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Report from the
Commission to the Council

on problems arising from the transit of goods to or from the Community
through certain non-member countries

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Report on problems arising from the transit of goods to or from the Community through certain non-member countries.

INTRODUCTION

1. As its meeting of 12 June 1978 and against a background of discussions on the introduction of a road tax in Austria, the Council (Ministers of Transport) adopted a statement covering, inter alia, the broader question of transit through non-member countries. The Council took note "that the Commission will follow up, from the point of view of transit and in accordance with Community legislation and policy trends, in the field of infrastructure and market organization, the basic problems which arise in relation to other third countries too, will contribute to developing satisfactory solutions at the European level and will report back to the Council on possible action to be taken by the Community."

2. The fact that the European Parliament has repeatedly discussed the problems arising out of transit through Austria and Switzerland highlights their political importance. In a report of 2 February 1976 (the Giraud Report)¹ Parliament stressed community interests in the transport sector and called for joint efforts to remedy the inadequacies of transit infrastructures. In its report of 5 January 1979 (the Seefeld Report)² on the status and development of the common transport policy, Parliament emphasized the need to improve transit through Austria and Switzerland. Transit problems have also frequently prompted questions in Parliament, most recently at the part-session of 24 September 1979.³ The debate on the subject showed that all political groups were unanimous about the need to improve transport through the Alps and to cooperate closely with the countries of transit.

1. Doc. 500/75.

2. Doc. 512/78.

3. See Annex III.

3. It is in the light of the Council statement quoted in paragraph 1, and in view of Parliament's concern, that the Commission has drafted this report. It reviews the Community's problems with transit through non-member countries, particularly Austria, Switzerland and Yugoslavia, and then outlines ways of tackling them, for they are ever-growing and demand proper solutions.

4. Depending on whether one regards it from the legal, customs or transport point of view, the term "transit" takes on different meanings. We must therefore define the term. For the purposes of this report "transit" will be used solely to denote the process of transporting, i.e. purely and simply the crossing of a given territory by vehicles using the transport infrastructure of that territory without loading or unloading goods.

5. Taking this definition as the starting point, and concentrating on essentials, we must also specify the scope and application of this report:

5.1 It examines only problems arising in road and rail transit. Inland waterway transport through non-member countries is at present of secondary importance. It will take on a new dimension once the Main-Danube link is completed but is hardly likely to replace road haulage, because the two modes are very different, as are the destinations and volumes of the traffic concerned.

5.2 Although "transit" as defined above could be used to cover passenger as well as goods transport, it was decided that this report should concentrate entirely on goods. It is true that passenger transport, particularly at the height of the tourist season, contributes greatly to saturating road infrastructure in transit countries, but the authorities in them neither take special steps to limit the number of cars passing through their territory nor do they impose any special charge. Where private cars are concerned, the main problem is with the infrastructure. We should also

point out that the railways of one Member State cannot cope with peak traffic, and that this often causes severe congestion in rail freight traffic in the neighbouring non-member countries.

With particular regard to road passenger transport by coach and bus, the Community recently concluded negotiations with non-Community members of the ECMT¹ with a view to signing an Agreement to liberalize occasional services, including related transit formalities.

5.3 Although routes to areas such as Scandinavia, the Iberian peninsula, North Africa, etc., should not be overlooked, there seems to be some justification for limiting the geographical scope of this report to transit traffic through Switzerland, Austria and Yugoslavia. Austria and Switzerland are already used by a not-insignificant proportion of intra-Community traffic with Italy. Now that Greece has become a member, Yugoslavia has in its turn unavoidably become a country of transit for overland traffic between the Community and the new Member State. The increase in trade between Greece and its Community partners resulting from accession must not be hampered by the non-Community countries taking unilateral measures to limit transit traffic through their territory. The Community must therefore ensure that any measures it takes to facilitate intra-Community transport are not cancelled out by transit restrictions imposed by non-Community countries. Consequently the Commission sent to the Council in April last year a paper on relations with Austria in the transport sector (2) and, more recently, drew up a Recommendation for a Council Decision on the opening of negotiations between the European Economic Community and the Republic of Austria on transport matters (3). Also, given the topography of the area, traffic in the Alps is funnelled through a limited number of routes, which makes for saturation and congestion. In this region transit problems are

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1. European Conference of Ministers of Transport
 2. COM(80)86 final of 11.4.1980.
 3. Doc. COM (81) 139 fin.

therefore more acute than elsewhere. Because the problem is so serious, Austria has introduced a road tax; Switzerland is considering following her example and is to hold a referendum on the subject; Yugoslavia levies a transit tax.

6. Transit problems are also being studied in other international forums: e.g. the European Conference of Ministers of Transport (ECMT), which recently completed a preliminary analysis of the situation, and the Economic Commission for Europe (ECE) for which a Working Party of its Inland Transport Committee has drafted a report on certain key aspects of transit traffic.

The Commission had a hand in the drafting of the ECMT report and is participating in the Conference's further work.

7. The Community, as an economic entity, must make its own contribution towards solving these problems by taking whatever measures are called for at Community level and promoting the implementation of appropriate measures at European level. The Community must not in the process lose sight of its own specific interests regarding common transport policy, commercial policy and external relations.

8. This report therefore:

- (a) analyses the transit situation, particularly in the Alps;
- (b) sets out the relevant objectives; and
- (c) states the ways and means of achieving them.

II. ANALYSIS OF THE TRANSIT SITUATION

A. Major routes

9. Intra-Community traffic which has to cross non-member countries is funnelled through two main routes, one between Italy and the Member States north of the Alps, the other between Greece and the other Member States, in particular those north of the Alps.

In addition to intra-Community traffic, the traffic to Italy and Greece includes that bound for other Mediterranean countries and for the countries beyond the Suez Canal.

The only available statistics on the volume of transit traffic through non-member countries arising from intra-Community trade are fragmentary and relate only to a few routes (see statistical annex). However, in general and apart from some rare exceptions such as the Brenner, lorries in simple international transit represent only a very minor part of the total road traffic.

9.1. Lines of communication between Italy and the Member States north of the Alps fall into three sets geographically; western, over the Franco-Italian border; central, via Switzerland; and eastern, through Austria.

9.1.1 In 1978 total road and rail traffic via all three was 44.6 million tonnes, of which 17.1 million tonnes (38%) crossed the French-Italian border, 9.2 million tonnes (21%) crossed Switzerland and the other 18.3 million tonnes (41%) passed through Austria.

In 1970 traffic totalled 26.8 million tonnes, of which 31% crossed the Franco-Italian border, 39% went via Switzerland and 30% was routed through Austria. Traffic therefore increased by 66% between 1970 and 1978. But although road transport rose by 140% (and by as much as 350% on the Austrian transit routes), rail traffic increased by only 14% (practically unchanged, on the Swiss and Austrian railways; 68% increase on the lines between France and Italy).

9.2.2. These figures show the big increase in road freight - on the Brenner route in eight years it has more than trebled - and no change in rail freight levels through Switzerland and Austria; rail traffic on the Swiss routes is now equalled - even surpassed - by that across the Franco-Italian border.

Switzerland has lost its traditional leading position in total-traffic terms (road plus rail) as well as in rail freight, where it was previously well ahead.

In other words, the ever-increasing swing towards road transport has resulted in traffic across the Alps bypassing Switzerland - via Austria in particular.

10.1. In 1978 total traffic between Greece and the Community stood at 6.2 million tonnes, approximately 5 million tonnes by sea and 1.2 million tonnes by land; 83% of the latter by road. Of the total overland traffic 83% went through Yugoslavia, the rest via alternative routes through Bulgaria and Hungary. All traffic from Greece to the Member States north of the Alps has to pass through Austria.

10.2. Approximately half of the seaborne freight goes via Italian ports. The rest passes chiefly through Dutch, French, British and Belgian ports. The Belgian and Dutch ports combined easily take second place behind the Italian ports.

10.3. Although no statistics are available for transport of goods (chiefly roll-on/roll-off) between Greece and Italy to and from countries north of the Alps, estimates suggest that traffic volume is modest.

10.4. These figures clearly illustrate the fundamental importance of maritime transport to Greek trade with both the Mediterranean and Atlantic countries of the Community (see also paragraph 25).

11.1. One immediate conclusion is that Austria is the gateway for road transport to and from Italy and Greece. Yugoslavia also occupies a key position for both rail and road freight to and from Greece. The sea links between Greece and Italian ports provide an alternative to transit by road across Yugoslavia, but transit through Austria by rail or by road is still necessary - as with the alternative transit route via Bulgaria and Hungary.

Although Switzerland is still very important to rail communications with Italy, it has lost its traditional leading position both in absolute and in relative terms.

12.1. Carriage of goods by road in transit through Austria or Yugoslavia in vehicles registered in a Member State is subject to a quota system. The number of transit authorizations is fixed by bilateral agreements. Transport operations under the Community quota system are deducted from the number of authorizations granted under bilateral agreements between the Member States of the European Community and Austria and Yugoslavia. Where the ECMT quota is concerned, Austria limits the number of its transit authorizations granted to each ECMT member to the number of ECMT authorizations allocated to it.

12.2. Transit through Switzerland by vehicles registered in Community countries is generally unrestricted as long as they comply with the weight and size limits. The movement of Swiss, Austrian and Yugoslav vehicles in the Community are subject to quotas fixed bilaterally.

13. There is close cooperation between the railways of the countries concerned; in principle rail transit is unrestricted, but there are practical limits to expansion because of the inadequate capacity of certain rail systems.

B. Transit and international trade

14. National economies depend increasingly on international trade for supplies and for outlets for their products. This means that in differing degrees every country is by turns one that generates and one that hosts transit traffic.

Whether nationals of generating or host countries, carriers provide services in neighbouring countries and therefore use their transport infrastructure. For instance, in 1977 Austrian road hauliers licensed for long-distance national, and international, transport operations performed approximately 60% of all their services on non-Austrian roads. Given their geographical position, Austria and Switzerland, which regard themselves as countries of transit but are landlocked, necessarily depend on international (particularly overseas) trade on transit routes through neighbouring countries. A close interdependence has therefore been established between countries of transit and those generating transit traffic. This is one argument in favour of seeking a multilateral method of tackling the problems which affect international traffic, particularly as any difficulties created by a country of transit can easily be turned against it (retaliation). Any solution should recognize the interests of transiting countries and countries of transit, on the one hand, and those of users, on the other. Such solutions should form part of a transport system within which each mode of transport is able to develop in accordance with its specific advantages.

C. Consequences of the increase in transit traffic for countries of transit

15. Transit traffic cannot help using the transport infrastructure of the country transited and so contributing to the wear and tear on it and adding to the nuisances caused by traffic in general. In road haulage the nuisances are particularly marked on transit routes that are saturated at certain times of the year. Apparently the transited country gains no direct benefit from this traffic.

This is because speeds are now such as to preclude the need to stop except for the crew's rest periods required by the relevant social legislation. No money is spent in the transited country except, in some instances, on fuel. Rail traffic, in contrast, is a source of income for the railways of the transited country, for they charge for the services they provide; and there are no nuisances on the scale of those caused by road transport.

15.1. The increase in heavy vehicle transit traffic not only contributes to the deterioration of infrastructures but also aggravates congestion. By causing delays, congestion adversely affects those transport operations that directly benefit the national economy of the transited country; the increase in traffic density also has a direct effect on the number of accidents involving the transited country's citizens and vehicles.

15.2. For instance, between 1970 and 1975 the average increase in traffic on Austrian roads was 28%; on the "Gastarbeiterroute" - i.e. the link between NW and SE Europe - it was 68%. It is estimated that on working days there is on average one heavy vehicle on the road for every three cars. On average, 32% of all accidents on Austrian roads occur on the "Gastarbeiterroute". On days when traffic is dense, it can be 50%.

15.3. Furthermore, traffic jams - inevitable in view of the present state of the roads and the fact that improvements always lag behind

traffic volume - both increase energy consumption and degrade the environment (air pollution and noise). Tourist regions suffer the unmitigated effects of this, and the inhabitants of the areas concerned - who are disturbed by the present situation - have expressed their dissatisfaction in no uncertain terms. They are putting pressure on the competent authorities to take steps to divert heavy transit traffic.

1.5.4. Whilst the road infrastructure of some countries is reaching saturation point, there is spare capacity available for transit traffic on some railway lines in the transited countries. The transfer of road traffic to railways would benefit countries of transit in several ways - their railways would obtain paying business which would give them better operating results, and road congestion would be relieved. In view of the large transit tonnage carried, for instance by Austrian roads, an equally large volume of traffic would have to be transferred to the railways to bring real relief to the roads. And the ability of the railways of some transit countries to absorb much extra traffic is disputed. Nevertheless, as no means of improving the situation should be ignored, the governments involved should seriously consider possibilities for remedying any shortcomings in the railways.

D. Measures taken by countries of transit (or open to them) to deal with the inconvenience and hazards of transit traffic

16. The inconvenience and hazards due to transit traffic arise chiefly from the carriage of goods by road, and the steps taken by, or open to, countries of transit to deal with them fall into two major classes: those which result in improved flow of road traffic, and so tend to promote transit by road, and those which have the effect of restraining the growth of transit traffic, or even reducing it.

17. Countries of transit may unilaterally take certain steps to aid the movement of vehicles - primarily by building major transit roads and improving existing ones. Infrastructure projects, however, have long lead-times and may be beyond the means of those countries. Other steps, requiring no great expenditure by the states in question, would bring immediate benefit. Two such possible steps are: improved organization of frontier checks and an increase in the payload of lorries in order to reduce the number of them on the roads.

18. Countries of transit are able to take a broad spectrum of measures to restrict transit traffic. Quotas are one such system and are already common. Agreements between two states place an upper limit on the number of vehicles from the contracting parties permitted to transit the territory of each.

18.1. This system may or may not be combined with unilateral measures such as:

- (a) a tax on transit operations including ones performed by foreign vehicles, wear and tear on the road infrastructure;
- (b) a legal limit on the weight and size of road vehicles (Switzerland will not admit vehicles grossing more than 28 tonnes, there are even tighter restrictions on some sections of the Swiss road network);
- (c) a ban on movements at night or at weekends (in Austria and Switzerland; in Germany and France, too, at certain times of the year).

18.2. These negative measures are the ones most often taken by countries of transit.

19. Unilateral action by a country of transit may, of course, prompt "transiting" countries to take reprisals. The road tax levied by Austria since 1 July 1978 has resulted in several countries whose vehicles pass through Austria deciding to penalize Austrian vehicles using their territory. Proliferation of restrictive measures, followed by reprisals, creates a climate which is not conducive to the growth of international trade, from which ultimately all the countries concerned suffer.

E. Interests of the "transiting" countries

20. The primary concern of "transiting" countries is simply to prevent their trade being subject to obstacles of whatever kind. What matters to them is to see their international transport operations carried out under flexible arrangements and to be able to perform them in any circumstances along the most convenient and economical routes. While the "transiting" countries must be prepared to take account of the legitimate interest of countries of transit, the latter, for their part

must do everything possible for trade flows to be kept on the natural routes. This is particularly important because of the enlargement of the Community to include Greece, owing to the outlying position of this country, some of whose overland trade with its partners in the Community will have to pass across non-member countries. Close economic links have also been forged between the Community and Turkey.

III. GOALS WITH REGARD TO TRANSIT; WAYS OF ACHIEVING THEM

21.1. The spectacular increase in road traffic and the inability of certain roads to absorb this traffic have resulted in traffic jams at several points, which constitute real bottlenecks, mainly in the alpine regions.

The resulting delays give rise to a considerable waste of time and energy and affect the flow of external trade.

The only solution is to remove these bottlenecks and promote the development of other transport modes or technologies. Joint action in several areas may help to overcome the present difficulties

21.2. A satisfactory solution to the problem of transit through non-Community countries can only be reached by pursuing the following aims:

- (a) it must be possible for transport operations to be performed as freely as possible and in a manner enabling international trade to be conducted at least cost to society at large, taking into account road safety and environmental protection;
- (b) the gradual removal of administrative and technical restrictions on transit traffic;
- (c) to find ways of achieving a better balanced traffic distribution geographically, taking account of the complementarity of the different modes of transport (combined transport, roll-on/roll-off);
- (d) consultation on projects relating to transit routes and, where necessary, attempts under existing or proposed financial arrangements to find ways of making a fair contribution to the cost of projects of common interest;
- (e) to use similar methods of infrastructure charging, avoiding double charging.

21.3. In order to achieve these objectives and find solutions acceptable to non-member countries, the Community must settle a number of matters still outstanding in relation to the common transport policy so that it can take a consistent line both in bilateral negotiations with those countries and in the international organization which deal with these problems.

22. These goals relate to the fields outlined below.

23. Infrastructure

23.1. The rise in international trade and the increase in private travel, with the resultant heavy financial burden on the States which build and maintain trunk routes, have shown the need for solutions to the problem arising from major transit routes. Cooperation with a view to finding solution is as necessary when these routes pass through the alpine regions where very dense traffic is concentrated in narrow corridors, making building and maintenance particularly expensive, as it is when these routes pass through Yugoslavia where the capacity of the infrastructure is well below the demand from transit traffic.

23.2.1. A prerequisite for such solutions is a thorough knowledge of the requirements in terms of infrastructure, implying:

- (a) the preparation of an inventory of bottlenecks on transit routes;
- (b) forward studies of transport needs on these routes.

23.2.2. As requested by the Council, the Commission has reported on bottlenecks in transport infrastructure.¹ The report deals with major routes of Community interest; it can be supplemented later by a review of the bottleneck situation in countries of transit.

1. COM (80) 323 final, 20.6.1980.

23.2.3. Regarding future transport demand, the forward study of goods transport needs (completed in 1978) provides useful data on traffic flow between the Community and non-member countries. This study has been combined with the results of COST 33 (Forward study of passenger transport between large conurbations) and will be continued in 1981 by the application of the forecasts to a specific network. The results will need to be checked for compatibility with those of studies carried out in the countries of transit.

23.3.1. The widest possible consultation and coordination on transit infrastructure development programmes can help to solve existing problems and expedite the removal of bottlenecks. In this connection the Decision of 20 February 1978 instituting a consultation procedure and setting up a Committee on Transport Infrastructure is a good starting point. Projects about which the Committee may consult include "projects of a Member State having a significant effect on traffic between Member States or with third countries". At the request of the Commission the Committee will also carry out "an examination of any question concerning the development of a transport network of interest to the Community". Since there is no question of extending the Committee's remit to projects and programmes to be carried out in third countries, consideration should be given to ways in which liaison with the Austrian, Swiss and Yugoslav authorities relating to transport infrastructure could be developed for the purpose of the exchange of information, and possible cooperation. In this connection, mention should be made of the amendment to the Commission's proposal to the Council on support for projects of Community interest in transport infrastructure with a view to extending the measures in question to projects in non-Community countries.¹

23.3.2. Action as outlined above will identify those projects which are of potential benefit to all parties concerned and which may warrant a Community contribution to their financing, possibly supplemented by EIB intervention.

23.4.1. Austria has embarked upon a major project with the building of the "Innkreis-Pyrhnautobahn" (INPA). What made it worth-while to build this motorway, which will become a section of the main road link with south-eastern Europe, was the saturation of the "Gastarbeiterroute" at certain times of the year.

23.4.2. The Austrian Government has asked for financial support from the Community to enable it to expedite the completion of the INPA. Without financial support from the Community it is likely that Austria will delay the completion of this road link and spend its money on building infrastructure which does more to serve its national interests. The Commission has sent a communication on this subject to the Council (1). The Commission recently sent to the Council a Recommendation for a Decision on the opening of negotiations with Austria on transport matters (2).

23.5. Progress could be made towards a solution to the present problems of transit traffic through certain non-member countries if the Council were to adopt without delay the amended proposal for a regulation on support for transport infrastructure projects of Community interest (3). This would be a way of contributing towards the cost of transport infrastructure of Community interest even when it is located in the territory of non-member countries.

24.1. Organization of markets

24.1.1. In its communication to the Council of October 1973 (which, in essentials, was approved by Parliament and the Economic and Social Committee) the Community set out the main lines of what needs to be done, within a Community transport system, about common organization of transport markets.

24.1.2. Further particulars were given in the Commission communication of October 1975 which proposed to the Council measures designed to institute step by step a form of market organization working essentially on a market-economy basis while taking account of the social requirements of society at large.

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(1) Doc. COM(80) 86 final, 11.4.1980

(2) COM (81) 139 final

(3) OJ No. C 89, 10.4.1980

24.1.3. As part of this organization of the market the Community has gradually been easing - sometimes entirely removing - restrictions on access to the market, and hence on competition in road haulage between Member States. In order to do this, it is introducing and gradually extending the Community quota and, at the same time, abolishing quantitative restrictions on some of the types of transport service listed in the first Council Directive of 1962, which has been amended several times.

Transport operations covered by a Community authorisation and operations carried out under the terms of the First Directive transit freely through Member States. Other transport operations, however, remain subject to bilateral quota arrangements for transit through certain Member States. The position with regard to non-member countries would be stronger if there were already a general freedom of transit for Community transporters passing through Member States.

These measures, though they have enabled road hauliers - as regards integration - to improve the organization of their services at Community level, cannot be fully effective over routes between Member States entailing transit via a non-Community country which applies restrictions like those mentioned in paragraph 18 above.

In the interests of the smooth flow of trade between Member States and in order that all trade may benefit from the progress of the common transport policy, the Community should negotiate freedom of passage for traffic between Member States with non-Community countries of transit - provided such traffic is covered by a Community authorization or fulfils the conditions of the first Directive of 1962.

24.2. Combined transport techniques such as road/rail and containerization, which are intermodal by nature, offer economic benefits for long-haul operations: they can reduce road traffic, enhance road safety, bring fresh traffic to the railways, and provide benefits to road hauliers and users in terms of regularity and speed over long distances. But these techniques also require close cooperation between modes in investment and management.

24.2.2. The authorities can foster the development of combined transport in certain positive ways, though without distorting the conditions of competition:

- (a) In 1975 the Community adopted a Directive (amended in 1978) which laid down common rules for certain rail/road goods transport operations between Member States; these rules have been beneficial.¹
- (b) On 26 March 1981 the Community adopted a decision on the opening of negotiations between the European Economic Community and non-member countries concerning the setting up of common rules applicable to certain combined road/rail traffic. The negotiations will start in the second half of 1981.
- (c) The Commission recently acted again to promote combined transport; it put up:
 - (i) a proposal for a Directive on certain measures designed to promote the development of combined transport;
 - (ii) a proposal for a Regulation amending Regulation (EEC) No. 1107/70 with a view to supplementing the system for the granting of aids for transport by rail, road and inland waterway by the addition of provisions on combined transport.

All these steps are intended to relieve congestion on major road routes and therefore relate also to transit via certain third countries (Switzerland, Austria and Yugoslavia).

Reference should also be made at this point to the Resolution adopted by the Council of Ministers of the ECMT on 12 December 1978⁽²⁾ and recently on 27 November 1980⁽³⁾ calling on Governments to take steps to promote combined transport techniques on appropriate routes.

24.2.3. The Swiss railways, with government support have opted wholeheartedly to develop road/rail transit through their country. The rail network is being modified accordingly and terminals have been, or are about to be, built. Switzerland seems determined - despite improvements to its road network - to maintain its ban on the movement of road vehicles exceeding 28 tonnes gross weight. In exchange Switzerland will provide extensive facilities for 38/44 tonne lorries to be carried by rail economically from north to south and vice versa.

1. See the Report on the application of the Council Directive of 17.2.1975 (Doc. COM(77)672 final).

2. Resolution of the Council of Ministers of the ECMT of 12.12.1978 (Doc. COM(78)30 revised).

3. Resolution of the Council of Ministers of the ECMT of 27.11.1980.

Italy, for its part, is widening the Brenner line to take wagons used for rail/road transport.

25. Sea Transport

25.1. Sea transport is already an alternative to land transport over the main transalpine transit routes, particularly between Greece and the Member States north of the Alps. Cargoes consisted chiefly of bulk goods, particularly oil and oil products, but also of general goods where sea is a viable alternative to land transport.

25.2. A large proportion of this traffic is between Italy and Greece and the ports of the Atlantic seaboard. Some of the trade with Greece is shipped from Greece to ports in the Northern Adriatic, and is sent the rest of the way by land. This relieves the transit routes through Yugoslavia, but there is no way of avoiding Austria or Switzerland.

25.3. Sea transport competes with land transport, particularly with rail. Care should be taken, therefore, to prevent national or Community measures distorting this competition. Incentives should be given for the use of sea transport, however, where this would help to relieve congested over-land routes; thought must be given to what measures, if any, are necessary. Particular consideration must be given to roll-on/roll-off transport.

26. Infrastructure charging

26.1. Proper allocation of the cost of infrastructure use to the various modes is one of the fundamental elements of a transport policy. The introduction of a system for allocating costs and charging for the use of infrastructure, as an integral part of the common transport policy, has been an aim since the 1960s.

26.2. There are many problems in developing and bringing in such a system - both technical/economic, fiscal and political. Technical/economic problems include methods of calculation, allocation criteria and the variation in costs between regions. Fiscal and political problems include the use of revenue, the extent of coverage of costs by taxes, the principle of charging according to nationality or territoriality, and the need to avoid double taxation.

26.3. Despite these problems the Community passed an important milestone in the road-transport field in June 1978 when the Council agreed in principle to the proposal for modifying taxes on commercial vehicles. In view of the reservation expressed by one Member State, however, the directive has not yet been formally adopted. This directive needs to be adopted without delay if we are to have arrangements, at the European level, covering the EEC and non-member countries of transit mentioned in this report.

26.4. Some of the principles enshrined in the directive relate particularly to international transport and, hence, to transit. The directive relates firstly to heavy goods vehicles, laying down that they must, through fuel duty and vehicle taxes, cover at least the marginal costs of road use due to them; common methods are used for calculation. Secondly, taxation is to be on a national basis, since there is broad balance in distance covered by vehicles in Member States other than that of registration. Taxes on vehicles are paid only in the country of registration but on the basis of the total distance covered by the vehicle, including that covered in other countries. Taxes on fuels are, obviously, paid in the country where the fuel is taken on. Inside the EEC the principle of mutual tax exemption, which is already applied in practice, will become the legal rule.

26.5. This principle had already become the rule between most European countries in the 1960s and 1970s. But the unilateral introduction by Austria of its road tax in July 1978 broke with the trend and set a precedent which might be followed by Switzerland if plans now afoot should materialize. The Austrian tax, and the Swiss plans for one, are based on the principle of 'territorial' taxation, while Yugoslavia applies a road transit tax.

26.6. Co-existence of the two systems carries with it an obvious risk of double taxation. In order to avoid this the directive referred to above permits Member States to grant reductions on vehicle taxes paid in the countries of registration to the extent that they are subject to taxes of the same kind in third countries and pro rata the time spent in these countries. The possibility that vehicles from these third countries may pay a tax inside the EEC is also not precluded, for one Member State reintroduced taxes on Austrian vehicles when Austria introduced its own taxes. While justified, such 'reprisals' or steps to ensure equality of treatment, would require administrative checks, hold-ups at frontiers etc., without in most cases any corresponding benefits.³ Any international solution should, consequently, endeavour to retain the principle of national taxation unless its effects accentuate imbalance between countries. Take the example of Austria: if the use of foreign roads by Austrian vehicles approximately equalled the use of the Austrian infrastructure by foreign vehicles, and if the Austrian road tax was based on similar costings, it would be possible not to impose a tax on foreign vehicles in the country concerned without prejudice to the principle of coverage of infrastructure costs. It follows from this argument that, conversely, if the volume of traffic generated in Austria by non-Austrian vehicles was proportionately much greater, 'national' taxation would not on its own be sufficient and a specific compensatory mechanism would be needed.

26.7. An ad-hoc working party set up by the ECMT is now trying to devise such a mechanism, but it is quite possible that a solution covering the whole of Europe may be slow to emerge; it may be necessary to seek a less extensive agreement, e.g. with Austria, Switzerland and Yugoslavia, because these are outstandingly the countries of transit for the enlarged Community.

26.8. The problem here relates chiefly to the following points:

- (a) the need for carriers to pay the infrastructure costs attributable to them;
- (b) calculation of any major discrepancies in revenue between countries;
- (c) on the basis of this calculation, a mechanism for the transfer of resources between countries, where necessary.

The principles and methods for effecting any such transfer will have to be examined in greater detail and may then give rise to negotiations between the Community and the non-member countries concerned.

27. Weights and dimensions of vehicles

There is a direct relationship between vehicle types, the varying damage they cause to roads and, consequently, the amount of tax paid on them, in order that infrastructure costs may be properly allocated. The Community Regulation on the weights and dimensions of commercial vehicles, which is now before the Council, would lay down the types of vehicles permitted on the entire Community road network. The benefit of this Regulation would be reduced considerably if non-member States, through which traffic between certain Member States has to pass, retained substantially different rules, as is the case in Switzerland at present.

28. Working conditions in road transport

Strict enforcement of rules on the working conditions of road vehicle crews would not only reduce road accidents, in countries of transit or elsewhere, but also tend to harmonize conditions of competition between modes and so promote a modal split based on modal characteristics. The provisions of the AETR Agreement are currently being aligned with those of the Community social Regulation No. 543/69. Once this is done there will be a uniform system, which would even extend to means of control, throughout the Community and in countries of transit. The countries concerned would then have to ensure that social regulations were strictly applied, irrespective of nationality.

29. Establishing rail tariffs

For certain rail services, rates are still arrived at by merely adding up the domestic rates charged on the various networks. The railways should be persuaded to do more to meet the needs of international trade applying generally a system of through international tariffs in accordance with the rules which govern a market based on healthy competition. The railways must have considerable latitude to set their own rates.

The Commission has submitted to the Council a proposal to give the railways the right to establish company through international tariffs for the carriage of goods between Member States without need of prior approval by the overseeing authorities. If the Council adopts this proposal, it should strengthen the position of the railways on international markets and thus alleviate the strains in some countries due to the volume of transit road traffic.

30. Cooperation between railways

30.1. Europe's railways have for long cooperated closely in all areas of common interest - particularly the technical and commercial handling of international traffic. More cooperation is needed in view of technical progress and increasing competition from road transport, and to provide users with modern, competitive rail services

30.2. To this end, and in accordance with the Council Decision of 20 May 1975 on the Improvement of the situation of railway undertakings, the Group of Nine Community Railways has drawn up short and medium-term action programmes; their implementation of these programmes may extend to non-Community countries of transit and in fact their national railways are already associated with the work of the UIC's specialized committees. The Austrian and Swiss railways are also represented on enlarged Working Groups of the Nine Community Railways.

31. Facilitation at frontiers

It goes without saying that if railway wagons or lorries have to halt a long time at frontiers for customs, health or quality inspections, checks on the duty-free fuel allowance or for the payment of dues and taxes, this impedes the flow of traffic. These hold-ups cause queues and delays which affect transit traffic as much as import or export traffic. Nevertheless, transit services are often covered by customs documents which simplify frontier formalities. Customs areas should be laid out in such a way that transit vehicles can pass the frontier more easily and more quickly. This is a matter for governments, who should spare no effort to rationalize customs areas and improve customs procedures at points of departure and destination.

32. External relations

32.1. The problem of transit through non-member countries is only one aspect of the Community's external relations. In order to maintain and develop trade with Eastern and South-Eastern, Europe the South East and the Middle East and to improve trade within the Community with Italy and Greece, suitable solutions to the problem will have to be worked out with the countries concerned. The increase in intra-Community traffic resulting from the accession of Greece makes it more necessary than ever to remove obstacles to transit traffic. As the Accession Treaty requires, the Commission is holding negotiations on this point with Austria and Yugoslavia. However, the success of these negotiations largely depends on solving the problem of financing the infrastructure for transit through the non-member countries involved.

32.2. Continued and wider general discussion with non-member countries on matters affecting transport should encourage a climate of cooperation conducive to the solving of transit problems. The Commission already has

regular discussions with Austria and Switzerland on common transport interests and problems. With Austria, the Commission is planning to conclude a cooperation agreement which covers all aspects of transport.¹ Negotiations began with Switzerland and when the Swiss Government declared its intention of levying its own tax on transit road traffic.

32.3. The cooperation agreement between the Community and Yugoslavia² includes clauses on transport, under which ways will be sought of improving and extending services, implementing specific measures of mutual interest and promoting the improvement and development of infrastructures for the mutual benefit of the contracting parties.

1. COM(80) final, 11.4.1980 and COM (81) 139 final.

2. Signed in Belgrade on 2.4.1980.

IV. ACTION NEEDED

The list of actions which follows takes account of the Council Decision of 12 June 1978 and of the remarks made in this report; the Commission considers they should be taken in order to facilitate the transit of Community traffic through non-member countries.

33. Infrastructure

33.1. Commission action

- (i) Review the bottleneck situation in countries of transit in conjunction with the similar review of the Community.
- (ii) Continue forward studies of transport requirements on the main transit routes.
- (iii) Study the main transit routes with an eye to a European solution to the problems involved.
- (iv) Develop special liaison procedures regarding transport infrastructure under the existing information exchange arrangements with Austria and Switzerland; with Yugoslavia this should be organized in the context of the Cooperation Council.

33.2. Council Decisions

- (i) Adoption of the amended proposal on financial support for transit infrastructures.
- (ii) Adoption of a solution to the problem of a Community contribution to the financing of the IKPA motorway in Austria and, in the more general framework of transport links with Austria, authorizing the Commission to negotiate and later reach decisions on the subject (see paragraph 32).

34. Combined transport

34.1. Commission action

Propose directives designed to promote the development of combined transport at Community level and on routes to and from non-Community countries.

34.2. Council Decisions

- (i) Swift adoption of the proposal for a Council Decision on the opening of negotiations for agreements between the EEC and non-member countries on arrangements for certain types of international combined road/rail carriage of goods.
- (ii) Adoption of the proposal for a Council Directive on certain measures designed to promote the development of combined transport, and maintain on a permanent basis the directives on the establishment of common rules for certain types of combined road/rail carriage of goods between Member States as regards containers 20 feet or more long and swap bodies without supports.
- (iii) Adoption of the proposal for a Council Regulation amending Regulation No.1107/70 with a view to supplementing systems of aid to rail, road and inland waterway transport by including provisions relating to combined transport.

35. Sea transport

Commission action

- (i) Look at possible measures to promote certain trades - particularly in roll-on/roll-off and containerized forms.
- (ii) Make proposals based on these measures.

36. Infrastructure charging

36.1. Commission action

- (i) Step up negotiations with the three non-member countries concerned with a view to finding an ad hoc solution to the problem of infrastructure charging in view of present transit tax arrangements, so as to arrive at a solution fair to both sides.
- (ii) Find a comprehensive solution for the countries of Western Europe e.g. by adopting a Community position at meetings of the international organizations responsible.

36.2. Council Decision

- (i) Swift adoption of the proposal for a directive on the adjustment of national commercial-vehicle tax systems.

37. Weights and dimensions of vehicles

37.1. Commission action

Work out a solution satisfactory to the Community and the three non-member countries concerned to the problem of vehicle weights and dimensions.

37.2. Council Decision

Swift adoption of the proposal for a Council Directive on weights and certain other features of road haulage vehicles.

38. Working conditions in road transport

38.1. Commission action

- (i) Continue with its efforts to have the AETR Agreement amended to bring it into line with Regulation No. 543/69 and to secure the accession of the Community to that Agreement.
- (ii) Put up a proposal for the acceptance by the Community of the AETR Agreement as so amended.
- (iii) Approach the non-Community countries concerned which have not yet ratified the AETR Agreement with a view to their ratifying it.

38.2. Council Decision

Adoption of the proposal for a Council Decision on the amendment of the AETR and the accession of the European Communities to it.

39. Establishing rail tariffs

Council Decision

Adoption of the amended proposal for a Council regulation on the establishment of international rail goods rates (company through international tariffs).

40. Cooperation between railways

Commission action

- (i) Continue to promote the short- and medium-term action programmes drawn up by the Group of Nine Railways under the Council Decision of 20 May 1975 on improving the situation of railway undertakings.

- (ii) More liaison with non-Community countries in order to harmonize action in this direction.

41. Facilitation at Frontiers

41.1. Commission action

- ²(i) Closer contact with the non-member countries concerned.
- (ii) Work out joint positions for meetings of the international organizations responsible.

41.2. Council Decisions

- (i) Decision on the adoption of joint positions.
- (ii) Adoption of the Commission proposal on the duty-free admission of fuel.
- (iii) Decisions on the acceptance by the Community of Resolutions of international organizations.

42. External relations

42.1. Commission action

- (i) Proposal for a Council Decision on the opening of negotiations with Austria with a view to a framework agreement on transport questions, in order to solve certain problems of Community transit through Austria, particularly en route to Greece, the question of the infrastructure charging (road tax), the matter of a possible financial contribution by the Community to the building of the IKPA motorway in Austria and other transport problems.
- (ii) Efforts, in the context of the negotiations on the protocol amending the cooperation agreement between the Community and Yugoslavia in view of the accession of Greece, to arrive at better arrangements for transit through Yugoslavia. (Discussions at present under way in the Council regarding negotiating directives.)
- (iii) Implementation and amplification of the provisions on transport in the cooperation agreement between the Community and Yugoslavia, once this agreement has come into force.

42.2. Council Decision

Decision on the Commission proposals generated by the above actions.

V. CONCLUSIONS

43.1. The Commission does not consider it possible to take the same line towards Austria, Switzerland and Yugoslavia, or to adopt identical solutions for these three countries at the same time. The reason is that they are not equal in terms of economic development and of transport-system structure, facilities and equipment. Although they do have some common features, in other respects they are by no means similar. Furthermore, the Community's relations with these countries are not of the same nature. Separate solutions should therefore be found to the problems with each, by different procedures in some cases.

43.2. For example, there is a special problem with Austria, since providing contributions to certain infrastructure schemes is seen as a sine qua non. The Commission believes it possible to solve this problem by recommending that the Council decide to make a financial contribution and that the amount be negotiated in the light of economic and political factors while attempts are made to secure a long-term cooperation agreement by all appropriate means. With Switzerland, on the other hand, the time is not yet ripe for such an approach and there is no question of financial preconditions. Solutions should therefore be found to certain specific problems, and not necessarily on all points. In the case of Yugoslavia, apart from the financial protocol already in force whereby the Yugoslavs may put forward transport infrastructure projects for financing, the cooperation agreement - which is not yet in force - provides for arrangements concerning transport which should be examined in detail at the appropriate time. Solutions should be sought in this framework.

43.3. The Commission would stress that any improvement in international traffic with these, or other, non-member countries will benefit them and the Member States. The Community must clarify and properly define its position, if European transport is to flow more smoothly. It is particularly important, therefore, that the Community be seen by those countries to have clearly defined positions. To this end the Commission

has sent the Council a number of proposals. The importance for improving Europe's transport system of adopting these proposals must now be acknowledged. The Community will have to take a consistent line in international forums like the ECMT and the Economic Commission for Europe, where the Member States must present a common front. With regard particularly to the problem of transit, this common front should be directed constantly towards the objectives set out in Chapter III of this report.

STATISTICAL TABLES

- Table 1: Transit through Switzerland, Austria and France to and from Italy
- Table 2: Transit through Switzerland: road/rail
- Table 3: Carriage of goods by road between the Federal Republic of Germany and Italy and transit through Germany to and from Italy
- Table 4: Carriage of goods by road between the Federal Republic of Germany and the countries of SE Europe and transit through Germany to and from those countries
- Table 5: Carriage by rail, road and inland waterway to and from the Federal Republic of Germany
- Table 6: Transport by sea between Greece and the other Member States

Introduction

1. There are not many statistics on transit operations. German sources in particular have been used (a) because they are readily available and (b) because of Germany's geographical importance to road-haulage transit through Austria.

However, the available statistics leave many questions unanswered. With few exceptions it is impossible to reconstruct the routes of road-haulage operations part of which is by rail or sea and so to identify purely inland routes. This is true in particular of roll-on/roll-off traffic between Greece and the Italian ports and for traffic with the Near and Middle East (including that to and from Greek ports, especially Volos). Comparison of Dutch and German transit statistics shows that many of the goods carried by road between the Netherlands and the Near and Middle East do not go through Germany but follow other routes, probably via Marseille from where there are several roll-on/roll-off lines to the south-eastern Mediterranean and beyond Suez. Sometimes, such goods are exported via the Italian ports, although in such cases the traffic does go through Austria.

2. Tables 1 and 2 give details of transit through Switzerland. Table 1 highlights the shift of the major transalpine traffic flow to Austria and France; Table 2 shows the development of road/rail transport on the St. Gotthard route.
3. Table 3 shows road haulage through Austria by the North South route.
4. Tables 4 and 5 give details of road haulage through Austria by the North-West/South-East route, not including traffic for the Near and Middle East, for which no overall figures are available. Table 5 (Germany only) also shows transit by rail and the Danube through Austria.

5. Table 6 gives details of sea-borne traffic between Greece and the other Member States, thus giving an insight into the use of the seaways as an alternative to overland routes.

TABLE 1

Transit through Switzerland, Austria and
France to and from Italy (1970-1978)

(million tonnes)

	1970			1978		
	Rail	Road	Total	Rail	Road	Total
Switzerland	10.4	0.1	10.5	8.8	0.4	9.2
Austria	5.4	2.7	8.1	6.0	12.3	18.3
France	5.9	2.3	8.2	9.9	7.2	17.1
Total	21.7	5.1	26.8	24.7	19.9	44.6

Source: SBB/CFS

TABLE 2

Transit through Switzerland
Road/rail

3,000 tonnes, gross
(including vehicles)

Route	1978	1979	1st half 1980
Lugano-Germany- Netherlands	407	418	232
Italy-Germany- Netherlands	300	493	367
TOTAL	707	911	599

Source: SBB/CFS

TABLE 3

Carriage of goods by road between the Federal Republic of Germany and Italy, and transit through Germany to and from Italy (1978-79)

,000 tonnes

	To Italy		From Italy		Total	
	1978	1979	1978	1979	1978	1979
FRG	4.266.4	4.710.4	5 029.9	5.161.0	9 296.3	9 871.4
Netherlands	704.1	731.9	362.4	344.5	1 066.5	1 076.4
Denmark	180.0	205.6	134.8	150.3	314.8	355.9
Belgium	82.6	71.2	56.3	51.7	138.9	122.9
United Kingdom	14.3	12.0	19.7	17.1	34.0	29.1
France	1.3	2.4	4.9	4.1	6.2	5.5
Luxembourg	1.1	1.1	2.5	4.6	3.6	5.7
Ireland	-	0.2	0.1	0.1	0.1	0.3
TOTAL	5 249.8	5 734.8	5 610.6	5 733.4	10.860.4	11 468.2

Source: Federal Statistical Office, Wiesbaden.

TABLE 4

Carriage of goods by road between the Federal Republic of Germany and the countries of SE Europe and transit through Germany to and from those countries (1978-79)

000 tonnes

From	Year	Yugoslavia	Greece	Turkey	Hungary	Romania	Bulgaria	TOTAL
Germany	1978	222.1	171.1	63.6	108.3	20.6	11.4	597.1
	1979	258.7	213.5	53.8	126.1	28.8	12.5	693.4
Netherlands	1978	65.7	30.0	14.4	31.1	7.4	2.1	154.3
	1979	62.1	34.9	16.8	31.8	8.6	2.1	156.3
Belgium	1978	32.7	28.3	7.9	23.8	2.1	3.6	98.4
	1979	28.7	26.3	8.2	24.1	2.2	3.5	93.0
United Kingdom	1978	14.5	9.2	8.6	14.1	1.9	1.4	49.7
	1979	14.5	8.0	7.5	13.2	2.1	1.3	46.6
France	1978	7.9	3.4	6.8	9.8	9.4	3.9	41.2
	1979	6.4	3.0	5.9	11.1	8.1	4.1	38.6
Denmark	1978	3.3	3.2	0.9	0.7	0.1	0.3	8.5
	1979	6.1	10.3	0.6	0.6	1.9	2.4	21.9
TOTAL	1978	246.2	245.2	102.2	187.8	41.5	22.7	949.2
	1979	376.5	296.0	92.8	206.9	51.7	25.9	1 049.8
To	Year	Yugoslavia	Greece	Turkey	Hungary	Romania	Bulgaria	TOTAL
Germany	1978	203.3	343.2	66.0	198.1	39.3	62.1	912.0
	1979	237.2	321.0	63.5	246.3	38.0	69.9	975.9
Netherlands	1978	43.4	28.8	8.5	45.2	12.0	10.2	148.1
	1979	43.2	36.8	7.1	48.3	12.5	10.9	158.8
Belgium	1978	24.8	15.5	12.0	20.4	4.3	3.7	80.7
	1979	24.1	14.4	7.1	21.0	4.3	4.0	74.9
United Kingdom	1978	14.7	9.9	10.6	9.4	3.4	2.5	50.5
	1979	13.8	8.9	8.1	12.5	4.6	2.7	50.6
France	1978	9.0	5.5	8.1	10.1	13.2	3.2	49.1
	1979	11.1	2.7	5.6	12.8	13.0	4.0	50.0
Denmark	1978	2.7	4.9	0.3	1.0	0.2	2.3	11.4
	1979	3.1	5.6	0.5	2.0	0.4	2.2	13.8
TOTAL	1978	297.9	407.8	105.5	284.2	72.4	84.1	1 251.8
	1979	332.5	389.4	91.9	342.9	73.0	93.7	1 324.0
TOTAL	1978	653.0	644.1	207.7	472.0	111.9	106.7	2 201.0
From and to	1979	709.0	685.4	184.7	549.8	124.7	110.6	2 273.8

Source: Fed. Stat. Office, Wiesbaden.

TABLE 5

Carriage by rail, road and inland waterway from and to
the Federal Republic of Germany (1978-79)

	1978						1979					
	Rail		Road		Inland Waterway		Rail		Road		Inland Waterway	
	To	From	To	From	To	From	To	From	To	From	To	From
Italy	3 497.7	2 481.8	4.266.4	5 029.9	-	-	4 475.1	2 357.4	4 710.4	5 161.0	-	-
Yugoslavia	590.5	172.6	222.1	203.3	5.9	107.5	733.8	211.7	258.7	237.7	6.9	38.5
Greece	51.7	73.3	171.1	343.2	-	-	60.1	58.6	213.5	321.0	-	-
Hungary	1 317.1	459.7	108.3	198.1	13.0	296.4	1 239.3	523.7	126.1	246.3	7.9	535.5
Romania	426.1	430.0	20.6	39.3	82.8	231.5	669.1	394.9	28.8	38.0	12.7	143.1
Bulgaria	130.0	47.8	11.4	62.1	14.0	90.0	153.8	42.1	12.5	69.9	11.9	126.3

000 tonnes

Source: Fed. Stat. Office, Wiesbaden.

TABLE 6

**Transport by sea between Greece
and the other Member States (1977)**

000 tonnes

	To Greece		From Greece		Total	
	All goods	Of which oil	All goods	of which oil	All goods	of which oil
Germany	182	3	137	34	319	37
France	579	163	349	77	928	240
Italy	2 149	1 345	1 517	913	3 666	2 258
Netherlands	415	55	882	79	2 297	134
Belgium	526	12	96	5	622	17
United Kingdom	358	36	405	63	763	99
Ireland	:	:	:	:	:	:
Denmark	12	:	93	:	105	:
TOTAL *	4 221	1 614	3 479	1 171	7 700	2 785

* Not including Ireland; not including oil in the case of Denmark.

Source: Statistical Office of the European Communities.

Annex II

Community legislation and proposals for legislation affecting transit operations.

Infrastructure measures

Council Decision of 28 February 1966 instituting a procedure for consultation in respect of transport infrastructure investment

Council Decision of 20 February 1978 instituting a consultation procedure and setting up a committee in the field of transport infrastructure

Proposal for a Council Regulation on support for projects of Community interest in transport infrastructure, extended to projects in non-Community countries.

Measures relating to frontier crossings

Council Directive of 19 July 1968 concerning the standardization of provisions regarding the duty-free admission of fuel contained in the fuel-tanks of commercial vehicles

Proposal for a Council Directive amending the above Directive

Agreement of 23 January 1962 on certain measures to facilitate customs clearance of products covered by the ECSC Treaty carried by rail

Tax measures

Proposal for a first Council Directive concerning the adjustment of national systems of commercial vehicle taxation.

Combined transport measures

Council Directive of 17 February 1975 on the establishment of common rules for certain types of combined road/rail carriage of goods between Member States, as amended by the Directive of 19 December 1978 (79/5/EEC)

Proposal for a Council Decision on the opening of negotiations for an agreement between the European Economic Community and third countries on the system applicable to certain types of international combined road/rail transport of goods

Proposal for a Council Directive on certain measures to promote the development of combined transport

Proposal for a Council Regulation (EEC) amending Regulation (EEC) No.1107/70 with a view to supplementing the system for the granting of aids for transport

by rail, road and inland waterway by the addition of provisions on combined transport

Technical measures

Proposal for a Council Directive on the weights and dimensions of commercial road vehicles and on certain additional technical conditions concerning such vehicles

Proposal for a Council Directive on the weights and certain other characteristics (not including dimensions) of road vehicles used for the carriage of goods

Measures relating to free movement and access to the market

First Council Directive of 23 July 1962 on the establishment of common rules for certain types of carriage of goods by road between Member States, as amended by the Directives of 19 December 1972, 4 March 1974, 14 February 1977, 20 February 1978 and 20 December 1979

Council Regulation (EEC) No. 117/66 of 28 July 1966 on the introduction of common rules for the international carriage of passengers by coach and bus

Council Regulation (EEC) No. 516/72 of 28 February 1972 on the establishment of common rules for shuttle services by coach and bus between Member States, as amended by the Regulation of 23 November 1978

Council Regulation (EEC) No. 517/72 of 28 February 1972 on the introduction of common rules for regular and special regular services by coach and bus between Member States, as amended by the Regulations of 20 December 1977 and 12 June 1978

Council Decision of 15 October 1975 authorizing the Commission to negotiate an Agreement between the European Economic Community and non-member countries on the rules applicable to the international carriage of passengers by coach and bus, supplemented by the Council Decision of 15 March 1976

Council Decision of 15 October 1975 laying down the negotiating directives for an Agreement between the European Economic Community and non-member countries on the rules applicable to the international carriage of passengers by coach and bus, as amended by the Council Decision of 20 February 1978

Communication from the Commission to the Council concerning the negotiation of an Agreement between the European Economic Community and non-member countries on the rules applicable to the international carriage of passengers by coach and bus, containing a proposal for a Council Decision clarifying and supplementing the characteristics of the agreement which the Commission was authorized to negotiate by the Council Decision of 15 October 1975; the agreement has been initialled by the parties

Proposal for a Council Regulation on the adjustment of capacity for the carriage of goods by road for hire or reward between Member States

Measures concerning rates

Agreement of 21 March 1955 between the Governments of the Member States of the European Coal and Steel Community meeting within the Council on the establishment of through international rail tariffs

Agreement of 28 July 1956 on the introduction of through international railway tariffs for the carriage of coal and steel through Swiss territory

Agreement of 26 July 1957 between the Austrian Federal Government of the one part, and the Governments of the Member States of the European Coal and Steel Community and the High Authority of the European Coal and Steel Community of the other part, on the introduction of through international railway tariffs for the carriage of coal and steel through the territory of the Republic of Austria.

Social measures

Council Regulation (EEC) No. 543/69 of 25 March 1969 on the harmonization of certain social legislation relating to road transport, as amended on several occasions. A codified version of the Regulation was published in OJ C 73 of 17 March 1979

Council Regulation (EEC) No. 1463/70 of 20 July 1970 on the introduction of recording equipment in road transport, as last amended by Regulation (EEC) No. 2828/77 of 12 December 1978

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Resolution of the European Parliament on the problems of transport infrastructure in the Community (OJ 79 of 16 December 1960, p. 493)

Resolutions on the improvement of traffic infrastructure across the Alps (OJ C 49 of 28 June 1973, p. 12)

ANNEX III

EXTRACT FROM THE RECORD OF THE DEBATE OF THE EUROPEAN
PARLIAMENT ON 24 SEPTEMBER 1979

Transit traffic in the Alpine region

President

The next item is the Oral Question with debate (Doc. 1-296/79) by Mr. Seefeld, Mr. Albers, Mr. Gabert, Mr. Gatto, Mr. Key, Mr. Klinkenborg and Mr. Loo, to the Commission:

Subject: European solutions to the problems of transit traffic in Alpine region

In the resolution it adopted on 16 January 1979 on the basis of a report by its Committee on Regional Policy, Regional Planning and Transport, the European Parliament urged that priority be given to the following transport policy objectives which are of immediate importance:

- improvement of the situation of transit traffic through Austria and Switzerland, in particular by allocating road costs fairly, improving infrastructures and encouraging combined transport methods.

On 17 June 1978 the Council of EEC Transport Ministers adopted a statement on the Austrian road traffic tax in which it noted:

"that the Commission will follow up, from the point of view of transit and in accordance with Community legislation and, policy trends, in the field of infrastructure and market organization, the basic problems which arise in relation to other third countries too, will contribute to developing satisfactory solutions at the European level and will report back to the Council on possible action to be taken by the Community."

1. What specific steps has the Commission taken so far in order to comply with the European Parliament's request and propose how the Community might contribute to the development of European solutions to the problem of ensuring smooth transit for road and rail traffic through the Alpine region?
2. Is it aware the Greek accession to the Community will exacerbate the problems of traffic infrastructure in the Alpine region "(bottlenecks, an increase in the accident rate and damage to the environment), and that similar problems of transit traffic through Yugoslavia will also have to be considered?
3. What form of cooperation in the traffic sector does the Commission envisage with Austria, Switzerland and Yugoslavia to ensure the smoothest possible traffic flow between the various Member States of the Community and hence to promote trade?
4. Does it recognise that first and foremost, such cooperation must include the planning, extension and funding of the traffic infrastructure and also cover questions of taxation, transit authorizations, the encouragement of combined transport and of commercial and technical cooperation between railway undertakings and, finally, a relaxation of frontier formalities?
5. When does the Commission intend to submit the report referred to in the above-mentioned Council statement? Can it indicate the broad outlines of the proposed measures?

Mr. Seefeld has agreed to cut short his speaking time. I would ask all speakers to do likewise.

I call Mr. Seefeld.

Mr. Seefeld (D)

Mr. President, in order to be brief for the sake of my colleagues I will limit myself to one or two comments. You have the text of the question before you. Unfortunately, I must begin by saying that there is still no uniform transport policy in the European Communities and it is for this reason, among others, that we must ask a number of questions to the Commission as to why no solution has been found to the problems of transit traffic in the Alpine region.

It is quite clear that the European Communities cannot pretend to be unaffected by the problems facing Austria and Switzerland, despite the fact that they are third countries. In order to reach Italy, a Community country, by road or rail it is necessary to go through Switzerland or Austria. It was for this reason that last year we passed a resolution in this House, concerning the improvement of the situation of transit traffic through Austria and Switzerland, and we also declared that this should be achieved by allocating road costs fairly, improving infrastructures and encouraging combined transport methods. Last year the Council of EEC Transport Ministers considered this question, and in June 1978 decided that the Commission should follow up, in the field of infrastructure and market organization, the basic problems which arise in relation to other third countries. The Commission has been given the task of contributing to the development of a satisfactory solution at the European level, so that the problems of these countries can be included in an overall European transport scheme. The Commission is then to submit proposals on possible initiatives to the Council.

Last year Austria attracted considerable attention with its tax programme. In the European Communities the question arose as to which measures we could take to prevent any hindrance to traffic between the Community countries concerned.

We must also consider the future, because from 1981 onwards Greece will be a member of the Communities, and traffic between Greece and the nine present members in both directions must pass not only through Austria but also through Yugoslavia. Therefore, in our opinion, close cooperation is necessary between the Communities and these countries of transit. We also feel that we have the obligation to help the transit countries to cope with the traffic flows resulting from their geographical situation.

For this reason, some of my colleagues in the Committee on Transport and I have asked the Commission today to answer our five questions. In essence, Mr. President, our main concern is to ensure awareness of the problems of transit traffic and to ascertain the extent to which third countries are able to cope with them, because transit through Austria, Switzerland and in future Yugoslavia is important for intra-Community traffic. This briefly explains why we have put forward this question and I hope, Mr. President, that you find my reasons satisfactory.

President - I call Mr. Burke.

Mr. Burke, Member of the Commission.

Mr. President, the question put to the Commission raises all the difficulties encountered by transit traffic across certain third countries, difficulties which will become more acute as a result of Greek membership. The question stresses in particular the difficulties encountered in the Alpine regions, on the North-South and North-West, South-East axes. The improvement of transit traffic across Austria, Yugoslavia and Switzerland is one of the Commission's major pre-occupations in the area of transport policy. It involves the development of a multi-lateral solution going beyond the Community framework and taking account of the interests both of the transit countries and of the countries which require the transit.

The guidelines of our common transport policy as defined by the Commission in its memorandum to the Council of October 1973, and by the report presented recently by Mr. Seefeld on behalf of the Committee on Transport,

postulate the setting up of a coherent and open transport system taking account of Community transit traffic across third countries. At the present time attention is concentrated on Austria and on road transport aspects because of the particularly acute situation caused in that country by the introduction of a tax on road transport of goods.

Now, with regard to the five questions asked, I would briefly reply as follows: First, the Commission is actively participating in the search for a solution in the international organization concerned, notably the European Conference of Transport Ministers and the Economic Commission for Europe in Geneva. Furthermore, it has taken a series of initiatives in the framework of the common transport policy which would help to reduce the current difficulties. In addition the Commission has launched a study on bottlenecks in the transport sector, a study which is not limited to the Community territory. The Commission notes with regret that, in spite of its initiatives, very few concrete measures have been adopted. In particular, important proposals such as that relating to the financing of transport infrastructure of Community interest, or to the harmonization of the structure of taxes on commercial vehicles, have not yet been adopted by the Council.

Secondly, the accession of Greece to the Community poses the transit problem directly. During the course of the negotiations it was agreed that, on the signature of the instrument of accession, the Commission would undertake exploratory conversations with Yugoslavia and Austria concerning the system applicable to international road transport of goods in order to seek the means, if necessary by the conclusions of agreements, which would permit the application to traffic originating in or destined for Greece of the measures applicable to traffic between the Member States. The Commission's services have already had discussions with an Austrian delegation, and similar contacts with the Yugoslavian delegation will soon take place. These discussions may be followed by negotiations. In its studies programme for 1980 the Commission has provided for a substantial appropriation in order to undertake a study which would permit the

identification on the basis of an improved knowledge of the traffic, of the infrastructure needs of the new Member States. The Commission counts on the support of Parliament for the entry of this appropriation, in the budget in order to permit the proposed study programme to be carried out.

Thirdly, in the area of cooperation with the three main transit third countries, I should point out that the cooperation agreement between the Community and Yugoslavia, which we hope will be concluded in the relatively near future, includes a transport section with clauses relating to transit, particularly to the development of transport infrastructures. In 1975 the Commission submitted a proposal to the Council on the opening of negotiations for an agreement between the Community and third countries concerning the rules applicable in the area of access to the market for certain combined rail/road international goods transport. This proposal is still before the Council.

In addition, the Commission is now preparing an overall plan for promoting a substantial development of combined transport by actions covering the fields of infrastructure, equipment and commercial operation. The Commission envisages submitting proposals in this connection to the Council before the end of this year, and once a consensus emerges at Community level, it will propose the conclusion of an agreement with third countries, particularly Switzerland and Austria, in order to ensure effective collaboration with these countries.

Finally on this point, it may be possible, on the basis of general exchanges of view with third countries on transport matters, to develop cooperation in such a way as to help solve the problems facing us.

Fourthly, the Commission shares the conviction of the authors of the question that this cooperation must extend to the areas cited in point 4 of the question. This is the aim of the studies on which it is engaged and the initiatives which it proposes to take.

And I would like to stress the following matter. Where infrastructure financing - which is central to any effective policy, is concerned the

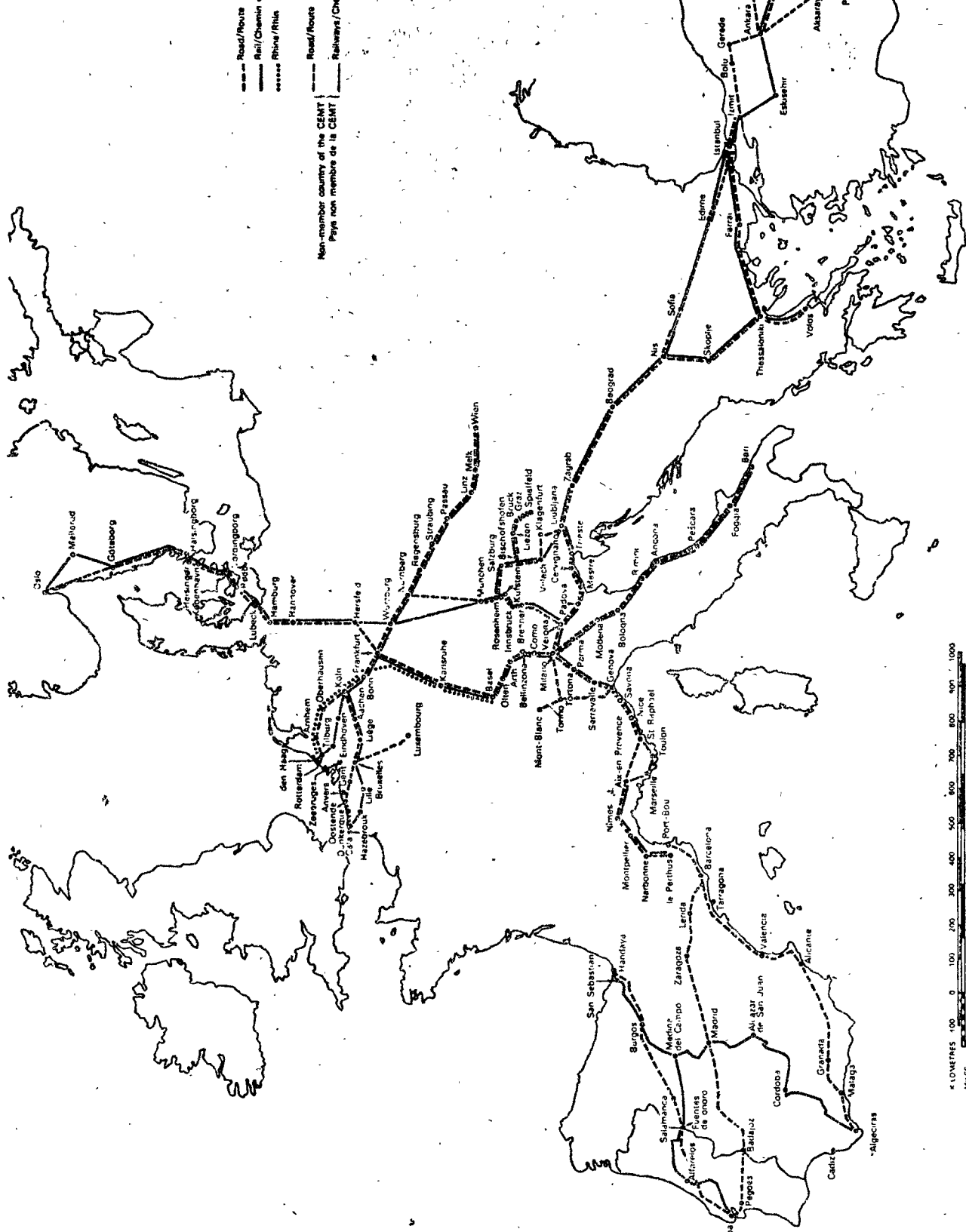
Commission has put forward an appropriate system in its proposal for a regulation on financial aid for projects of Community interest. The geographical field of application of this regulation is limited to Community territory. Greek accession and the need to ensure ease of movement of a growing transit traffic of Community interest across the Alpine countries are considerations which would plead in favour of an extension of the field of application of this directive to certain projects of Community interest outside the Community borders. Fiscal harmonization also constitutes a positive factor in the improvement of transit. This is why the Commission attaches considerable importance to the adoption by the Council of the first directive on the harmonization of taxes on commercial vehicles, which represent a first step towards a common system of infrastructure charging - a system in which many neighbouring third countries have expressed an interest.

Fifthly, in spite of the difficulties arising from staff shortage, to which Mr. Seefeld drew the Parliament's attention in his recent report, the Commission wishes to complete the report mentioned in the Council declaration of 12 June 1978, early next year, taking account of the number and complexity of the elements which it must contain. We rely heavily on the European Parliament to bring to fruition the initiatives which we have taken, and have yet to take, with a view to resolving the problems created for Community transport by transit across third countries. Thank you Mr. President.

The other speakers in the debate - Mr. Gabert, Mr. Fuchs, Mr. Carossino, Mr. Baudis and Mr. Colleselli - all stressed the importance and need for Community action in the transit sector. This action depends upon substantial progress with the common transport policy.

PRINCIPAUX AXES DE TRANSIT DANS LES PAYS MEMBRES DE LA CEMT

Wichtigste Transitstrecken in den Mitgliedstaaten der CEMT
 Main Transit Routes in the ECMT Member States
 Principali vie di transito nei paesi membri della CEMT
 Belangrijke doorgaatsen in de landen van de CEMT
 Vytligste transitive i CEMT's medlemsstater



Source : CEMT

