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R E P O R T

of the Committee on Transport and Tourism

on the development of the common transport policy in the run-up to the completion of the internal market

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A Series: Reports - B Series: Motions for Resolutions, Oral Questions - C Series: Documents received from other Institutions (e.g. Consultations) Or. Fr.



= Consultation procedure requiring a single reading



= Cooperation procedure (second reading) which requires the votes of a majority of the current Members of Parliament for rejection or amendment



= Cooperation procedure (first reading)



= Parliamentary assent which requires the votes of a majority of the current Members of Parliament

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By letter of 23 January 1990 the Committee on Transport and Tourism requested authorization to draw up a report on the development of the common transport policy in the run-up to the completion of the internal market.

At the sitting of 2 April 1990 the President of the European Parliament announced that the committee had been authorized to draw up a report on the subject.

At its meeting of 21 December 1989 the committee had appointed Mr Amaral rapporteur.

At its meetings of 21 December 1989 and 24 January 1990 the committee decided to include in its report the following motions for resolutions which had been referred to it:

- by Mr Vandemeulebroucke on the incompatibility of the proposed German road tax with the completion of a common transport market (B3-488/89);
- by Mr de Donnea on a common security policy for ports and airports (B3-491/89) (asked for an opinion: Legal Affairs Committee);
- by Mrs Muscardini on the adaptation of laws in the goods transport sector (B3-613/89) (asked for an opinion: Committee on Economic and Monetary Affairs and Industrial Policy).

It considered the draft report at its meetings of 25 April, 29 May and 7 November 1990.

At the last meeting it adopted the motion for a resolution by 20 votes to none with four abstentions.

The following took part in the vote: Topmann, acting chairman; Christensen, vice-chairman; Amaral, rapporteur; von Alemann, Braun-Moser (for Bonetti), Denys, Fantini, Joanny, Lüttge, McIntosh, Müller, de Piccoli (for Porrazzini), Ranzio-Plath (for Iacono), Romera i Alcazar, Sapena Granell, Sarlis, Schodruch, B. Simpson, Stamoulis, Stewart, Tauran, Visser, van der Waal and Wijsenbeek.

The committee asked for their opinions decided not to deliver opinions.

The report was tabled on 14 November 1990.

The deadline for tabling amendments will appear in the draft agenda for the part-session at which the report will be considered.

A

MOTION FOR A RESOLUTION

on the development of the common transport policy in the run-up
to the completion of the internal market

The European Parliament,

- having regard to Articles 2, 3c, e, f and h, 8a, b and c, 74 to 84, 85 to 94, 100a and b, 130r and 235 of the Treaty establishing the EEC,
 - having regard to its resolution of 13 June 1985 on consolidating the internal market¹,
 - having regard to the Commission White Paper on completing the Internal Market (COM(85) 310 final - Doc. C 2-63/85) and its reports on the implementation of the White Paper,
 - having regard to its resolution of 14 January 1986 on the White Paper²,
 - having regard to the statements on the completion of the internal market made by the European Council at the Summits in Fontainebleau in June 1984, in Milan in June 1985 and in Rhodes in December 1988,
 - having regard to the judgments of the Court of Justice of the European Communities of 22 May 1985 on the Council's failure to act in respect of the implementation of the common transport policy³ and of 30 April 1986 and 11 April 1989 on the fixing of air tariffs⁴,
 - having regard to its framework reports on the common transport policy, particularly those by Mr KAPTEYN (Docs. 6/57 and 106/61), Mr MÜLLER-HERMANN (Doc. 18/62), Mr MURSCH (Doc. 215/74), Mr SEEFELD (Doc. 512/78), Mr CAROSSINO (Docs. 1-996/81 and 1-1138/83) and Mr ANASTASSOPOULOS (Docs. A2-84/85 (A + B) and A2-96/86), and its resolutions of 12 September 1985 and 12 September 1986⁵ on the guidelines for this policy,
 - having regard to the Community provisions adopted since the latter resolution in the various transport sectors, the legislative proposals pending before the Council, the Commission's proposals and reports and its relevant opinions and resolutions adopted on the basis of own-initiative reports,
- Rule 121 of its Rules of Procedure,
- having regard to the motions for resolutions tabled by:
 - . Mr VANDEMEULEBROUCKE on the incompatibility of the proposed German road tax with the completion of a common transport market (Doc. B3-488/89),

¹ OJ No. C 175, 15.7.1985, p. 229

² OJ No. C 36, 17.2.1986, p. 53

³ Case 13/83, ECR 1985, p. 1513

⁴ Joined Cases 209 to 213/84, [1985] ECR 803, Achmed Saeed case

⁵ OJ No. C 262, 14.10.1985 and OJ No. C 255, 13.10.1986

- . Mr de DONNEA on a common security policy for ports and airports (Doc. B3-491/89),
 - . Mrs MUSCARDINI on the adaptation of laws in the goods transport sector (Doc. B3-613/89),
- having regard to the report of the Committee on Transport and Tourism (Doc. A3-306/90),
- A. whereas the transport sector forms an integral part of the large internal market which must be established before 1 January 1993 and whereas it is a crucial component of this process,
 - B. well aware of the extent of the efforts which will be required, following many years of virtual inaction and accumulated delays in this sector, in order to establish an integrated transport market in the two and a half years remaining before the deadline set,
 - C. aware, also, of the complex structure and specific requirements of the transport sector compared with other areas of Community activity, which make the integration of this market more difficult,
 - D. concerned to establish a transport system which, above and beyond the demands of an integrated market, takes greater account of public's hopes for and legitimate rights to health, safety, mobility and a clean environment,
 - E. aware of the fact that the intensive use of certain modes of transport in certain regions of the Community is already such as to exceed tolerable limits for the environment, public health and energy management,
 - F. whereas local public transport in cross-frontier and peripheral regions is the area that has been most neglected under Community transport policy,

As regards the application of the concept of the internal market to transport

1. Notes that the completion of the internal market corresponds, within the meaning of the EEC Treaty revised on the basis of the Single Act, to the establishment of a frontier- and barrier-free geographical area coterminous with the territory of the twelve Member States of the European Community and within which free movement of persons, goods, services and capital is guaranteed;
2. Notes that this decompartmentalization of the market implies the elimination of physical, legal, administrative, technical, social or other barriers to such freedom of movement;
3. Points out that this definition of the internal market applies equally and fully to the transport sector;
4. Points out that, in view of its impact on the quality of life and the environment, special measures are required in the transport sector;
5. Takes the view that the application of this concept of the internal market to transport makes it imperative to dismantle regulations which stifle the transport sector and to devise a structural and planning

policy aimed at implementing an efficient system which minimizes the adverse impact of transport and at contributing to greater economic and social cohesion;

6. Reiterates its basic belief that this vital liberalization must go hand in hand with harmonization of conditions of competition, which differ excessively between Member States and modes of transport;
7. Specifies, however, that this necessary harmonization cannot be given priority over the vital liberalization of the transport market in accordance with the procedures and deadlines agreed on by the supreme authorities of the Community Member States and in accordance with the Court of Justice judgment in Case 13/83; points out that the fact that liberalization and harmonization must go hand in hand, as regards laying down a common transport policy, is a necessary component of a global strategy for meeting and anticipating new requirements in the sector, as well as for tackling crises, so as to be firmly in control now that a period of radical change and transition is in the offing; regrets to note, however, that harmonization is lagging behind liberalization and calls on the Commission and Council to speed up the harmonization process;
8. Takes the view, moreover, that this liberalization must proceed in such a way that market forces and structures can adapt to the new demands without causing serious disruption and without risk of unacceptable market disturbance and that, furthermore, it cannot be equated with full deregulation which disregards public health, safety, mobility, the environment and the living and working conditions of the public, transport users and transport workers; welcomes, in this context, the recent Commission proposal to introduce a crisis management mechanism at Community level covering road transport;
9. Concludes, accordingly, that the Community provisions concerning freedom of movement, market access and the provision of transport services throughout the Community and for all citizens, pursuant to the stipulations of the EEC Treaty, must go hand in hand with Community measures intended to prevent unacceptable distortions of competition by means of the harmonization of national rules governing operations on the market (laws and administrative practices), real costs (essentially social and fiscal), which currently differ too widely, and subsidies which are deemed to be justified (with a view to maintaining a public service or regional balance) in the Member States;

is convinced that the establishment of an integrated transport market will encourage modernization of the means of transport and the relevant techniques, infrastructure and equipment and, hence, produce an appreciably more effective transport system; an integrated market of this kind is likely, not least through economies of scale, to stimulate economic growth and its social benefits and strengthen the Community's competitive position on the world market as a natural extension of pursuing these objectives, a fresh balance must be struck under the common transport policy between transport systems in the various geographical and economic regions in the Community and between modes of transport;

As regards the substance of a common transport policy

11. Believes firmly that the broad lines of Community activity in the transport sector between now and 1993 flow logically from the basic principles set out in the preceding paragraphs and that any specific joint action must reflect the approach outlined therein;
12. Regards it as desirable, however, that Community transport policy should go beyond this logical framework and be global in scope and geared resolutely to the future, while taking account of the development of political relations in Europe;
13. Firmly believes that a common transport policy consistent with the provisions of the Single Act must, while respecting market principles, take account of social and environmental constraints and draw up strategic options which contribute to the improvement of conditions for the various social groups (in particular workers in this sector) and inhabitants of the disadvantaged regions;
14. Points out that recent transport developments such as the introduction of high speed trains have increased user choice, in this case between rail and air on medium-haul passenger routes, and recommends greater competition between modes of transport on the basis of fair tariff and service conditions;
15. Points, however, to the risks which increased competition and the attendant increase in the volume of transport could pose to the environment and advocates a more ecologically aware approach when considering the fundamental options connected with the implementation of a common transport policy, particularly by encouraging the choice of modes of transport which are less harmful to the environment;

Priority tasks

16. Advocates, on the one hand, the consistent fostering of a much more effective and dynamic transport market by optimizing the speeds, frequency and comfort of services and, on the other hand, the parallel development of horizontal policies designed to minimize the harmful impact of these services on public health, safety, mobility and the environment and on energy consumption; calls on those in positions of responsibility to cooperate on sociological and psychological studies on the position and needs of persons whom today's transport structures place at a serious disadvantage;
17. Points out that these horizontal policies should not be interpreted restrictively but must, on the contrary, play a vital role in the framing, preparation and implementation of Community measures; protests vigorously, in this connection, against the Council's decision to exclude from the scope of these policies all measures to promote road safety which are not directly linked to the completion of the single transport market, a decision which is both completely unjustifiable in view of the large number of deaths and injuries on our roads and totally inconsistent with its previous approach as exemplified by its decision to declare 1986 Road Safety Year; strongly urges, therefore, the Danish, German and British Governments to change their stance;

18. Attaches paramount importance to the establishment of an integrated system of modern, coherent transport infrastructure networks at European level which should lead to:
- the integration of peripheral or isolated regions and the opening up of less-favoured regions and those in the throes of restructuring,
 - the completion of large-scale and expensive infrastructure projects such as the construction of new railway lines for the transport of passengers by high speed train and of goods throughout Europe, motorways and rail links (for those regions currently at a disadvantage by virtue of their geographical situation), inland waterways (construction, deepening and/or widening of canals) and fixed links (tunnels, bridges or other structures), airport and port facilities and port terminals for the shipment of natural gas or petroleum products by pipeline in the Community and from it to the production centres, including those in Africa,
 - the elimination of bottlenecks on the main European rail, road and inland waterway routes, including the black spots at the Community's internal frontiers and on the main transit routes through third countries taken by Community goods traffic, as well as those caused by air traffic control problems;
19. Advocates that a European traffic and transport strategy be formulated which would lay down medium-term infrastructure plans for the Community's main communications routes;
20. Advocates a major role for waterways and rail links in this strategy, thus giving priority to non-polluting and safe forms of transport;
21. Urges the Council once again to lay down, without delay, the appropriate legal basis (a regulation) which would equip the Community with the instrument required (a fund) to provide appropriate financial support for transport infrastructure projects of Community interest; regards as totally unacceptable the current procedure whereby Community aid is granted on an ad hoc basis without regard for genuine Community priorities, which inevitably results in the completely ineffective scattering and, therefore, regrettable waste of resources which are already excessively limited when judged against the real needs of a transport policy worthy of the name; regards it as essential, in addition, that medium-term multiannual programmes should be established which have an authentic Community dimension to their planning and ~~priorities~~ and which ensure optimum use of Community, national, regional and local resources with that aim in view, at the same time encouraging the private capital market to contribute to the funding of measures to fill in the missing links in the various networks (where public resources are lacking) in accordance with joint criteria and standards determined in advance; stresses, in this connection, that infrastructure investments create jobs, have a sizeable macroeconomic impact, stimulate a range of industrial sectors and frequently encourage research into and development of new methods and technologies;
22. Urges that the Community opt resolutely for a substantial expansion in the role of combined transport in the carriage of goods in Europe, its current share of international traffic being less than 4%; takes the

view that a dynamic policy is required in view of the increasing saturation of the road network, the ever greater dangers inherent in road travel, the damage to the environment and the waste of energy, a policy which should very rapidly give rise to specific measures covering:

- the compatibility and standardization of load units (containers, palettes, swap bodies, etc.),
- the development of effective techniques for loading freight modules,
- the establishment of adequate rail and shipping terminals with the facilities required for transshipment,
- enhanced reliability and performance and reduced shipment times,
- the considerable improvement of the rail and inland waterway networks,
- the development of a European network of intermodal centres,
- an assessment of the estimated area taken up by the various techniques used in additional transshipment yards;

Urges, also, the roads, railways and inland waterways to work increasingly together rather than continue their rivalry which is likely to culminate in a confrontation whose adverse impact may be felt not just by the sectors concerned and their users but by the population as a whole; points out, finally, that greater use of combined transport would undoubtedly help to solve the problems affecting Community transit traffic in Austria, Switzerland and Yugoslavia and arising from increased commercial traffic to and from countries in the East;

23. Observes that the railways and inland waterways should play a greater role in transport and urges the Commission and Council to be uncompromising in their efforts to gear policy to this end;

External transport relations

24. Regards it as axiomatic that, as a common transport policy develops the need for a joint approach to relations between the Member States and third countries will emerge; advocates, therefore, the framing of an external transport policy based on the elementary principles of consultation, cooperation and coordination, but also on non-discrimination and reciprocity so that transport undertakings established outside the Community cannot reap the benefits of the large market without granting Community undertakings operating on their territory fair counter-concessions;
25. Advocates in principle the gradual replacement of bilateral agreements between Member States and third countries by Community and multilateral agreements to which the Community should be a signatory; before this is agreed, however, the Commission, the Council and Parliament must reach agreement - in close collaboration with the Member States - on the content and thrust of the Community's external transport policy;
26. Calls, also, for relations between the Member States and third countries to be geared to factors such as the specific geographic or economic situation of the latter and their links with the Community; advocates, accordingly, closer, good neighbourly relations, on an equitable basis, with the EFTA Member States in the framework of the agreement on the European economic area now being negotiated, the other European countries and those with associate status and the incorporation of clauses on transport in international agreements between the Community and other

groups of countries, such as the industrialized countries and the developing countries, the poorest of which should be granted preferential treatment by the Community, in particular the ACP States within the framework of the Fourth Lomé Convention; confirms that the common transport policy objectives set out above should be gradually extended as far as possible to include the whole European continent;

New challenges

27. Takes the view that a common transport policy geared to the future must be capable of meeting the challenges which are emerging or which are already becoming more pressing every day and must strike a balance between what is inherently required in transport and what is essential as regards protecting the environment and tackling congestion;
28. Takes the view that the dramatic changes in Central and Eastern Europe also merit the full attention of the institutions concerned and that serious efforts must immediately be made to deal as effectively as possible with their probable repercussions for the transport sector, i.e. a considerable expansion in East-West traffic, a greater need for measures to facilitate transport services and the resulting infrastructure requirements; stresses, in this connection, the importance of preparatory work and analyses and constructive but cautious exploratory negotiations;
29. Is convinced that the current spectacular technological expansion offers unprecedented opportunities to establish an appreciably more rational and effective transport system, but fears that the efforts made hitherto in the sphere of research, experimentation and development, not least with regard to their coordination within the Community, have been far from adequate; calls, accordingly, on all the bodies and individuals responsible to increase funding considerably and, above all, to step up cooperation, particularly in the following sectors: rail and air passenger transport; combined goods transport; electronic and computerized transport aid systems; and telecommunications; points in this connection to the need to prepare a second EURET programme that is more comprehensive than the first and better funded in order to respond to the fact that Community research in the transport sector is more urgently required;
30. Warns against the growing dangers posed by the saturation of and congestion on ever increasing sections of the road network and in Community airspace; believes firmly that there is a pressing, vital need to develop new alternative forms of traffic planning and management capable of overcoming these severe constraints, as well as to strengthen the role of existing forms and develop cooperation between them, with a view to preserving the environment and living conditions of all Community citizens, in particular by reducing pollutant emissions;
31. Regards the situation in urban areas as very serious indeed, particularly as regards traffic congestion in large cities with the resulting environmental problems and problems concerning damage to the heritage of buildings and monuments and deteriorating living conditions for the public; believes in this regard that there is an urgent need for a policy on integrating urban transport systems and for a study into the

possibility of absorbing system-external costs (in particular environmental costs) by means of an appropriate fiscal policy;

32. Calls on the Commission to consider as soon as possible the cost of the measures needed to meet these challenges, i.e. the amounts and the funding procedures to be provided for under multiannual Community programmes;

Interim assessment

33. Notes with satisfaction, in the run-up to the establishment of the single large market, the progress achieved, above all since 1985-1986, in the following areas:

Road transport

- the establishment, as of 1 July 1990, of transitional market arrangements whereby quantitative restrictions will be phased out by means of regular increases in the number of Community authorizations so that the definitive arrangements, based solely on qualitative criteria (training, solvency and reliability) and guaranteeing the admission of non-residents to national transport markets (cabotage) can come into force after 31 December 1992,
- the harmonization of most technical specifications and the weights and dimensions of commercial road vehicles,
- the mutual recognition of national training and competence certificates,
- the Community rules on driving time and rest periods for commercial road vehicle drivers (even though the current rules will shortly be revised),
- simplification of formalities at internal Community frontiers;

River transport

- the mutual recognition of national diplomas and certificates of competence for crew members,
- the technical specifications of vessels,
- the improvement of market conditions by means of rules on the scrapping of excess capacity;

Rail transport

- the standardization of the accounts of railway undertakings,
- harmonization of the rules governing financial relations between railway undertakings and States,
- a recommendation seeking to step up cooperation between national railway undertakings;

Civil aviation

- the first package of measures adopted in December 1987 on tariffs, capacity, market access and the application of competition rules;

Maritime navigation

- the first set of measures (1986) dealing with market access, the freedom to provide services, the application of competition rules and protection against unfair tariff practices employed by certain foreign fleets;
34. Notes, however, that in order to complete the large internal transport market before the crucial deadline of 1 January 1993 the Council will have to adopt a whole series of common measures and rules dealing with:
- free market access,
 - freedom to practise cabotage,
 - the abolition of national laws, rules and practices which are protectionist or which act as non-tariff barriers to free competition and freedom of movement within the Community,
 - the complete abolition of formalities and checks at internal Community frontiers,
 - the abrogation of national provisions which cause distortions of competition between modes of transport,
 - the completion of the harmonization of technical provisions,
 - fiscal harmonization, more particularly of VAT and excise rates on mineral oils, and the introduction of a common system for charging transport infrastructure costs to users,
 - the reduction of disparities in social costs,
 - the mutual recognition of national diplomas, shipmasters' certificates and certificates of competence and the establishment of joint rules on vocational training,
 - the transparency of justified state subsidies,
 - the introduction of a crisis management mechanism,
 - a uniform system to govern Member State obligations in respect of public service transport,
 - a coherent plan for railway development in the Community,
 - the establishment of an integrated European high speed rail network and the technical compatibility of high-speed trains,
 - liberalization of passenger transport by bus and coach,
 - improved infrastructure as regards inland waterways, canal locks in France and indeed the provision of new infrastructure (Rhine-Rhône and Rhine-Danube canals);
35. Agrees that, in the light of the steps taken, the joint measures adopted and the proposals formulated, the objective of an integrated road, rail and inland waterway transport market can be achieved on schedule; on condition that the Council shows diligence and slightly greater zeal in adopting Community provisions proposed by the Commission and approved by it;
36. Fears, unfortunately, that the completion of the internal market in air and maritime transport requires so many additional measures - particularly in respect of competition rules, market access and the provision of services - that they cannot be adopted before 1993; points out, moreover, that decisions are required on:
- the operation of air freight services,
 - the extension of a number of block exemptions to competition rules, the harmonization of rules on flying time, the allocation of time

- slots, airworthiness standards, computerized reservation systems, interregional flights, denied boarding, abolition of bilateral agreements, extension of the fifth freedom and of the powers of EUROCONTROL in the air transport sector,
- exemption from competition rules for maritime consortia, enhancement of the competitiveness of Community fleets and creation of a Community register; points out that the Community maritime navigation sector is facing a persistent and worrying decline, and takes the view that it is vital for the economic independence of the Community, which conducts more than 90% of its trade with third countries by water, that a common system to reduce operating costs should be introduced to enable Community shipping companies to regain some measure of the competitiveness essential to their viability;
37. Is convinced that the attainment of the objective of a large internal market does not constitute an end in itself and that, on the contrary, the development of a harmonious and balanced common transport policy calls for a whole series of additional measures, the most important of which were referred to above;
38. Is in favour of amending the Treaty of Rome so that a co-decision procedure can be applied as a general rule in the field of transport as well as in the other sectors;
39. Notes, in passing, that its Committee on Transport and Tourism intends to examine in detail and draw up reports on a number of specific matters which require joint action with a view to putting forward practical recommendations covering areas such as:
- transport safety,
 - transport and the environment,
 - transport and regional development,
 - the social dimension of transport,
 - tax provisions in connection with transport,
 - energy consumption in the transport sector,
 - combined transport,
 - road transport in urban areas,
 - air traffic control,
 - river navigation,
 - relations with the EFTA countries,
 - relations with the COMECON countries,
 - relations with the countries of the Mediterranean,
 - relations with other third countries,
 - tourism,
 - transport in the run-up to the year 2000;
40. Urges the governments of the Member States not to take, in the meantime, national measures incompatible with the consolidation of an internal transport market;
41. Instructs its President to forward this resolution and report to the Council, the Commission, the governments and parliaments of the Member States, the EFTA member states, the countries of Central and Eastern Europe and the ACP States.

EXPLANATORY STATEMENT

INTRODUCTION

1. In drawing up this report, similar reports adopted by Parliament in previous years and, in particular, the resolution on liberalization and harmonization in the field of transport adopted on 12 September 1986¹ have been found extremely useful.

TRANSPORT AND THE INTERNAL MARKET

2. We are approximately two years from the deadline for the completion of the internal market and this analysis of the overall topic of common transport policy at present must start with the concept of the internal market, given that the transport sector forms an integral part of this market. As is well known, until recently the question of a single market in the transport sector was not free of controversy and, in particular, issues related to 'cabotage' led to fundamental differences of opinion.

The attached outline² sets out a conceptual approach to the single market and its application to transport, together with the legal basis (essentially, the EEC Treaty and the judgments of the Court of Justice) and details of the political positions which have been adopted by the Council, Commission and Parliament.

Your rapporteur's position is as follows:

- (i) firstly, transport cannot constitute an exception to the rule of the internal market in 1993,
- (ii) secondly, the concept of an internal market in transport is not compatible with the idea of reserved national markets or different markets; it means having a single internal transport market (which is thus 'intermodal').

An internal market therefore means a single internal market and not twelve internal markets: the domestic market of each Member State is also part of the internal market of the Twelve and thus, without prejudice to any temporary arrangements, cabotage forms an integral part of the concept of the internal market. If this were not so, it would not be possible to speak of the genuine existence of an internal market.

THE VITAL NEED FOR LIBERALIZATION

3. Another matter which arises in connection with this point is the conception of liberalization of the market. I think it is reasonable to say

¹ OJ No. C 255, 13.10.1986, p. 227 (Doc. A 2-96/86 drawn up by Mr Anastassopoulos on behalf of the Committee on Transport)

² Annex I

that the report is not at all original in this respect, since it merely brings together a number of ideas which the Committee on Transport and Tourism has set out in unambiguous terms on several occasions. However, when speaking of liberalization, it is essential to emphasize that the different markets in the various transport sectors have different objectives and are organized in differing ways. For example, road haulage and rail transport have different traditions and different limitations as regards infrastructure, such that they cannot be treated in exactly the same way and legislative measures to ensure competition must reflect these differences.

Users and consumers must not be adversely affected by liberalization and since the purpose of the latter is to increase the efficiency of the transport system it would be unacceptable if it resulted in the opposite. In this connection, safeguards are needed in certain sectors where, for example, traditional monopolies or oligopolies do not provide sufficient guarantees that liberalization will result in benefits for users and the Community itself.

4. Moreover, liberalization also has natural limits, which may be set by public health and environmental concerns, safety concerns related to the efficiency of the various means of transport, concerns related to consumer protection and temporary crises resulting from liberalization.

THE NEED FOR ACCOMPANYING HARMONIZATION

5. It is essential that liberalization be accompanied by minimum harmonization measures, as it is impossible to establish competition free of distortions between companies and various modes of transport unless basic components of the costs incurred by transport operators receive similar treatment.

6. This process of harmonization is a difficult one and your rapporteur believes that the Commission has not been as effective in its approach to harmonization as it has in taking measures in the field of liberalization. There is a need in certain cases and sectors to make the costs borne by companies and their financing from public funds more transparent. For example, how can one speak of competition in rail transport while there are twelve national - and nationalized - companies behaving in completely different ways as regards, in particular, the costs they incur for using rail infrastructures?

7. To move forward on the path of liberalization without making progress towards harmonization is like a circus acrobat performing without a safety net. Nevertheless, the rapporteur does not advocate prior harmonization but concomitant, simultaneous harmonization, seeing liberalization and harmonization as two sides of the same coin. The European ideal does not require uniformity and one of the virtues of European integration is that it maintains a diversity of social objectives which reflect different cultures and customs. Thus, the aim in this field is nothing more than minimum harmonization - that which is strictly necessary to guarantee fair competition between companies in the transport sector. Such harmonization must include, in particular, overall social costs (and not merely wage levels), environmental costs and direct and indirect taxation.

8. The internal market possesses an additional advantage which is that it can help clarify the internal situation of many companies, especially nationalized companies or private monopolies, e.g. certain airlines. It makes no sense to place two airlines from two different countries in competition when one is private, and thus can go bankrupt, and the other public, in which case any deficits it runs up are covered by public funds. The price constraints of the two companies are different and it would clearly be disastrous for the private company if it had to face competition of this type.

In addition to competition within the same transport sector, healthy competition must also be established between different modes of transport: anyone transporting goods between Portugal and Germany, for example, should be able to use alternative modes of transport (and not merely alternative companies): road, rail, air or sea. This means assessing whether and how rail transport is to compete with road transport and, if we wish one of these modes of transport to prevail, we must face this political choice unambiguously; it would be wrong to give road transport the conditions it needs to obtain excellent results whilst denying such conditions to rail transport, as we would then be preventing the establishment of useful competition between two alternative modes of transport.

9. As regards rail transport, technological developments have created high-speed trains which will compete with air transport within a few years. For this to happen, rail fares must be competitive with air fares, i.e. we must ensure that companies in the two sectors have competitive conditions, in respect of infrastructure as well as their utilization costs, otherwise the situation will be utterly false.

10. From the political point of view, it is possible to take decisions which give preference to a particular mode of transport; such decisions must be clear-cut and prevent the establishment of any competition. Your rapporteur believes that this is a historic opportunity to solve, by means of Community measures, some of the basic problems of transport policy in each of the Member States. It is a delicate task and it must be regretted that the Commission is not fully committed to an in-depth study of this problem.

GUIDELINES IN EXTERNAL POLICY

11. Another area of common transport policy is the field of external relations. The Community's internal frontiers are going to disappear but at the same time its external frontiers - to the east, to the south, with the less-developed countries and with highly-developed regions such as North America and the Far East - will also become more permeable.

It is essential to reaffirm the basic principles of external policy: cooperation, coordination, consultation, adaptation and the principle of reciprocity. There is a shift towards a multilateral approach, i.e. bilateral agreements will inevitably be transformed gradually into agreements between the Community and non-member countries, even if this process of transferring powers between the Member States and the Community has to be carried out on a step-by-step basis, taking into account the technical constraints which the Commission still faces and which must be overcome.

12. Transport policy in the field of external relations must also be adapted to take account of the interests and concerns of other policies, in

particular cooperation with Third World countries and the construction of a European economic area with the EFTA countries.

PRIORITY TASKS

13. The second part of the report deals with the priorities of the common transport policy to be pursued over the next two-and-a-half years. An assessment is made of progress achieved, in particular since 1985-1986, and your rapporteur would like to take this opportunity to say that he does not consider the Commission to be responsible for the delay in setting up a common transport policy. He also congratulates the Commission and the Directorate-General for Transport on standing up to the Council of Ministers and gradually imposing a common transport policy, something which is one of the tasks of the European Community.

14. Without wishing to make wild predictions, but simply looking to the next few years (there is a need to look at transport not in the year 2000 but in the 1990s), there are new challenges which three or four years ago were less urgent and are primarily related to the political reforms in Eastern Europe, developments in the Mediterranean and all the implications thereof for thinking about transport in the European Community, which borders on such regions. It is well known that structural and infrastructure problems are major problems in these countries.

THE TECHNOLOGICAL BOOM

15. The technological boom which is particularly striking in air and rail transport, but also in other types of transport as well as in infrastructure, calls for a number of responses and throws up various problems. A Community scientific and technological research policy for the transport sector is of fundamental importance and constitutes one of the vital development areas of future Community policy. The few known examples (e.g. Airbus and Ariane) clearly show that it makes economic sense to cooperate in such areas.

NEW CHALLENGES

16. The rapporteur also wishes to deal with the question of 'intermodality', which in his view will be one of the major challenges in the near future. Using the most efficient mode of transport for the carriage of goods at each stage and on each journey and combining the various modes of transport available is a vital challenge if a modern and efficient transport system is to be created.

This matter will be the subject of an own-initiative report by the committee but it seems reasonable to state at the outset that Community policy should encourage the creation of intermodal transport companies, particularly as intermodal transport constitutes at present only a small percentage of Community transport (less than 5% of international traffic).

NEW PROBLEMS

17. Mention should also be made of road traffic congestion and traffic problems in urban environments, although these topics are to be the subject of an own-initiative report.

It may be claimed that these are matters for each Member State or even for each local authority. However, whether the city in question is London, Paris, Frankfurt or Rome, the issues are of the same order, and hence the Community must not omit to seek common strategies. Moreover, some of these problems are not exclusively national problems; for example, while Paris generates a certain amount of traffic of its own, it also suffers the consequences of being a point of transit between north and south, east and west, involving medium and long-distance traffic management problems which also affect traffic within the city of Paris. This is a Community problem and one which cannot be ignored.

Ultimately, these are problems which derive from the enormous shortcomings in infrastructure which have arisen in the various Community countries over the last few decades and which must be resolved. Otherwise the result will be extreme congestion, in both air and road transport, which may lead to complete stoppages in the movement of persons and goods.

OUTLINE

INTRODUCTION

- Purpose and structure of report
- Statistics illustrating the importance of the transport sector in relation to the sum of socio-economic activity within the Community and in relation to other areas of Community activity.

PART ONE: CONCEPTUAL APPROACH

I. THE CONCEPT OF THE INTERNAL (UNIFIED) MARKET AND ITS APPLICATION TO TRANSPORT

A. The general concept

Definitions, aims and schedule

- The authors of the EEC Treaty and its amended text, based upon the Single Act, understand the following by the expression 'internal market': the creation of an area free of obstacles and barriers and comprising the territory of the 12 Member States of the Community, within which the free movement of persons, goods, services and capital is guaranteed. See also the Commission's 1985 White Paper and the 1985 Milan summit on the internal market.
- Deadline: 1 January 1993

B. Its application to transport

(i) Fundamental principle

The transport sector is an integral part of the internal market: the same provisions and rules apply to it.

(ii) From the legal point of view

- Terms of reference: general provisions and specific articles of the EEC Treaty, the Single Act, the decision by the Court of Justice of 22.5.1985 on transport (rules on the freedom to provide international transport services and on the admission of non-resident carriers to national transport within a Member State - 'cabotage'), case law of the Court of Justice (e.g. in the 'Nouvelles Frontières' case of 30.4.1986 on competition rules in air transport), judicial measures taken by the Commission pursuant to Articles 89 and 90 of the Treaty, and inquiries into and fines in respect of matters relating to competition.

(iii) From the political point of view

- The Council's position:

Its conclusions on:

- road transport (14.11.1985, 30.6.1986, 20/21.6.1988, 4/5.12.1989): the establishment of a free market without quantitative restrictions, 'cabotage' during a transitional stage (1.7.1990 - 12.12.1992) and after the establishment of the definitive system
- maritime transport (14/15.12.1986, 4/5.12.1989)
- air transport (24/25.6.1987, 7.12.1987, 4/5.12.1989)
- railways (20/21.6.1988, 4/5.12.1989)

- The Commission's position:

Interpretation, basic documents and general and sectoral action programmes

- Parliament's position:

Fundamental option of parallel development of liberalization and harmonization. Terms of reference: the resolutions of 12.9.1985 and 12.9.1986 on the basis of the Anastassopoulos framework reports (Doc. A 2-84/85 and A 2-96/86)

C. The main characteristics of a unified transport market

- (i) The establishment of a large integrated economic area and the elimination of barriers between national markets

This is to be achieved through the abolition of internal frontiers and legal, administrative, physical, technical or other barriers or obstacles:

- a) at Community level
- b) within the Member States

- (ii) Compliance with the principles of free competition and free access to the market and equal treatment (absence of discrimination)

- (iii) Aims to be pursued:

- The establishment of an efficient, reliable and effective transport system (improved standards of service and better value for money)
- economies of scale
 - economic growth and recovery with their attendant social benefits (reduction in unemployment and rise in incomes)
 - the strengthening of the EC's competitive position in the world (in relation to the United States, Japan and the newly industrialized Pacific countries)

(iv) The simultaneous development of horizontal policies

On health, safety, the environment, regional balance, consumer protection, a people's Europe, ensuring the continuity of public service, etc.

II. THE VITAL NEED FOR LIBERALIZATION

A. The principle of liberalization or deregulation as a starting point

B. Liberalization in relation to the specific structures of different types of market (description)

(i) Competitive markets:

- road transport
- maritime transport
- inland waterways sector
(the position of small and medium-sized undertakings)

(ii) Protective markets (protectionist or planned and/or with undertakings enjoying a monopoly, duopoly or oligopoly:

- railways
- air transport

C. The limits of liberalization

(i) Temporary limits: while the markets are adapting (in view of the social consequences and the capacity of the undertakings)

(ii) Natural limits:

- health and the environment
- safety
- consumer protection
- crisis

III. THE NEED FOR ACCOMPANYING HARMONIZATION

A. Harmonization as the indispensable corollary of liberalization (to progressively eliminate the origins of and reasons for disparities and imbalances in the market)

B. Factors in need of harmonization

(i) operating conditions on the market (legal restrictions and restrictive administrative practices on the part of the Member States)

(ii) costs: - type: social (level of wages and national social security systems)
fiscal (VAT and excise rates)
- degree and extent of differences

- (iii) subsidies: amount and degree of transparency
- (iv) principle of public service or interest (in passenger transport by road, rail and air - regional services)
- (v) distortions between different modes of transport

PART TWO: POLITICAL ACTION

IV. PRIORITY TASKS

- A. Improving the operation of the transport market through measures aimed at:
 - a) ensuring the highest possible standards in transport services - faster, more frequent, more comfortable, etc.
 - b) reducing as far as possible the adverse effects of these services on health, safety, the environment, energy consumption, etc.
- B. Establishing a modern and coherent network of transport infrastructures at European level, in order to:
 - (i) facilitate the construction of large-scale, costly infrastructure (e.g. new rail, road and water links, port and airport facilities, tunnels and bridges)
 - (ii) integrate peripheral or isolated regions or open up regions which are disadvantaged or undergoing a process of adaptation
 - (iii) eliminate bottlenecks (allocating responsibilities at national, regional and local level; possibility of Community support)
- C. A more vigorous approach to combining different modes of transport (additional incentives for combined rail-road and waterway-road transport, the use of standard containers and integrated transport and customs centres)

V. GUIDELINES IN FOREIGN POLICY

A. The essential three:

Cooperation, coordination, consultation

B. The principle of reciprocity:

- within the EC
- outside the EC

C. The move towards a multilateral approach

The gradual replacement of bilateral agreements by Community agreements and multilateral agreements to which the EC would become a signatory

D. Changes in relations with third countries

- neighbouring states, countries through which Community transport passes (Austria, Switzerland, Yugoslavia)
- associated countries (Turkey, Maghreb, etc)
- various groups of countries:
 - EFTA member states, COMECON (CMEA) member states
 - industrialized countries
 - developing countries (whether or not they enjoy preferential arrangements with the EC)

VI. NEW CHALLENGES

A. Political reforms in Eastern and Central Europe and their implications for transport

- a considerable increase in the amount of traffic
- the need to facilitate East-West transport services
- the need for additional infrastructure

B. The technological boom:

- in the various sectors: railways, civil aviation, etc.
- in plant and equipment (in harbours, airports, and combinations of different modes of transport)
- in telecommunications

C. New demands:

- the need to reduce congestion in road traffic (by promoting public or group transport through a substantial improvement in services)
- traffic management in the urban environment (alternative ideas and new approaches to traffic in and between cities, use of advanced electronic systems to this end)

D. The financial implications of measures to be taken to meet these challenges:

- funding and investment (state subsidies and Community aid)
- drawing up Community programmes
- mixed solutions (funding from both public and private sources)

VII. A PROVISIONAL ASSESSMENT

- A. The present situation
(after years of inertia and accumulated delays, vis-à-vis the fateful deadline of 1 January 1993)
- B. Achievements, progress and 'acquis communautaire'
- C. Gaps and omissions, inadequacies and deficiencies

CONCLUSIONS

Decisive steps must be taken if the transport sector is to make a smooth and harmonious transition to the year 2000.

Developments in common transport policy following the judgment
of the Court of Justice of 22 May 1985

Principal measures adopted by the Community institutions

I. Commission proposals in application of the judgement

1. Proposal for a Council regulation laying down the conditions under which non-resident carriers may transport goods or passengers by inland waterway within a Member State
COM(85) 610 final
EP: 12.9.86 (van der Waal report) Council: -
2. Proposal for a Council regulation laying down the conditions under which non-resident carriers may operate national road haulage services within a Member State
COM(85) 611 final
EP: 12.9.86 (Braun-Moser report) Council: 21.12.89 (in part)
3. Proposal for a Council regulation on access to the market for the carriage of goods by road between Member States
COM(86) 595/2 final
EP: 16.9.87 (Sapena Granelli report) Council: 21.6.88
4. Proposal for a Council regulation laying down the conditions under which non-resident carriers may operate national road passenger transport services within a Member State
COM(87) 31 final
EP: 10.3.88 (Ebel report) Council: -
5. Proposal for a Council regulation on common rules for the international carriage of passengers by coach and bus
COM(87) 79 final
EP: 10.3.88 (Wijsenbeek report) Council: -

II. Other Commission proposals of importance for the completion of the internal market in transport

6. Civil aviation memorandum
COM(84) 72 final
Package of measures of 30.6.87
EP: 10.9.85 + 19.11.87 (Klinkenberg reports) Council: 14.12.87
7. Maritime transport memorandum
COM(85) 90 final
EP: 11.9.86 (Anastassopoulos report) Council: 22.12.86
8. Action programme in the field of transport infrastructure
COM(86) 340 and COM(88) 340
EP: 6.4.87 and 16.11.88 (Hoffmann reports) Council: only ad hoc regulations

9. Proposal for a Council directive relating to roadworthiness tests for motor vehicles
COM(86) 214
EP: 20.2.87 (Carossino report) Council: -
10. Proposal for a Council directive on the charging of transport infrastructure costs to heavy goods vehicles
COM(87) 716
EP: 23.5.89 (Topmann report) Council: -
11. Proposal for a Council regulation on the harmonization of certain social legislation relating to road transport and proposal for a Council directive on standard checking procedures
COM(88) 21
EP: 16.11.88 (Visser report) Council: 23.11.88 (only the directive on standard checking procedures)
12. Proposal for a Council directive on admission to the occupation of road haulage operator
COM(88) 95
EP: 13.12.88 (Sapena Granell report) Council: 14.3.89
13. Proposal for a Council regulation on structural improvements in inland waterway transport
COM(88) 111 final
EP: 16.11.88 (van der Waal report) Council: 27.4.89
14. Proposal for a Council directive on the driving licence
COM(88) 705
EP: 12.6.90 (Amaral report) Council: -
15. Proposal for a regulation on the fixing of rates for the carriage of goods by road
COM(89) 189
EP: 24.11.89 (Topmann report) Council: 21.12.89
16. Proposals for regulations concerning measures to improve the operating conditions of Community shipping
COM(89) 266
EP: 26.10.90 (Sarlis report) Council: -
17. Proposals for regulations concerning the development of civil aviation
COM(89) 373
EP: 14.3.90 and 18.5.90 (Visser reports) Council: 24.7.90
18. Proposals for regulations on the development of rail transport
COM(89) 564
EP: (Simpson report) Council: -
19. Proposals for regulations concerning access to the market in the international carriage of goods by road
COM(89) 572 final
EP: 16.3.90, 13.9.90 and 26.10.90 (Denys reports) Council: -

III. Important initiatives by the European Parliament

Common transport policy

20. Anastassopoulos report on the judgment of the Court of Justice (Doc. A2-84/85)
21. Anastassopoulos report on liberalization and harmonization (Doc. A2-96/86)

Road safety

22. Faith and Seefeld reports on road safety (Docs. A2-202/85 and A2-48/87)
23. Roux report on security at airports (Doc. A2-208/85)
24. Anastassopoulos report on air transport safety (Doc. A2-135/87)
25. Lagakos report on safety at sea (Doc. A2-258/88)

Transport infrastructure

26. Carossino report on integrated transport centres (Doc. A2-17/86)
27. Carossino report on the transport policy implications of enlargement (Doc. A2-272/87)
28. Rossetti report on transport in the Mediterranean (Doc. A2-167/88)
29. Carossino report on European port policy (Doc. A2-215/88)

Rail policy

30. Starita report on a European high-speed rail network (Doc. A2-79/87)
31. Puerta Gutierrez report on the problems of the railways (Doc. A2-119/89)

Border formalities

32. Cornelissen report (Doc. A2-78/89)

Alternative and modern transport technologies

33. Wijzenbeek report on new technologies in the field of transport (Doc. A2-104/85)
34. Wijzenbeek report on the bicycle as a means of transport (Doc. A2-183/86).

Energy use

35. Cabezon report on the rational use of energy (Doc. A2-126/87)

External relations

36. Topmann report on relations with Austria, Switzerland and Yugoslavia (Doc. A2-168/88)
37. Lüttge report on the negotiations between the EEC and EFTA concerning scheduled air passenger services (Doc. A3-131/90)

MOTION FOR A RESOLUTION (Document B3-0488/89)

by Mr VANDEMEULENBROUCKE

pursuant to Rule 63 of the Rules of Procedure

on the incompatibility of the proposed German road tax with the completion of a common transport market

The European Parliament,

- A. whereas the West German Government has appointed a bill introducing a road tax on all German and foreign goods vehicles on West German motorways with effect from 1 May 1990,
- B. whereas for West German goods vehicles this toll will be offset by a reduction in the goods vehicle tax,
 - 1. Strongly urges the West German Government and the Commission to reverse this retrograde step in the creation of a common transport market without frontiers;
 - 2. Instructs its President to forward this resolution to the Commission and Council.

MOTION FOR A RESOLUTION (Document B3-491/89)
by Mr Donnea
pursuant to Rule 63 of the Rules of Procedure

on a common security policy for ports and airports

The European Parliament,

- having regard to Articles 3, 74 and 235 of the EEC Treaty,
 - having regard to its resolution of 14 June 1985 on the removal of obstacles to traffic at the Community's internal borders,
 - having regard to its successive resolutions on air transport safety,
 - having regard to its resolutions on border checks and combating terrorism and drugs,
- A. whereas the abolition of checks at the internal borders depends on the effectiveness of such checks at the Community's external borders,
- B. wishing to encourage the steps taken on these lines under the Schengen and Trevi Group agreements,
- C. fearing that existing disparities as regards border checks mean that certain ports or airports are weak points in the Community's external security,
1. Believes that the reorganization of security services at the external borders call for a common approach;
 2. Points out that an effective policy should be pursued on an overall and coordinated basis with regard to the siting, design, construction and management of airports in the Community;
 3. Believes that similar principles must be applied to the infrastructure for ports;
 4. Asks the Commission to draw up an action programme on this subject.

MOTION FOR A RESOLUTION (Document B3-613/89)
by Mrs Muscardini
pursuant to Rule 63 of the Rules of Procedure
on the adaptation of laws in the goods transport sector

The European Parliament,

- A. whereas the completion of the internal market will also involve the liberalization of the goods transport sector over an area of two million square kilometres with a population of 320 million people,
- B. whereas the goods transport sector has until now been marked by distortion and failure to comply with the rules,
- C. whereas the failure to bring national laws, and particularly Italian law, into line with Community rules on customs checks and inspections is penalizing operators from all the Member States,

Calls on the Commission and the Council to:

- 1. harmonize national laws and bring them swiftly into line with Community directives;
- 2. introduce a genuine system of random inspections of goods, as provided for by Community rules, and abolish the practice of systematic checks, in order to speed up frontier traffic;
- 3. give consideration to a package of measures designed to transform the traditional duties of customs services and confine them to a role as tax collectors;
- 4. establish a customs service responsible for administering some kind of clearing-house systems to enable goods transport to operate without restrictions, regardless of the nationality of the carrier.

