
**Proposal for a Council regulation on the institution and operation
of a Community quota for the transport of goods by road within the Community**
(Submitted by the Commission to the Council on 20 May 1963)

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EXECUTIVE SECRETARIAT OF THE COMMISSION
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**Proposal for a Council regulation on the institution and operation
of a Community quota for the transport of goods by road within the Community**

(Submitted by the Commission to the Council on 20 May 1963)

The Council of the European Economic Community,

Having regard to the Treaty establishing the European Economic Community and in particular Article 75 thereof;

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 the adoption of a common transport policy requires amongst other things the establishment of common rules applicable to international transport of goods by road effected to or from the territory of a Member State or across the territory of one or more Member States;

Whereas these rules must be designed to facilitate the development of road transport according to Common Market needs and to promote the establishment of a transport market on a Community scale, to which carriers from Member States may have access on an equal footing and without distinction of nationality;

Whereas owing to the special aspects of transport these aims must be pursued within the framework of a transport market organization which includes a system of regulating road haulage capacity;

Whereas the most appropriate way of attaining these objectives as regards traffic between Member States is to introduce a Community quota superseding the present system of unilateral regulations and bilateral and multilateral agreements and thus make it possible for carriers in Member States to transport goods on all routes

within the Community; and whereas the admission of non-resident carriers to national transport services within Member States should also be subject to regulation in this context;

Whereas the introduction of these new rules must not however cause any disturbance to the transport market; and the Community quota must therefore be instituted gradually during the transition period concurrently with the abolition of bilateral quotas;

Whereas this implies that bilateral quotas shall not be increased further after they have been established at a level appropriate to all routes within the Community either by agreement between Member States or, failing such agreement, by the Commission, due regard being had to the special position of Member States of the Benelux Economic Union;

Whereas in order to promote the rational use of road vehicles restrictions upon international return loads must be abolished;

Whereas transport between Member States must not be impeded by restrictions imposed by a Member State on traffic in transit through its territory; and whereas such restrictions must be abolished without causing either difficulty or disturbance, in view of the establishment of bilateral quotas for all routes and the ban on their increase;

Whereas the size of the Community quota must be determined every year in relation to the development of the demand for transport, capacity utilization and the probable effects of the concurrent reduction of bilateral quotas;

Whereas during the transition period the Community quota will be distributed among Member States and this distribution may be reviewed in the light of the development of trade between Member States, the effective use made of Community licences, and transport costs in the different Member States; and whereas the possibility of issuing licences at a later stage direct to carriers should be provided for;

Whereas, for the purpose of fixing the size of the Community quota and its distribution among Member States in the manner described above, close co-operation will be needed between Member States and the Commission through a Committee;

Whereas the Commission should be provided with means of meeting developments

which could not be taken into account when the Community quota was established and distributed, and also of coping with occasional inadequacies of transport supply and with exceptional and temporary traffic requirements;

Whereas for the satisfactory operation of the Community quota system information must be available on the use made of licences issued under the Community quota and under bilateral quotas;

Whereas the possibility must be provided for of taking steps to modify the Community quota system before the end of the transition period in the light of the experience gained and of the development of the common transport policy;

Whereas it is unnecessary to apply the Community quota arrangements either to the transport referred to in the first directive of the Council of 23 July 1962 (establishment of certain common rules for international transport) or to the transport of goods by road between Member States effected by undertakings for their own needs with vehicles which belong to them or have been placed at their exclusive disposal for a certain period; and whereas transport in this latter category may be exempted from any form of quota or licensing system since most Member States impose no restrictions on such transport operations; and whereas such exemption must however be subject to appropriate controls, for which purpose it must be stipulated that a document issued by the competent authorities in Member States be carried in such vehicles,

Has made the present regulation :

Article 1

1. From the end of the transition period, the transport of goods by road between Member States shall, subject to the provisions of Article 8 *b*), be effected solely under Community licences issued within the framework of a Community quota.

2. To achieve the aim set forth in paragraph 1 above, the following steps shall be taken during the transition period :

a) In accordance with the conditions and procedures provided under the present regulation a Community quota shall be instituted as of 1 January 1964;

b) From 1 January 1965 quotas existing between Member States under agreements concerning the transport of goods by road,

hereinafter referred to as "bilateral quotas", shall be progressively abolished in accordance with the provisions of Article 5.

Article 2

1. Bilateral quotas shall be established between the Member States concerned, including Member States whose territory may be used in transit, at a level appropriate to the demand for transport.

This applies both to routes subject to quantitative restrictions at the time the present regulation comes into force and to those where no such restrictions are in operation at that date.

Belgium, Luxembourg and the Netherlands may establish quotas for transport between their respective territories by common agreement, comprising licences valid on all international traffic routes within the Benelux Economic Union.

2. Member States shall inform the Commission not later than 1 July 1964 of bilateral quotas established in accordance with the provisions of paragraph 1.

If the Member States concerned fail to reach agreement before that date bilateral quotas shall be fixed by decision of the Commission after consultation with the States concerned.

3. Bilateral quotas may not exceed the levels at which they have been established in accordance with paragraphs 1 and 2.

Article 3

1. From 1 January 1964 no restrictions may be imposed by a Member State on the freedom of carriers from other Member States to transport goods by road to their country of origin following a transport operation terminating in the said Member State.

2. Member States may however require that a transport operation provided for in paragraph 1 be effected from the original point of arrival only, or from some other point situated between that and the frontier exit-point.

Article 4

From 1 January 1965 Member States shall exempt from any quota or licensing system goods transported between Member States in transit through their territory.

Article 5

On 1 January of each succeeding year from 1965 to 1969 inclusive, bilateral quotas shall be reduced by 20 % of their amount at 31 December 1964, such reduction to apply uniformly to each category of licence included under the bilateral quotas.

Article 6

The Community quota shall be made up as follows:

- a) For 1964, 750 licences;
- b) From 1964 onwards the amount shall be fixed for each succeeding year, not later than 1 November of the preceding year, in accordance with the procedure laid down in Article 12.

In fixing the Community quota under b) above, particular account shall be taken of the development of the demand for transport, capacity utilization and the estimated effects of reducing bilateral quotas during the year in question.

Article 7

1. During the transition period the Community quota shall be distributed among Member States.

For the years 1964 and 1965 the respective shares of Member States shall be as follows:

Belgium	13 %
Federal Republic of Germany	25 %
France	25 %
Italy	15 %
Luxembourg	3 %
Netherlands	19 %

For each year from 1966 onwards this distribution shall be either confirmed or reviewed not later than 1 December of the preceding year. For the purposes of such confirmation or review particular account shall be taken of the development of trade between Member States, the use made of Community licences as disclosed in the data collected in pursuance of Article 10, and transport costs in the different Member States after allowing for the effects of harmonizing competitive conditions.

Community licences shall be issued to carriers by the competent authorities in the Member States within the limits of the number of licences allocated to each Member State and by the procedure in operation in that State.

2. Before the end of the transition period, the Council shall decide in accordance with Article 75 of the Treaty whether the system for distributing the Community quota and issuing Community licences set out in paragraph 1 shall be maintained, or whether, and if so to what extent and by what procedure, Community licences may be issued direct to carriers.

Article 8

In order to meet developments which could not be taken into account when the Community quota was established and distributed, and to cope with occasional inadequacies in transport supply and exceptional and temporary traffic requirements, the Commission, acting on its own initiative or at the request of a Member State may, after consulting the Committee provided for in Article 12, authorize the issue of:

a) Supplementary Community licences. The total number of licences issued in these circumstances in the course of any one year may not exceed 5 % of the total Community quota as fixed in accordance with Article 6;

b) Supplementary licences valid for traffic between two Member States, the Commission stipulating:

- (i) The number of supplementary licences and their period of validity;
- ii) Where appropriate, the geographical limits within which such licences may be used, and also the class of goods for the transport of which they are valid.

Article 9

1. Community licences shall entitle their holders to transport goods on all traffic routes between Member States and to move their vehicles unloaded throughout Community territory.

2. Community licences shall take the form set out in Annex I, which may be amended by decision of the Commission.

3. Community licences shall be made out in the name of a carrier and shall not be transferable except by consent of the issuing authority.

4. Community licences shall be valid up to the end of the year in which they are issued.

5. Each licence shall relate to one vehicle only. It must be carried in that vehicle

and be produced for official inspection as required.

“Vehicle” shall be understood to mean either a single vehicle or a vehicle train.

Article 10

1. From 1 September 1964 Member States shall send the Commission twice yearly reports on the use made over the preceding six months of the licences they have issued within the framework of bilateral quotas and the Community quota. Such reports shall contain at least the following particulars, listed according to traffic routes and categories of licence:

- a) Number of licences covered by report;
- b) Tonnages and ton/kilometres effected;
- c) Number of journeys, showing loaded journeys;
- d) Average pay load of vehicles.

2. Reports shall be sent to the Commission at latest two months after the end of each six-month period.

Article 11

Conditions under which carriers holding Community licences may be permitted to operate in a member country other than their own shall be laid down by the Council before 1 January 1966 in conformity with Article 75 of the Treaty.

Article 12

1. To assist the Commission in the administration of the Community quota, a Committee shall be set up consisting of representatives of Member States under the chairmanship of a representative of the Commission.

2. In pursuance of Articles 6 and 7, the Chairman shall inform the Committee of draft measures of the Commission establishing the size of the Community quota and its distribution. The Committee shall give an opinion on such drafts within a time-limit set by the Chairman, which may not be less than twelve clear days.

The votes of Member States in the Committee shall be weighted as provided under Article 148 (2) of the Treaty, and the Committee shall act by a majority of at least twelve votes. The Chairman shall not vote.

The Commission shall fix the amount of the Community quota for the succeeding

year, in accordance with the provisions of Article 6, not later than 1 October in each year, and, not later than 1 November, the distribution of the quota in accordance with Article 7.

Should the Committee not approve the measures taken by the Commission, the latter shall forthwith communicate them to the Council. In such case the Council, acting by qualified majority, may take other measures within one month of the Commission's communication.

3. As regards the implementation of Article 6, the Chairman shall consult the Committee, but such consultation shall not give rise to any voting.

Article 13

1. Member States shall introduce the necessary laws, regulations and administrative provisions to implement the present regulation. Such provisions shall relate *inter alia* to organization, procedure and arrangements for supervision and also the sanctions applicable in cases of infringement.

2. Member States shall transmit to the Commission the draft laws, regulations and administrative provisions referred to in paragraph 1. The Commission shall satisfy itself that the drafts meet the requirements of this regulation, and may send a recommendation or an opinion on the drafts to any Member State within thirty days of receiving them.

The Commission may, by agreement with the Member State concerned, extend this time-limit.

3. At the request of a Member State, or if it considers this course expedient, the Commission may consult all Member States or the Member States concerned on the drafts referred to in paragraph 2.

4. Member States shall not bring into force the provisions referred to in paragraph 1 until the Commission has formulated its recommendation or opinion or until the expiry of the time-limit provided for in paragraph 2.

Article 14

Before the end of the transition period the Commission shall, where appropriate, and taking into account the experience gained and the development of the common transport policy, make proposals to

the Council for the adoption in accordance with Article 75 of the Treaty of any measures required to modify the Community quota system instituted under the present regulation.

Article 15

Articles 1 to 14 shall not apply to the transport of goods by road between Member States where such transport :

a) Fulfils the conditions laid down in Article 9 of Regulation No. 11 of 27 June 1960 on the abolition of discrimination in transport rates and conditions, made in pursuance of Article 79 (3) of the Treaty; or

b) Falls under the provisions of Annexes I and II to the first directive of the Council of 23 July 1962 concerning the establishment of certain common rules for international transport.

Article 16

1. Between Member States the transport referred to in Article 15 a) shall from 1 January 1964 be exempt from all quota and licensing systems.

2. Vehicles used for the transport operations referred to in paragraph 1 must be supplied by the competent authorities of the Member States in which they are registered with a document conforming to the model given in Annex II hereto. This document must be carried in the vehicle and be produced for official inspection as required. Annex II may be amended by decision of the Commission.

Article 17

For the purposes of the present regulation the following shall be treated as transport falling under Article 15 a): the carriage of goods by an undertaking for its own needs by means of vehicles placed at its exclusive disposal for a period of at least one year, in so far as such transport operations satisfy the conditions laid down in the third, fourth and fifth paragraphs of Article 9 of Regulation No. 11 of the Council of 27 June 1960 concerning the abolition of discrimination in transport rates and conditions, made in pursuance of Article 79 (3) of the Treaty.

Article 18

The present regulation is binding in all respects and directly enforceable in all Member States.

ANNEX I

(Name of country issuing licence)
(Name of issuing authority)

Community licence for the transport of goods by road between Member States of the European Economic Community.

(Name or firm of carrier and address in full)

is hereby authorized to carry goods by road between all member countries of the EEC ⁽¹⁾ and to move an empty vehicle anywhere in Community territory. It is valid only for a single vehicle or vehicle train.

While in the territory of any Member State the carrier is bound by the laws, regulations and administrative provisions in force in that State concerning transport and traffic movement.

This licence is valid until -----

Issued at -----, on -----

Signature and seal
of issuing authority

This licence must be carried in the vehicle and be produced for official inspection as required.

⁽¹⁾ Belgium, Federal Republic of Germany, France, Italy, Luxembourg, Netherlands.

ANNEX II

Transport document for transport of goods by road on own account
(to be drawn up in the four official languages of the EEC)

Vehicle

1. Registration No.
2. Engine No.
3. Chassis No.
4. Registered in the name of (1)
5. Placed at the disposal of (1)

for the period from to

is employed for the transport of goods by road on own account between the member countries of the EEC.

Signature of declarant

This document is valid until

It must be carried in the vehicle and be produced for official inspection as required.

Issued at on

Signature and seal
of issuing authority

(1) Name of firm, address in full and nature of business.