Draft Council regulation suspending the application of Article 85 of the Treaty establishing the European Economic Community and of any provisions made or to b made thereunder to road, rail and inland-waterway transport

(Proposal submitted by the Commission to the Council on **27** September 1962)

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The Council of the European Economic Community,

Having regard to the Treaty establishing the European Economic Community and in particular Articles 75, 85 and 87 (2c) thereof;

Having regard to the provisions made pursuant to Article 87;

Having regard to the proposal of the Commission;

Having regard to the opinion of the Economic and Social Committee;

Having regard to the opinion of the European Parliament;

Whereas, under the common transport policy and in view of the special aspects of transport referred to in Article 75 of the Treaty, it may prove necessary in respect of the types of transport referred to in Article 84 (1) to make different provisions in implementation of Article 85 of the Treaty from those made or to be made for other sectors of the economy;

Whereas, therefore, the application of Article 85 and of measures taken or to be taken pursuant thereto may later be followed by the application of rules of competition taking account of other measures to be adopted in order to give effect to a common transport policy, and whereas the application to transport undertakings of a succession of systems during a relatively

brief period is liable to have harmful consequences for those undertakings and to give rise to serious economic difficulties in the transport sector;

Whereas a period of about two years should suffice to enable the institutions of the Community, in consultation with the Member States, to work out ways of applying Article 85 which, while upholding the principles of that Article, will enable a common transport policy to be put into effect;

Whereas, in consequence, it is appropriate that the application of Article 85 and measures taken or to be taken thereunder to the transport undertakings referred to in Article 84 (1) be suspended until 1 January 1965;

Whereas, however, the implementation of the common transport policy and the special aspects referred to in Article 75 warrant the suspension of Article 85 only with respect to agreements, decisions and concerted practices directly concerned with the supply of a transport service;

Whereas, to enable the Council within the specified period to make special provision for applying the rules of competition to road, rail and inland-waterway transport undertakings, while having regard to the common transport policy, the Commission must submit its proposals to the Council in good time, that is to say before 1 January 1964,

Has adopted the present regulation:

Article 1

The application of Article 85 and of any regulations made or to be made thereunder to road, rail and inland-waterway transport shall be suspended until 1 January 1965.

Article 2

Suspension of the application of Article 85 of the Treaty and of regulations made or to be made thereunder shall, however, concern only such agreements, decisions and concerted practices between road, rail and inland-waterway transport undertakings as have the purpose or effect of fixing transport terms and conditions, restrict-

ing or controlling the supply of transport or sharing transport markets.

Article 3

In order to enable the Council to make special provision for the application of the rules of competition to road, rail and inland-waterway transport undertakings with due regard to the common transport policy, the Commission shall submit its proposals to the Council before 1 January 1964.

Article 4

The present regulation shall come into force on 31 October 1962. It shall be binding in all its parts and directly enforceable in all Member States.