Statement by Hr. Scarascia-Mugnozza, Vice-President of the Commission, giving a progress report on the work in respect of the development of the common transport policy at the 319th session of the Council (Transport) on 11 December 1974.

It would be useful to me if at each Council meeting the Commission presented a review of the current situation and gave a summary of the main trends in the development of future work.

There is no need to remind you in detail of the very positive results of the last Council. Allow me simply to refer to the resolution on the draft decision to reinvigorate the railway companies and to harmonize their financial relations with their respective States. Aided by this measure it has been possible to prepare the ground work for the adoption of the decision itself by the Council.

Moreover, the procedure adopted of presenting to Members the major actions to resolve, appears to me to speed up the process of establishing a Common Transport Policy and allows the Council to play its proper role in policy making.

The proposals on the agenda today result from the work undertaken by the Commission since June. In addition to these propositions development of the Communication of 24 October 1973 has also been pursued by the Commission.
The development of the links between transport and the other policies of the Community, such as energy, regional and industrial policies, is being pursued by the Commission in order to ensure that they are mutually coherent.

Based on this work another Council will be asked to consider a programme of measures in the field of energy policy that includes a number of transport measures. In addition my services have recently forwarded to your delegations the results of a study on energy consumption in various transport modes.

The Transport Consultative Committee, set up by Article 83 of the EEC treaty, will present its views next March on the relationship between transport and regional policy. I have proposed that this subject, together with the relationship between transport and energy policies, should be included on the next agenda of the Economique and Social Committee which is in the process of pursuing the Commission's Communication.

In relation to industrial policy, the service responsible in the Commission and my services are controlling a study on some aspects of the urban transport problem in the Community.

The Transport Consultative Committee will examine other aspects of this question in the near future. With senior national civil servants our services are also studying the development of Community action on high speed ground transport.

In the field of infrastructure investment, the Commission has continued the improvement of its work within the framework of the 1966 Consultation procedure. The Transport Consultative Committee has been asked for its opinion on a number of questions relating to the objectives and methods of Community action in this field and the Committee's report has recently been received. Once more I express before you the hope that your services and those of the Commission will reinforce their collaboration in this field.
In relation to infrastructure pricing, the draft first Directive on the adoption of national tax systems for commercial vehicles represented an initial step towards the realisation of a pricing system. Work on the structure of taxes has progressed at a rhythm which would have enabled the adoption of the first Directive within six months to be envisaged.

The reserves expressed by certain delegations have prevented the adoption of the Directive at the present session; you are asked to consider giving a firm mandate for a new calendar for the adoption of the Directive and its annex by the end of the first quarter of 1975.

The Commission has pursued its efforts as outlined in the Communication, to establish a framework for the common organisation of the transport market and the preparation of propositions to this end. Following up this objective a series of meetings have been held in October and November with representatives of the professional bodies concerned, the three modes of transport in the Community and the users. A consultation meeting will also take place before Christmas with workers representatives and subsequently with government experts. For this reason the Commission proposes an extension of the regulations on Forked Tarifs and on Community licences for international freight transport.

I should now like to put forward some points concerning implementation during 1975 stemming from our statement. It is not a question here of presenting to you a review of all the points which, in my opinion, should be considered at the Council's proceedings during 1975. It is clear that priorities must be established.

I should like to return for a moment to charging for the use of infrastructures on which work was resumed. We anticipate preparing and submitting to the Council during the first half of 1975 a report which will highlight the salient points emerging from the various studies carried out in the course of the analysis and include a timetable for the solving of other problems not yet being dealt with. Furthermore, the report will define positive measures which could be associated with or follow the adoption of the proposal for a decision concerning the setting up of a common charging system.
In the field of infrastructure investments, as a result of the work done during the consultations within the framework of the 1966 procedure or by means of ad hoc meetings we are hoping to move progressively towards bringing together the national infrastructure investment programmes. In this way and with this objective in mind the Commission will meet with the experts around Easter, 1975. Also, in particular we will focus on the pilot study on forecasting freight transport demand for the 1985 – 2000 period which will be carried out in close collaboration with the Member States. I have already taken the opportunity of having talks with you during the last Council meeting. The results of this study should be available towards the end of 1976. Our co-ordinated efforts in the field of forecasting and consultations on this subject make it possible for us to envisage the completion of a first draft of a master plan in 1977.

In the social field, we should concentrate our efforts on the adoption of the second social regulation for road transport at the same time taking into consideration the practical problems associated with the application of the first regulation. I will refer to this in detail under another point. We are dealing with it under the opinions of the E.P. and the E.S.C. Also outside the road sector the Commission will submit to the Council at the beginning of 1975 a proposal for a regulation on the standardisation of working conditions and equipment construction for vessels used in inland navigation.

I have already referred above to the work concerning the organisation of the transport market. The Commission will be sending you its proposals during the Autumn of 1975. They will cover principally the capacity, price and conditions of transport, competition as well as transparency and fundamental market indicators.

You have before you today a proposal for a decision involving the amendment of the directives attached to the Council Decision of December 28th, 1972, concerning opening negotiations with Switzerland on the temporary immobilisation of vessels.
Agreement at your level will allow these negotiations to take place, to be concluded and the coming into force of this important regulation for the common transport policy.

Finally some brief reference to the spectrum of work to be carried out in 1975, I would like to say that the Commission will continue its contact with the representatives of marine, aviation and port authorities. With particular regard to the aviation sector, the Commission will convene at an early date a meeting of government experts with a view to studying amongst other matters the consequences arising from recent judgements of the Court of Justice.

With regard to the ports, the Commission with the assistance of the port experts has completed a questionnaire on the actual position and is examining the links between ports and their Hinterland with a view to taking action if appropriate in the context of the community plan.

III.

I must now refer to a special problem. As I stated at the Council meeting in June, the Commission has submitted to the Council in July, 1974 a proposal for a decision — with which you are familiar — concerning common action by Member States with regard to the United Nations Convention establishing a Code of Conduct for Marine Conferences.
On the 18th October 1974, the Commission wrote to the Foreign Ministers of the Member States to attract their attention to the incompatibility of certain provisions of the code of conduct with the provisions of the EEC Treaty. In the same letter, the Commission announced its intention to convene meetings of government experts to work out solutions which would enable the interests of the Member States to be reconciled with respect for the provisions of the Treaty.

On the 26th November the Transport Group of the Council studied this problem on the basis of the Commission's proposals. If I have been reliably informed the delegations reached an agreement in principle on the following programme:

A) the Member States will not take any action with respect to the Code of Conduct until they receive the Commission's proposals for common action;

B) the Commission will present its proposals to specify the scope of and set up the common action which is the aim of Article 116 of the Treaty as soon as possible and in such a way as to enable the Council to make a ruling on the matter, hopefully before the 30th April 1975.

C) the Member States will be represented at the meetings which the Commission will convene in order to study the compatibility question and to discuss problems such as the common action which is to be undertaken.

I believe that progress can be made on this basis and the Commission will convene the first meeting of experts on the 16th and 17th January 1975. It is confident that the Member States will collaborate fully in pursuing the action which is under way in order to arrive at a Community solution to the problems raised by the Convention on the Code of Conduct of Maritime conferences within the set time limits.
I should now like to turn to the progress of the dialogue on the communication of the 24th October 1973.

During the Council meeting of the 22nd November 1973 a first exchange of opinions on the Commission's communication concerning the evolution of the common Transport Policy indicated that there was a willingness to continue this dialogue and accelerate work on concrete proposals following guidelines defined by the Commission.

On the basis of the Council's request to the Economic and Social Committee for consultation, the latter gave its opinion on the Commission's document on the 28th March 1974. Generally speaking this opinion is favourable to the suggested approach and to the Commission's ideas on the action programme and the priorities which it has defined. You will certainly be aware of this opinion.

In its plenary session of the 25th September 1974 the European Parliament adopted a report presented by M. Mursch as well as a resolution which are broadly favourable to the approach and the guidelines presented by the Commission in its communication.

Apart from a few differences of opinion which are not generally of fundamental importance there are, in fact, certain differences of stress which basically affect problems of procedure and timing. Consequently the Parliament envisages a system of "negotiation packages" which would be discussed during extended sessions of the Council and within much shorter time-limits than those kept to by the Commission. We envisage a slightly different procedure which involves, on the one hand, adopting certain proposals which are still on the Council's table as rapidly as possible, and on the other progressively transmitting to the Council concrete proposals which fall within the framework of our approach. Moreover, I indicated to the Parliament in my interventions that I hoped to adopt a flexible and tactically effective line of action in relation to the evolution of the work.
The dialogue between the Commission, the European Parliament and the Economic and Social Committee is thus underway. It is also necessary to continue this dialogue at the Council level on the basis of firm proposals from the Commission developed to be coherent with the Communication and taking account of the position of the E.P. and the E.S.C.

During the meetings in 1975 I will take this theme up again in my statements and this I hope, will prompt reactions from Ministers on how to approach the various questions.

The Council had, in any case, decided to restart this general discussion when it receives these opinions. The discussion will assist consideration of the development of policy guidelines for the Common Transport Policy, and allow you to instruct Council bodies as to the approach to be followed in considering proposals from all the Community Institutions.