Baseline Countries except the United Kingdom where the data was extrapolated. The Baseline Countries show an average time spent that is in line with the data measured by the Consortium, except in the Netherlands where the retrieved time spent is approximately 50% of that reported in the Measurement Countries.

The data on "Prodcom" was retrieved in Austria and the Netherlands. The other Baseline Countries were extrapolated.

In relation to the "Agricultural" IOs, no data was measured in Austria and the United Kingdom. Existing data was retrieved in Germany for the IOs on "Bovine" and "Pig population". The rest of the German data was extrapolated. Denmark could not retrieve the data linked to the IO on "Bovine population". No data on "Pig" and "Bovine slaughters" was retrieved in any Baseline Country, and these were therefore extrapolated.

Differences between BLC data and reuse of BLC data

When differences are discovered in data from Baseline Countries it is important to determine whether the IO in the Baseline Countries reflects the EU IO. If this is correct there is probably a different approach taken by the Baseline Countries. In this case there

are two possible options: keep the BLC data in, or leave the BLC data for certain IOs out, because it is not comparable with the EU measurement.

For the Statistics Priority Area it was decided to use the BLC data, unless the totals were so out of range that it would disturb the whole totals for the area and there were no grounds for comparison. The Consortium only took action in the IOs described hereafter, where adaptations had taken place.

In the Netherlands, the results for the IO "Statistical surveys of industrial production" related to the fact that definition of administrative costs was narrower. This has led to far lower costs than expected. The following manual adjustments have been implemented in agreement with DG Enterprise.

Table 11: Baseline Country Data change in the IO "Statistical surveys of industrial production" in the Netherlands

Statistical surveys of industrial production

	Retrieved result	Manual Adjustment
Netherlands	79,073	3,114,316

This Table is based on data compiled by the Consortium.

In Germany the population figures used for the "Statistical surveys of industrial production" differed from the population figures provided by Eurostat and gave out of line results. It has therefore been agreed with DG Enterprise to amend the population figure for this specific IO. The following adjustments have been implemented:

Table 12: BLC Data change in the IO "Statistical surveys of industrial production" in Germany

Statistical surveys of industrial production

	Population	
	Retrieved result	Manual Adjustment
Germany	304,000	62,000

This Table is based on data compiled by the Consortium.

2.4.3.4 Extrapolation countries

As indicated above, the measurement was only conducted in a sample of six Member States. Consequently, there were data gaps in the model in the remaining Member States.

The results from the measured countries and the Baseline Countries were used to estimate the costs in countries where no measurement was undertaken¹⁴. This extrapolation process provided the indicative total costs for EU businesses of complying with EU legislation.

Whenever the extrapolation model gave rise to results that were not consistent with what might have been anticipated based on economic analysis, this was further discussed with DG Enterprise, with whom a basis for manual extrapolation was agreed.

The Table below shows the administrative costs for the Extrapolation Countries.

Table 13: Administrative Cost and Administrative Burden for the Extrapolation Countries

Country	EU Requirement	National obligation going beyond EU Requirements		Total Admin. Cost	Total Admin. Burden	
		Possibility stated in the EU Act	Possibility not stated in the EU Act		Admin. Burden (€ x 1,000)	Share of Admin. Cost (%)
	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Cost (€ x 1,000)	Admin. Burden (€ x 1,000)	Share of Admin. Cost (%)
Bulgaria	274.5	0	0	274.5	220.3	80.24
Cyprus	1,303.30	0	0	1,303.30	1,086.60	83.38
Czech Republic	23,579.10	0	1,876.60	25,455.70	20,741.30	81.48
Estonia	3,736.80	0	0	3,736.80	3,017.90	80.76
Finland	7,855.30	0	0	7,855.30	6,273.50	79.86
Greece	19,891.20	0	0	19,891.20	16,293.30	81.91
Hungary	7,710.40	0	0	7,710.40	6,487.80	84.14
Ireland	10,130.90	0	0	10,130.90	8,830.60	87.17
Latvia	3,713.20	0	136.1	3,849.30	3,519.20	91.42
Lithuania	2,952.10	0	152.8	3,104.90	2,554.40	82.27
Luxembourg	3,841.60	0	0	3,841.60	3,153.60	82.09
Malta	840.2	0	0	840.2	696.8	82.93
Romania	856.2	0	208.3	1,064.50	954.7	89.69
Slovakia	5,701.10	0	0	5,701.10	4,482.40	78.62
Slovenia	9,037.60	0	0	9,037.60	7,482.60	82.79
Spain	88,267.10	0	2,637.00	90,904.10	80,887.40	88.98
Total	189,690.60	0	5,010.80	194,701.40	166,682.30	85.61

This Table is based on data compiled by the Consortium.

The exercise of predicting cost through statistical modelling results in cost data with a different level of accuracy compared to the data collected through interviews. The extrapolated costs are therefore less precise and less detailed than the measured costs. Analyses of specific requirements should therefore only be based on data from countries

¹⁴ The Consortium did however collect population data for all IO for all 27 Member States.

that have been measured, whereas the total impact of EU legislation and of changes in legislation can be assessed using the extrapolated costs.

The administrative burden generated in the Extrapolation Countries represents 30% of the total administrative burden generated by the Statistics Priority Area.

Cost differences between the Extrapolation Countries can be explained by the following factors:

- Number of businesses in the country
- Number of occurrences
- Wage rate
- Size and Sector of activity of the businesses.

Of the Extrapolation Countries, Spain shows the highest administrative burdens. This can be explained by the factors shown above. Spain has a total number of businesses in the same range as Italy, one of the Measurement Countries. However Italy has higher administrative burdens than Spain which may be explained by the higher wage rate applicable in Italy.

The extrapolated results in the Czech Republic have a tendency to be high. This can be partially explained by the IO on "Intrastat" where the time spent and the number of businesses concerned is higher than the average.

The total administrative costs linked to Possibilities not stated in the EU acts equals €5 million, mainly due to the frequency Possibilities not stated in the EU act on the "Statistical surveys on pig population" in Spain (€2.6 million), and by the statistical surveys on pig and bovine populations in the Czech Republic (€1.88 million) where the data collected for these surveys is broader than that specified in the IOs at EU level.

2.4.4 Administrative Costs related to Irritation Potential of Most Burdensome EU IOs

The overall objective of the Action Programme is to achieve a reduction in administrative burdens of 25% by 2012. Previous SCM projects at national level have proved that reduction efforts will be seen as especially successful if the public authorities manage to

lower the perceived burdens for businesses. Thus, two dimensions should be taken into account when analysing how burdensome an IO is:

1. Level of administrative burden
2. Level of irritation for businesses.

The extent to which business experience IOs as “irritating” was assessed based on the businesses’ responses to the following six statements:

- The information/data that the authorities require from me is linked to the information/data that are available from my own business process
- I understand why the authorities want this information/data from me
- I understand why the authorities ask me for this information/data with this frequency
- The authorities make sure that I have to deliver this information/data only once and not to different authorities
- The amount of information/data that the authorities ask for is in line with the objectives of the IO
- The request for information/data is so clear that every entrepreneur/employee is able to comply with the request.

The responses given to the six statements were subsequently transposed to a numerical value. The data collected on the irritation level is, however, not conclusive. Thus any statements on irritation are indicative and no conclusions should be drawn on this basis at Priority Area or IO level. The Main Report on the measurement data and analysis as specified in the specific contracts 5&6 on Modules 3&4 under the Framework Contract n° ENTR/O6/61 contains a high level overview of the irritation levels of all Priority Areas. It includes a thorough analysis on the total dataset.

The Statistics IOs are considered in most of the cases as irritating.

Following the data collected by the Consortium, the most irritating Information Obligations are “Structural Business Statistics” and “Surveys on pig and bovine populations”. In the case of “Structural Business Statistics”, the businesses interviewed

considered the IO as irritating because some of the information required in the Statistics questionnaires is also required for other reporting purposes e.g. a large part of the information required for "Structural Business Statistics" is already available in the annual accounts submitted by the businesses. Moreover many interviewees did not always understand the reason why the data was requested and for what purpose it is used. The complexity of the information to be delivered is another irritation factor as the information required is not always available in a business's accounts.

The IO "Intrastat statistical information on dispatches and arrivals of Community goods" shows the highest administrative cost when compared to the other IOs identified in the Directives and Regulations in scope. This IO seems to generate a medium irritation factor.

Of the eight IOs in scope, the Information Obligation on "Industrial production" is perceived as the least irritating. However, businesses note that the data delivered on industrial production is not always easy to produce due to the difficulties allocating the costs correctly. Their quality, therefore, cannot be guaranteed.

3. Legal Acts and the most burdensome IOs

This Chapter will cover the analysis of the administrative costs for the eight IOs in scope for Statistics. The Table below shows the total administrative cost for the EU IOs and the cost of the corresponding national IOs and Possibilities not stated in the EU Legislation.

Table 14: Total Administrative Cost by EU Requirement and National Obligations going beyond EU Requirements

EU Requirement	EU Legislation	EU Requirement	National obligation going beyond EU Requirements	Total	Total Admin. Burden	
		Admin. Cost (€ x 1,000)	Possibility not stated in the EU Act		Admin. Cost (€ x 1,000)	Admin. Burden (€ x 1,000)
1. Intrastat statistical information on dispatches and arrivals of Community goods	Regulation (EC) No 638/2004 of the European Parliament and of the Council of 31 March 2004 on Community statistics relating to the trading of goods between Member States and repealing Council Regulation (EEC) No 3330/91	393,676	0	393,676	317,046	80.53
2. Data collection for structural business statistics	Council Regulation (EC, Euratom) No 58/97 of 20 December 1996 concerning structural business statistics	106,637	361	106,998	106,998	100
3. Statistical surveys of industrial production	Council Regulation (EEC) No 3924/91 of 19 December 1991 on the establishment of a Community survey of industrial production	93,232	7,549	100,781	100,781	100
4. Statistical surveys on bovine population	Council Directive 93/24/EEC of 1 June 1993 on the statistical surveys to be carried out on bovine animal production	11,016	14	11,030	11,030	100
5. Statistical surveys on pig population	Council Directive 93/23/EEC of 1 June 1993 on the statistical surveys to be carried out on pig production	6,989	2,666	9,654	9,654	100
6. Statistical surveys on fruit tree plantations	Directive 2001/109/EC of the European Parliament and of the Council of 19 December 2001 concerning the statistical surveys to be carried out by the Member States in order to determine the production potential of plantations of certain species of fruit tree	6,131	0	6,131	6,131	100
7. Statistical surveys on pig slaughters	Council Directive 93/23/EEC of 1 June 1993 on the statistical surveys to be carried out on pig production	399	0	399	399	100
8. Statistical surveys on bovine slaughters	Council Directive 93/24/EEC of 1 June 1993 on the statistical surveys to be carried out on bovine animal production	214	0	214	214	100
TOTAL		618,292	10,590	628,882	552,252	87.81

This Table is based on data compiled by the Consortium.

As the total administrative costs and burdens are indicative because they include extrapolated data, the most burdensome IOs are analysed on the basis of the detailed data collected in the six Measurement Countries only. In the section below, each of these IOs is described in detail in relation to the following topics:

- Explanation of the legal aspects of the IO;
- Overview of the cost parameters;
- Reasons why the IO is burdensome/irritating;
- Segmentation;
- Business-as-usual costs;
- Potential reduction measures.

3.1 Regulation (EC) No 638/2004 - Intrastat statistical Information on Dispatches and Arrivals of Community goods

The main objective of this Regulation is to establish a system for collecting monthly statistical data on the trading of goods between Member States which no longer relies on customs data but on information provided directly by traders to the statistical authorities.

3.1.1 Intrastat statistical Information on Dispatches and Arrivals of Community goods, Regulation 638/2004 – Art 7 and Art 9

3.1.1.1 Characteristics of the IO

There are two declarations which businesses must prepare for Intrastat: one for the dispatch of goods (exports), and one declaration for the arrivals of goods (imports).

This declaration also aims to furnish a general view of the commercial situation within the Member States, the data feed into the Balance of Payments and into the National Accounts of the Member States. They are used in monetary, financial, tax and commercial policy by governments and businesses.

The target group affected by Regulation (EC) No 638/2004 on the trading of goods between Member States are the "Trading businesses". However, not all businesses have to declare: every year the Member States define thresholds (expressed in annual values of intra-Community trade) below which parties are exempted from submitting information.

However when defining the exemption thresholds, Member States must ensure that the information provided covers at least 97% of the Member State's total trade expressed by value. Moreover, a further distinction is made between large businesses which have to provide more detailed information and smaller businesses which can submit simplified information.

3.1.1.2 Process for complying with IO

To fulfil this Information Obligation, businesses first need to collect the statistical information on dispatch of goods sent to another Member State and arrival of goods entering from another Member State. They compile the data on the Community goods and enter the data onto paper forms or e-forms. The data is then transmitted to the National Statistical Office. In some cases, the National Statistical Office might question the businesses on the declarations they have submitted. The businesses should then respond to the Statistical Office where applicable.

3.1.1.3 Costs and explanatory Variables

Here, we analyse and describe the total cost generated by the IO on "Intrastat statistical Information on Dispatches and Arrivals of Community goods". We will comment on the data for the two segments measured (micro/small/medium-sized businesses, and large businesses).

Most of the time spent on the preparation and submission of an Intrastat declaration relates to retrieving and adjusting the relevant data in order to complete the form. The gathering of the data relevant to the Intrastat declaration takes 45% of the time. The rest of the time is spent filling in the form (30%), checking the final number (10%) and submitting the form (15%).

The results for the IO on "Intrastat statistical Information on Dispatches and Arrivals of Community goods" for the 6 Measurement Countries can be found below.

Table 15: Total Administrative Cost for the six Measurement countries – Regulation 638/2004 – Micro/Small/Medium Businesses

	BE	FR	IT	PL	PT	SE
Internal time per occurrence (minutes)	130	69	249	90	32	166
Average hourly tariff (€)	27	27	20	10	14	40
Equipment costs per occurrence (€)	0	0	0	0	0	0
Consulting costs per occurrence (€)	0	0	0	0	0	0
Dominant employee type	technicians, associate professionals	technicians, associate professionals	clerks	professionals	technicians, associate professionals	professionals
No. of occurrences	257,640	692,496	808,260	361,824	213,180	149,340
Total administrative cost per occurrence (€)	58.5	31.05	83	15	7.47	110.67
Total administrative burden per occurrence (€)	43.88	23.29	62.25	11.25	5.6	83
Total costs	15,071,940.00	21,502,000.80	67,085,580.00	5,427,360.00	1,591,744.00	16,526,960.00

This Table is based on data compiled by the Consortium.

Table 16: Total Administrative Cost for the six Measurement countries – Regulation 638/2004 – Large Businesses

	BE	FR	IT	PL	PT	SE
Internal time per occurrence (minutes)	239	230	327	75	293	166
Average hourly tariff (€)	27	47	20	10	14	40
Equipment costs per occurrence (€)	0	0	0	0	0	0
Consulting costs per occurrence (€)	0	0	0	0	0	0
Dominant employee type	technicians, associate professionals	professionals	clerks	professionals	technicians, associate professionals	professionals
No. of occurrences	13,560	20,304	42,540	20,400	11,220	7,860
Total administrative cost per occurrence (€)	107.55	180.17	109	12.5	68.37	110.67
Total administrative burden per occurrence (€)	80.66	135.13	81.75	9.38	51.28	83
Total costs	1,458,378.00	3,658,104.00	4,636,860.00	255,000.00	767,074.00	869,840.00

This Table is based on data compiled by the Consortium.

For a company, the quantity and diversity of products it trades and the number of countries with which it trades has more impact on the time required to fulfil the IO, than the size of the business itself. The work arises from the attribution of the combined nomenclature code, the calculation of the goods' statistical values and other activities, such as the cost of goods. When new goods are registered for the first time, it might take the business one or two hours to find the right Customs Code, mainly on the purchase side. Most of the interviewed businesses stress the need to avoid changes in nomenclature, especially on the acquisition side. Micro/small/Medium-sized businesses report less internal time spent than the large enterprises as they usually deal with a smaller variety of products.

Italy shows the highest time spent and the highest administrative cost of the six Measurement Countries. Italian businesses make a joint declaration for Intrastat and VIES. Those declarations can be submitted on paper, floppy disk or electronically via the Internet. The time measured by the Consortium in Italy only relates to the Intrastat declaration. The businesses were interviewed on the tasks described in the business process explained above.

The Administrative Costs facing Italian Micro/Small/Medium businesses are much higher than in other Member States. This is due to the fact that the Micro/Small/Medium-sized businesses are not using the eGov. solutions in place. They continue to use paper forms. As this segment represents 95% of the total population, it has a major impact on the total results.

The new technologies in place to submit the Intrastat declaration in some of the six countries considerably reduce the number of minutes that the businesses need to spend on this. Member States such as France and Portugal already have such a system in place and both show lower times spent on submitting this data than the average. Portugal uses specific software – IDEP (Intrastat Data Entry Package) for Medium and Large-sized businesses. The same system exists in France for the declaration called DEB (Declaration d'Echange de Biens). In Belgium an IDEP application is also used. Portugal has also

developed a specific website for micro and small-sized businesses. The government provides the businesses with an account to access the website and after login, businesses have access to an e-form.

For the Intrastat declaration, large businesses tend to set up specific reporting systems to assist them with obtaining an extract of the data with the right subtotals in the correct nomenclature. This could create additional cost for the businesses that needed external help to set up the ERP properly. Those costs have not been taken into account in the Consultancy costs as they were usually spent more than five years ago, and/or part of the general implementation of the system that is part of the normal business activities.

No consultancy costs were reported by the businesses interviewed for this specific Information Obligation.

The numbers of entities that were used to calculate the data shown in the Table above represent the total number that need to comply with the Information Obligation on "Dispatches and Arrivals of Community goods". The figures of Intrastat reporters given here date from 2006 and were provided by Eurostat.

In the case of this IO, 25% of the cost can be considered as business-as-usual. The information to be delivered consists of

- The reference period
- The flow (arrival, dispatch)
- The commodity (based on the eight-digit code of the combined nomenclature)
- The partner Member State
- The value of the goods
- The quantity of the goods
- The nature of the transaction.

Part of this information is a standard part of the invoice which is made for each transaction between two parties and which form the basis for VAT-declarations: the address of the counterpart gives the partner Member State and the amount due represents the value of the goods. An invoice normally also contains a description of the goods

delivered (number of units, price per unit, etc.), which correspond to the quantity of goods. In the recitals (5) of Regulation 638/2004 it is said that “a close link should be maintained between the system for collecting statistical information and the fiscal formalities” To define the business-as-usual percentage, the Consortium listed the tasks required to fulfil the IO and submitted the list to the businesses interviewed in order to identify which activities require work that would not have occurred without the Information Obligation requirements. The results of the interviews indicated a business-as-usual percentage of 25%.

3.1.1.4 First Simplification Suggestions

During the interviews and workshops with business and experts several initial simplification ideas were collected. A structured and detailed collection and analysis of possible reduction measures will be conducted during Module 5 of this overall project. Thus, this section only contains a summary of the suggestions gathered and does not represent a final list of simplification suggestions.

- Increase the exclusion thresholds. The possibility of raising the exclusion thresholds will also be studied. This reduction proposal could reduce the number of enterprises affected. Member States such as the Netherlands and Belgium reduced the number of businesses that needed to fulfil the Information Obligation on Intrastat, increasing the level of the reporting threshold. They did so by developing a statistics methodology to guarantee the quality of the results and estimate the missing data;
- Simplify the nomenclature codes. As the codes used for the Intrastat products change frequently, good communication of any changes and a good management of the codes could help to reduce the time spent by the businesses. The very detailed eight-digit code of the Combined Nomenclature seems to be the greatest irritation factor of this statistical survey. One proposal could be to ask all firms to declare according to the 98 chapters of the Combined nomenclature (at two digit level), except for the most important export or import products, for which they would be asked to provide details according to the eight-digit code;
- Adopt a single flow approach. The Possibility of collecting the Intrastat data with just one flow should be studied. For every Member State it should be possible to detect just one flow (export); the other (import) data can be obtained from the

exports declared by all the partner countries. As there are two declarations for Intrastat by relevant export/import activity, such a proposal would lead to a reduction of the number of declarations to be submitted by businesses;

- Merge/align the Intrastat declaration with the VAT declaration in all Member States;
- Increase the influence of eGov. One central database of VAT/Intrastat data and a good e-solution at national level could reduce the burden.

3.2 Regulation (EC) No 58/97 - Data Collection for Structural Business Statistics

One of the main objectives of this Regulation is to provide reliable and recent statistics on the structure, activity, competitiveness and performances of businesses at Member State and EU level. There have been four major regulatory developments since the adoption of the regulation. A first amendment (February 1998) added a framework for structural business statistics for insurance activities. The second amendment (September 2002) aimed to reduce the statistical burden by removing the less useful parts of the requirements. The third amendment (November 2002) added two Annexes concerning credit institutions and pension funds, and two variables related to expenditures on environmental protection. The fourth amendment aims to ensure coverage of fast growing economic sectors (mainly in services).

3.2.1 Data Collection for Structural Business Statistics, Regulation (EC) No 58/97 – Art 6

3.2.1.1 Characteristics of the IO

The main characteristics covered by the survey on Structural Business Statistics are:

- Business demographic variables (e.g. number of businesses);
- Output related variables (e.g. turnover, production and value added);
- Input related variables (e.g. employment, hours worked, goods and services input, total purchases and investment).

Broadly speaking the survey covers all market activities except the agriculture sector. The frequency of the survey depends on the size of the businesses:

- In France, micro/small/medium-sized businesses are surveyed every two years, depending on the sector they belong to. In other countries such as Poland, the authorities make a random selection of the 5% of the micro/small/medium-sized enterprises that need to submit the data;

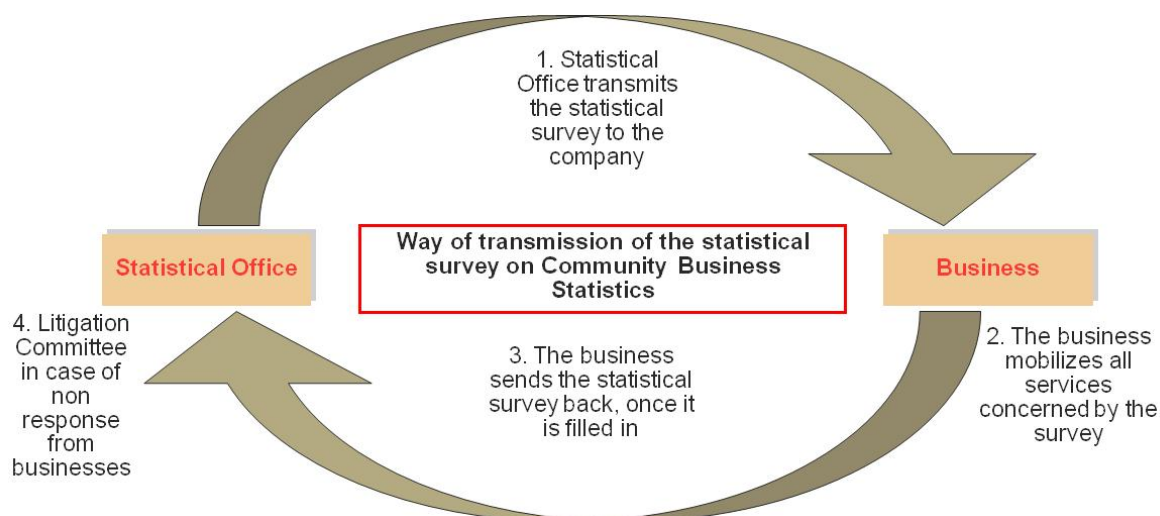
- Most large businesses are surveyed each year.

Different survey types exist depending on the sector of activity (industry, distributive trades, construction, insurance, credit institutions and pension funds). These survey types have a comparable number of data requirements.

3.2.1.2 Process for complying with IO

The Figure below shows the general method of transmission of the statistical survey on Community Business Statistics.

Figure 4: General Method of Transmission of the Statistical Survey on Community Business Statistics



By Capgemini/Deloitte/Ramboll Management.

To collect the data on “Structural Business Statistics”, the National Statistical Office sends the questionnaire to the businesses in paper form (where applicable) or places the electronic form on the relevant website. The businesses collect and check the required data through their Accounting and other relevant departments. The data is then submitted on paper or electronically. In case of non-submission or submission after the deadline, the Statistical Office sends reminders to the businesses.

The National Statistical authorities at Member State level receive, verify and analyse national data and send them to Eurostat.

3.2.1.3 Costs and explanatory Variables

Here, we analyse and describe the total cost generated by the IO on “Structural Business Statistics”. We also comment on the data for the two segments measured (micro/small/medium-sized businesses, and large businesses).

Most of the time spent on the submission of the Structural Business Statistics declaration relates to retrieving, adjusting and filling in the required information. The retrieving of the existing data represents approximately 40% of the time spent, while adjusting and filling in the forms both take 25% of the time spent.

Table 17: Total Administrative Cost for the six Measurement Countries – Regulation (EC) No 58/97 – Micro/Small/Medium businesses

	BE	FR	IT	PL	PT	SE
Internal time per occurrence (minutes)	195	80	120	440	142	327
Average hourly tariff (€)	27	27	20	13	14	40
Equipment costs per occurrence (€)	0	0	0	0	0	0
Consulting costs per occurrence (€)	0	0	0	0	0	0
Dominant employee type	technicians, associate professionals	technicians, associate professionals	clerks	legislators, senior officials, managers	technicians, associate professionals	professionals
No. of occurrences	38,000	144,000	219,000	103,000	58,600	21,777
Total administrative cost per occurrence (€)	87.75	36	40	95.33	33.13	218
Total administrative burden per occurrence (€)	87.75	36	40	95.33	33.13	218
Total costs	3,334,500.00	5,184,000.00	8,760,000.00	9,819,333.33	1,941,613.33	4,747,386.00

This Table is based on data compiled by the Consortium.

Table 18: Total Administrative Cost for the six Measurement Countries – Regulation (EC) No 58/97 – Large businesses

	BE	FR	IT	PL	PT	SE
Internal time per occurrence (minutes)	135	225	480	1,650	732	177
Average hourly tariff (€)	27	47	20	10	14	40
Equipment costs per occurrence (€)	0	0	0	0	0	0
Consulting costs per occurrence (€)	0	0	0	0	0	0
Dominant employee type	technicians, associate professionals	professionals	clerks	professionals	technicians, associate professionals	professionals
No. of occurrences	2,000	11,000	11,000	1,700	1,237	1,146
Total administrative cost per occurrence (€)	60.75	176.25	160	275	170.8	118
Total administrative burden per occurrence (€)	60.75	176.25	160	275	170.8	118

Total costs	121,500.00	1,938,750.00	1,760,000.00	467,500.00	211,279.60	135,228.00
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This Table is based on data compiled by the Consortium.

The level of detail required in the Structural Business Statistics form differs from Member State to Member State. Regulation (EC) No 58/97 states which characteristics and breakdowns should be delivered to Eurostat. As explained in chapter 2.3.2, the identification of the Possibilities not stated was realised following the legislative text and not by analysing the statistical forms that the economic operators fill in and send to the National Statistical Offices. Following this methodology, the difference in level of detail required by Member State has not been identified as Possibilities not stated in the EU act as they are only discernible in the specific forms used by the Member States. Through our interviews we have learned that the Member State that asks for the most detailed and extensive data is Poland.

In Poland the national requirements followed the EU Requirement and did not prescribe submission of additional data not described in the EU text. Therefore this IO was not considered as a Possibility not Stated in the EU Legal Act, but shows high internal time spent on the IO in both segments. Moreover, experience in Poland with the SBS survey are rather negative as the questionnaire is considered to be too detailed and extensive and requires information to be presented in a complicated way.

The time spent by businesses that return a structural business declaration considerably increases in line with the business size. Large businesses record a higher amount of time in compiling their declarations as they are generally confronted with more complex forms. Larger businesses in general have a more complex production chain and a larger choice of end-products, which makes it more difficult to translate in this kind of declaration.

The process for submitting the information differs from Member State to Member State. Belgium and Portugal allow businesses to submit the data required for this IO through the annual accounts, while others must submit the data through a specific and separate form.

In Belgium, depending on the type and size of company, the Belgian statistical office sends out different questionnaires. The small businesses need to submit a detailed questionnaire with Annexes, while large businesses (with a complete accounting scheme and annual

accounts) do not need to submit Annexes to the questionnaire. This impacts the average time spent by the targeted companies. The Small businesses take on average 60 minutes longer than the large businesses to submit the same form.

In Sweden, the Structural Business Survey is based on the annual reports. To submit information, larger businesses tend to have better structures in place and will therefore take less time than the small and medium-sized businesses, to fulfil this Information Obligation.

In Portugal, the data collection for the structural business statistics is done through the information submitted by the companies to the Simplified Enterprise Information platform (IES). This is an eGov. platform where companies submit their annual accounts and statistical information. After submission, the information is stored in the National Database of Annual Accounts (BDCA). The Portuguese system of electronic submission and filing of the annual accounts proved to be useful to increase the level of compliance for the submission of annual accounts but it has also increased the quality of the structural business statistics. This system simplified the submission of data for businesses, because with this system, all authorities search for the information they need within this database instead of asking businesses for this information. This has reduced the frequency with which companies report the same information to different authorities.

The French authorities replaced the "Enquête annuelle d'Entreprise" (EAE) by the "Enquête sectorielle annuelle" (ESA). The new questionnaire improved the quality of the statistical information requiring less, but better, information, and to pool existing information between the different administrative departments. As the enterprises need now submit less information it impacted on the average time spent.

No consultancy costs were reported by the businesses interviewed for this specific Information Obligation.

The numbers of entities that were used to calculate the data shown in the Table above represent the total number of entities that need to comply with the Information on Structural Business Statistics. These are estimated based on data from Eurostat website.

In the case of “Structural Business Statistics”, none of the cost can be considered as business-as-usual. Therefore, the total administrative cost is equivalent to the total administrative burden generated by this Information Obligation.

The Information Obligation on “Structural Business Statistics” is considered as highly irritating. The irritation factor is mainly driven by the fact that some information required in the Statistics questionnaires is also required in other forms. A large part of the information required is already available in the annual accounts submitted by businesses.

Asking for the same information in a different format creates additional irritation for businesses. Many interviewees did not understand why the data was being requested and for what purpose it would be used. There seems to be no statistical output based on this survey that can be considered as directly interesting for the business itself (the usefulness of this kind of information is more at the macro-economic level where it contributes to the calculation of Gross Domestic Product and other more global statistics). Moreover the complexity of the information requested is another irritation factor as this information is not always available in the business’s accounts.

3.2.1.4 First Simplification Suggestion

During the interviews and workshops with businesses and experts several initial simplification ideas were collected. A structured and detailed collection and analysis of possible reduction measures will be conducted during Module 5. Therefore, this section only contains a summary of the suggestions gathered and does not represent a final list of simplification suggestions.

- Align the data required in the Structural Business Statistics form with the standard national Annual accounts form. The potential of this alignment improving the quality of the “Structural Business Statistics” gathered is a possibility that will be studied further. Defining a new questionnaire that will focus only on information that cannot be found in the annual accounts and inserting it as an Annex to the annual accounts could help reduce the time spent by the businesses on this IO;
- Reduce the frequency of the “Structural Business Statistics” from yearly to every two years. It is obvious that the reasons for collecting these data are a focus on

structural characteristics and not on short-term characteristics. The latter are taken up by the more recent “Short-term business statistics Regulation” (Council Regulation (EC) No 1165/98). The structure should not dramatically change from year to year and the most important data is in any case available in the annual accounts;

- Reduce the level of data required in some Member States. At Data Requirement level some Member States ask for more detail than others. This difference in required level of details impacts on the total time spent by the businesses in the various Member States;
- Improve the exchange of information between the different departments within the Member States to avoid redundant surveys at national level;
- Introduce electronic submission and create an official website where all businesses could fill in the statistical surveys required.

3.3 Regulation (EC) No 3924/91 - Statistical surveys on industrial production

3.3.1 Statistical surveys on industrial production, Regulation (EC) No 3924/91, Art 1 & 5

3.3.1.1 Characteristics of the IO

One of the main objectives of this Regulation is to provide reliable and recent statistics on the industrial production at Member State and EU level.

The survey on industrial production refers to the collection and the distribution of statistical data on the production of manufactured goods in the national territories of each Member State. It is based on a product classification called the Prodcom List which consists of about 4,500 headings relating to manufactured products.

The target population affected by the Regulation are undertakings with industrial production (NACE C to E) with 20 employees or more.

3.3.1.2 Process for complying with IO

To collect the data on “Prodcom”, the National Statistical Office in each Member State sends the questionnaire to the businesses in paper form (when applicable) or places the electronic form on the relevant website. The Businesses collect and check the required

data through all relevant departments. The data is then submitted on paper or electronically. In case of non-submission or submission after the deadline, the Statistical Office sends reminders to the businesses.

The national statistical authorities at Member State level receive, verify and analyse the national data and send them to Eurostat.

3.3.1.3 Costs and explanatory Variables

In this part, we will describe and analyse the total cost generated by “Statistical surveys on industrial production”. As this IO has not been prioritised, the total costs have not been segmented.

Table 19: Total Administrative Cost for the six Measurement Countries – Regulation (EC) No 3924/91¹⁵.

	BE	FR	IT	PL	PT	SE
Internal time per occurrence (minutes)	60	33	31	48	125	20
Average hourly tariff (€)	35	47	59	10	19	51
Equipment costs per occurrence (€)	0	0	0	0	0	0
Consulting costs per occurrence (€)	0	0	0	0	0	0
Dominant employee type	Professionals	professionals	professionals	professionals	professionals	legislators, senior officials, managers
No. of occurrences	71,544	283,056	565,584	441,120	193,776	50,400
Total administrative cost per occurrence (€)	35	25.9	30.7	8.34	39.58	17
Total administrative burden per occurrence (€)	35	25.9	30.7	8.34	39.58	17
Total costs	2,504,040.00	7,330,139.63	17,362,936.62	3,676,792.91	7,670,300.00	856,800.00

This Table is based on data compiled by the Consortium.

The major difference between the Measurement Countries on the Prodcum declaration is the time it takes to retrieve and adjust relevant data. How quickly a business can retrieve the data impacts on the overall time spent. Portugal spends on average two hours to fulfil the IO which is higher than other Member States, such as Belgium and Sweden who spend on average between 20 and 60 minutes for the same activity. Sweden confirmed the data through their existing measurement.

¹⁵ Assessment of the internal time spent made in three of the Member States; Extrapolation used for all the other Member States.

As explained in section 2.3.2, the identification of the Possibilities not stated was realised following the legislative text and not by analysing the Prodcom forms that the economic operator fill in and send to the National Statistical Offices. In some cases, the list of products surveyed is more detailed at national level than in the Prodcom List without being supported by national legislation. In such a case, the Consortium did not identify those variances as Possibilities not stated and therefore they were not measured as such. The data for the IO "Prodcom" was measured in Belgium, Portugal and Sweden. The results of the other Measurement countries were extrapolated.

The number of occurrences reported in the Table above represents the number of entities submitting the questionnaire on Prodcom, multiplied by the frequency.

No consultancy costs were reported by the businesses interviewed for this specific Information Obligation.

In the case of Prodcom, 0% of the cost can be considered as Business-as-usual. The information to be delivered (the physical volume and the value of the production sold during the survey period) is not directly used in other official documents like fiscal declarations or annual accounts

Of the eight IOs in scope, the Information Obligation on "Industrial production" is perceived the least irritating. Nevertheless, businesses face cost allocation issues to calculate the value of the production of items such as energy costs, which is not always straightforward. The quality of the "industrial production" is therefore sometimes questionable.

3.3.1.4 First Simplification Suggestion

A structured and detailed collection and analysis of possible reduction measures will be conducted during Module 5. Therefore, this section only contains a summary of the suggestions gathered and does not represent a final list of simplification suggestions.

- Harmonise the nomenclatures in Intrastat, Extrastat and Prodcom as they are currently different. In some cases, two different measures of quantity (net mass in kg, and secondary measure like litres or pieces) are required for trading

information on some goods. This often causes major difficulties for businesses to measure the weight of certain products, for example software or clothing;

- Further develop eGov. solutions linked to the submission of Prodcom;
- Improve the exchange of Prodcom information between the different administrations within the Member States to avoid redundant surveys at national level. Pooling some pieces of information between the different administrations to avoid redundant surveys would be useful;
- Allow the possibility of feedback to reduce the "irritation factor". Firms would receive (on demand) statistical data on their sector. This could motivate businesses to answer accurately to the Prodcom questionnaire and thereby improve the quality and the reliability of the data delivered on industrial production.

It would also be possible to reduce the administrative burden for the businesses without reducing the quality of the data, while still complying with the EU regulations. The following factors should be assessed:

- alternative administrative sources;
- frequency of the survey;
- number of variables asked for.

3.4 Directives (EC) 93/23 and 93/24 Statistical surveys on pig and bovine

3.4.1 Statistical surveys on pig and bovine population, Directives (EC) 93/23 and 93/24

3.4.1.1 Characteristics of the IO

The survey on pig and bovine population refers to the collection and distribution of information on the number of bovine animals and pigs in the national territories of each Member State, providing a breakdown of the bovine and pig population according to a specified categorisation (weight and species of piglets, pigs, fattening pigs and breeding pigs in the case of pigs) and age and variety (male, female, heifers, heifers for slaughter etc.). Statistical surveys of the pig population are carried out 3 times a year (April, August and December), whereas the surveys on bovine population are organised twice a year (May or June and December). Member states with relatively small pig or bovine populations may be authorised to dispense with two (for pigs) or one (for bovine) surveys.

The target population affected by the Directives (EC) 93/23 and 93/24 are agricultural holdings with pigs or bovine animals. The surveys should cover enough of these holdings to account for at least 95% of the pig or bovine population.

3.4.1.2 Process for complying with IO

To collect the data on the pig and bovine population, the National Statistical Office in the relevant Member State sends the questionnaire to the agricultural holdings with pigs or bovine animals in paper form. The agricultural holdings collect and check the required data, and submit it on paper. In case of non-submission or submission after the deadline, the Statistical Office sends reminders to the businesses.

The national statistical authorities at Member State level receive, verify and analyse national data and send them to Eurostat.

3.4.1.3 Costs and explanatory Variables

Table 20: Total Administrative Cost for the six Measurement Countries – Directives (EC) 93/23 and 93/24 Statistical surveys on bovine population

	BE	FR	IT	PL	PT	SE
Internal time per occurrence (minutes)	120	12	20	18	20	20
Average hourly tariff (€)	23	21	15	4	6	23
Equipment costs per occurrence (€)	0	0	0	0	0	0
Consulting costs per occurrence (€)	0	0	0	0	0	0
Dominant employee type	clerks	skilled agricultural/fishery workers	skilled agricultural/fishery workers	skilled agricultural/fishery workers	skilled agricultural/fishery workers	skilled agricultural/fishery workers
No. of occurrences	59,232	406,240	201,720	797,300	123,666	35,838
Total administrative cost per occurrence (€)	46	4.19	4.96	1.35	2	7.67
Total administrative burden per occurrence (€)	46	4.19	4.96	1.35	2	7.67
Total costs	2,724,672.00	1,701,136.54	1,001,363.21	1,074,609.79	247,332.00	274,758.00

This Table is based on data compiled by the Consortium.

Table 21: Total Administrative Cost for the six Measurement Countries – Directives (EC) 93/23 and 93/24 Statistical surveys on pig population

	BE	FR	IT	PL	PT	SE
Internal time per occurrence (minutes)	120	11	13	15	25	20
Average hourly tariff (€)	23	21	15	4	6	23

	BE	FR	IT	PL	PT	SE
Equipment costs per occurrence (€)	0	0	0	0	0	0
Consulting costs per occurrence (€)	0	0	0	0	0	0
Dominant employee type	clerks	skilled agricultural/fishery workers	skilled agricultural/fishery workers	skilled agricultural/fishery workers	skilled agricultural/fishery workers	skilled agricultural/fishery workers
No. of occurrences	20,970	125,670	88,710	51,900	247,860	6,870
Total administrative cost per occurrence (€)	46	3.8	4.51	1.22	2.5	7.67
Total administrative burden per occurrence (€)	46	3.8	4.51	1.22	2.5	7.67
Total costs	964,620.00	478,088.06	400,069.13	63,550.09	619,650.00	52,670.00

This Table is based on data compiled by the Consortium.

Those two Information Obligations represent 3.8% of the total administrative cost measured in the Statistics Priority Area.

Nevertheless, the two IOs are considered as very irritating by the businesses that need to provide data linked to their pig and/or bovine populations as many interviewees did not always understand the reason why the data was required and for what purpose it is used.

This IO has been extrapolated in France, Italy and Poland and therefore no internal time spent will appear in the Table above.

In the case of these two IOs, no cost can be considered as Business-as-usual. Therefore, the total administrative costs equal the total administrative burdens generated by this Information Obligation.

3.4.2 Statistical surveys on pig and bovine slaughters, Directives (EC) 93/23 and 93/24

3.4.2.1 Characteristics of the IO

The surveys on pig and bovine slaughtering refer to the collection and distribution of information on the number of carcass weights of pigs and bovine animals slaughtered in the slaughterhouses in the national territories of each Member State, the meat of which is deemed fit for human consumption. In the case of bovine animals, there is a mandatory distinction between calves, heifers, cows, bulls and bullocks.

The target population affected by the two IOs in Directives (EC) 93/23 and 93/24 are the slaughter houses for pigs or bovine animals.

3.4.2.2 Process for complying with IO

To collect the data on pig and bovine slaughters, the National Statistical Office sends the questionnaire to slaughterhouses with pigs or bovine animals in paper form (where applicable). The slaughterhouses collect and check the required data. The data is then submitted in paper form. In the case of non-submission or submission after the deadline, the Statistical Office sends reminders to the businesses.

The national statistical authorities at Member State level receive, verify and analyse national data and send them to Eurostat.

3.4.2.3 Costs and explanatory Variables

Table 22: Total Administrative Cost for the six Measurement Countries – Directives (EC) 93/23 and 93/24 Statistical surveys on bovine slaughters

	BE	FR	IT	PL	PT	SE
Internal time per occurrence (minutes)	10	7	12	11	10	13
Average hourly tariff (€)	35	21	15	4	6	25
Equipment costs per occurrence (€)	0	0	0	0	0	0
Consulting costs per occurrence (€)	0	0	0	0	0	0
Dominant employee type	professionals	skilled agricultural/fishery workers	skilled agricultural/fishery workers	Skilled agricultural/fishery workers	skilled agricultural/fishery workers	craft and related trades workers
No. of occurrences	1,092	3108	27600	18000	1,800	3,380
Total administrative cost per occurrence (€)	5.83	2.5	2.96	0.8	1	5.42
Total administrative burden per occurrence (€)	5.83	2.5	2.96	0.8	1	5.42
Total costs	6,370.00	7,769.81	81,794.58	14,483.53	1,800.00	18,308.33

This Table is based on data compiled by the Consortium.

Table 23: Total Administrative Cost for the six Measurement Countries – Directives (EC) 93/23 and 93/24

Statistical surveys on pig slaughters

	BE	FR	IT	PL	PT	SE
Internal time per occurrence (minutes)	15	12	19	18	25	12
Average hourly tariff (€)	35	21	15	4	6	25

	BE	FR	IT	PL	PT	SE
Equipment costs per occurrence (€)	0	0	0	0	2	0
Consulting costs per occurrence (€)	0	0	0	0	0	0
Dominant employee type	professionals	skilled agricultural/fishery workers	skilled agricultural/fishery workers	Skilled agricultural/fishery workers	skilled agricultural/fishery workers	craft and related trades workers
No. of occurrences	1,092	2,604	27,600	18,000	2,352	1,836
Total administrative cost per occurrence (€)	8.75	3.98	4.72	1.28	4.5	5
Total administrative burden per occurrence (€)	8.75	3.98	4.72	1.28	4.5	5
Total costs	9,555.00	10,358.57	130,152.97	23,046.44	10,584.00	9,180.00

This Table is based on data compiled by the Consortium.

These two Information Obligations are the least burdensome IOs in scope of the Statistics Priority Area. They only represent 0.8% of the total administrative cost measured. We can therefore exclude these Information Obligations from the reduction proposal programmes. The small cost generated by the two IOs is driven by the small population and the low average time spent fulfilling the IOs. These two IOs have a medium irritation factor.

This IO has been extrapolated in France, Italy and Poland, and therefore no internal time spent will appear in the Table above.

In the case of these two IOs, no cost can be considered as Business-as-usual. Therefore, the total administrative costs equal the total administrative burdens generated by this Information Obligation.

3.5 Directive 2001/109/EC - Statistical surveys on fruit tree plantations

3.5.1 Statistical surveys on fruit tree plantations, Directive 2001/109/EC

3.5.1.1 Characteristics of the IO

One of the main objectives of this Directive is to provide the basis for the Commission to operate the fruit market organisation rules of the CAP. To this end it is important for the Commission to obtain complete and reliable statistics on the production potential of plantations of certain species of fruit trees in the Community (dessert apples, dessert pears, peaches, apricots, oranges, lemons and small-fruited citrus fruit) and on medium term estimates of Community production and supply. Therefore the Member States are asked to organise a national survey every five years. The data requested includes:

- Variety of fruit
- Age of trees
- Area planted
- Number of trees
- Density of plantation.

The target population for Directive 2001/109/EC are all fruit production holdings, entirely or partly intended for the market. The survey may either be exhaustive or based on random sampling. In the latter case, the sample shall be representative of at least 95% of the area planted with fruit trees.

3.5.1.2 Process for complying with IO

To collect the data on fruit production, the National Statistical Office sends the questionnaire to the targeted fruit production holdings in paper form. The agricultural holdings collect and check the required data. The data will then be submitted on paper. In case of non-submission or submission after the deadline, the Statistical Office sends reminders to the businesses.

The national statistical authorities at Member State level receive, verify and analyse national data and send them to Eurostat.

3.5.1.3 Costs and explanatory Variables

Table 24: Total Administrative Cost for the six Measurement Countries – Directive 2001/109/EC

	BE	FR	IT	PL	SE
Internal time per occurrence (minutes)	15	21	15	4	8
Equipment costs per occurrence (€)	0	0	0	0	0
Consulting costs per occurrence (€)	0	0	0	0	0
Dominant employee type	Clerks	skilled agricultural/fishery workers	skilled agricultural/fishery workers	skilled agricultural/fishery workers	skilled agricultural/fishery workers
No. of occurrences	376	1,310	28,316	3,000	605
Total administrative cost per occurrence (€)	5.75	79.65	94.42	25.64	3.07
Total administrative burden per occurrence (€)	5.75	79.65	94.42	25.64	3.07
Total costs	2,164.30	104,335.72	2,673,497.67	76,905.17	1,855.95

This Table is based on data compiled by the Consortium.

This Information Obligation is not a burdensome IO, representing less than 1% of the total burden generated by the Statistics Priority Area. This survey is only carried out every five years, targeting a small population.

This Information Obligation has a medium irritation factor.

The Directive 2001/109 has not been transposed in Portugal; therefore no data has been calculated for that Member State.

This IO has been extrapolated in France, Italy and Poland and therefore no internal time spent appears in the Table above.

The cost generated by the statistical survey on fruit trees cannot be considered as business-as-usual. Therefore the total administrative costs equal the total administrative burden generated by this Information Obligation.

4. Conclusion and Outlook

In total the Administrative Cost resulting from the legislation in scope of the Statistics Priority Area accounts for €628.88 million. Of the total for the Priority Area, 87.81% (€552.25 million) has been classified as Administrative Burdens, while €10.59 million is due to national implementation of National Obligations going beyond EU Requirements

A 25% reduction of the Administrative Burden for the Statistics Priority Area would amount to €138 million.

The first part of Module 5 was started in parallel to the measurement work presented in this report and focuses on conducting national events in all Member States as well as a large SCM event at EU level, the Cutting Red Tape for Europe Conference¹⁶. The events were conducted to:

- Disseminate the early results of this project;
- Involve and activate national and EU stakeholders further, and
- Collect input into the analysis of the simplification suggestions.

The focus of this study is the administrative cost imposed on businesses due to IOs within Statistics Priority Area. Hence the study does not look at the benefits of legislation or the direct financial or substantive costs. As objectives and benefits have a significant impact on any potential decision as to whether to amend, replace or reconsider certain regulatory frameworks or IOs as suggested in this report, these should be clearly analysed and considered before any such decision is made.

Changes of the kind put forward here are part of a highly dynamic environment and cannot be considered separately from this context. How a suggested change will impact the business and its stakeholders are important elements to include in further studies of the simplification suggestions. A structured approach to analysing simplification suggestions is being conducted in Module 5.

¹⁶ Held in Brussels on June 20th 2008; see www.cuttingredtape.eu.

The Module 5 work is building further on the results from Modules 3 and 4 to deliver reduction recommendations for the Priority Areas in this project based on a specially developed reduction methodology. This methodology is currently being used to identify and distinguish changes to EU Legislation (IOs stemming from EU legislation), changes to implementing/transposition measures adopted by the Member States (better practice, including possible elimination of additional requirements). Furthermore, a monetary evaluation of the reduction recommendations will be conducted along with an analysis on their implementability. In addition to the input stemming from this project, additional input from best-practice countries, EU level experts within and across Priority Areas, and existing reduction recommendations and strategies are being used. The results of this work are expected by the end of March 2009.

The Commission has proposed to the Council and the European Parliament to set up a programme for Modernisation of European Enterprise and Trade Statistics (MEETS), the results of which were expected to enter into force in late 2008. The burden reduction potential under investigation by MEETS is considering the following Possibilities:

- Identify areas of lesser importance;
- Harmonise legal texts and methodologies among business statistics;
- Investigate European Sampling Schemes;
- Make better use of data that already exists in the statistical system, especially by methods of data linking and sample optimisation. Enhancing the use of databases centralising data to avoid asking the businesses in scope to submit information that is already available in the database, should also be investigated;
- Make better use of data that already exist in the economy, e.g. by using more administrative data and accounting data;
- Facilitate the data flow between the enterprise and the National Statistical office, for example by increased use of digital channels for collecting data and developing easy to use forms.

The Commission has also proposed to the Council and the European Parliament a simplified Regulation combining the different pieces of legislation presently in force on animal production, with a reduced amount of information requested for pigs and bovine populations and slaughter, with a lesser burden for smaller countries.

5. Annex

5.1 Methodological Challenges in the Statistics Priority Area

The following Sections outline the main methodological challenges encountered in the measurement and discuss the measures taken to counter the challenges.

The Sections below address:

- Recruitment of companies
- Data collection
- Standardisation.

Recruitment of companies: overall the identification and recruitment of companies went well and without challenges.

Before starting the interviews, each country team in the six Baseline Countries visited their respective National Statistical Office to discuss the data collection approach and the nature of the businesses to be interviewed.

Data collection. The data collection in the six Measurement Countries was carried out through interviews with businesses. For each prioritised IO, five large businesses and five micro/small/medium businesses were interviewed in each of the six Member States. Information packages were provided to the interviewees in advance to make the interview as efficient as possible and the data on the processes as detailed as possible.

Standardisation. Generally, the standardisation of the collected data was performed according to the methodology and did not pose insurmountable challenges to the country teams.

5.2 Collection and extrapolation of population data

A detailed description of the process of population data collection and extrapolation can be found in the main report covering all Priority Areas¹⁷. This Annex covers only the

¹⁷ The extrapolation model as well as the process of population data collection and extrapolation is further described in the Annex of the main report.

specific Priority Area and describes the efforts that were carried out to obtain population data and the quality assurance.

For Statistics Priority Area, the Consortium collected in total ~90% of the data points for all Information Obligations. For the eight Information Obligations in this Priority Area (of which two are segmented), in average ~9 data points were collected per Member State¹⁸ (excluded from that are the so-called Baseline Countries). In turn, ~10% of the data points were extrapolated. Additional and supplemental information was gathered through desk research and from database queries at the Eurostat homepage as well as interviews with the respective authorities. Eurostat delivered data to the Consortium on the “Intrastat”, “Prodcom” and “Structural Business Statistics” Information Obligations.

Within the Priority Area there were few problems arising from the data collection as the Information Obligations were clearly defined. As most of the population data was delivered by Eurostat and through their homepage, the overall quality in terms of reliability is among the highest for all Priority Areas. For two Information Obligations on slaughtering, data points that deviated from the average values were identified and confirmed or amended after discussions with the Country Teams.

For the Statistics Priority Area, several environment variables were set up to extrapolate the missing data points. The extrapolation for the two Information Obligations with missing data points was based on the quantity of slaughter of pigs and cattle¹⁹. These environment variables were tested against specific information, for example, production of meat.

The quality assurance for this Priority Area was integrated in the process of data collection and extrapolation. After extrapolation, the plausibility of the figures was again checked by expert assessment and by comparing the extrapolation results to the output of the desk research and to the results of the Baseline Countries.

¹⁸ The sources for individual data points can be found in the database.

¹⁹ See report on Agriculture from EUROSTAT, p. 89,

http://epp.eurostat.ec.europa.eu/cache/ITY_OFFPUB/KS-ED-07-002/EN/KS-ED-07-002-EN.PDF