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DOCUMENT 1-43/84

## Report

drawn up on behalf of the Committee on Transport

on Community measures to improve the situation in  
the inland waterways sector

Rapporteur: Mr W. ALBERS

PE 87.786/fin.  
Or. Ne.



At its sitting of 16 May 1983, the European Parliament referred the motion for a resolution tabled by Mr Vandewiele and others (Doc. 1-263/83) to the Committee on Transport pursuant to Rule 47 of the Rules of Procedure.

At its meeting of 26 May 1983, the committee decided to draw up a report and appointed Mr ALBERS rapporteur.

It considered the draft report at its meetings of 29 February and 19 March 1984, and at the latter meeting approved the report by 11 votes to 3.

The following took part in the vote: Mr Seefeld, chairman; Dame Shelagh Roberts, vice-chairman; Mr Albers, rapporteur; Mrs von Alemann, Mr Bernard (deputizing for Mr Gabert), Mr Buttafuoco, Mr Janssen van Reay (deputizing for Mr O'Donnell), Mr Key, Mr Klinkenborg, Mr Lagakos, Mr Moorhouse, Mr Simpson (deputizing for Mr Marshall), Mr Sutra De Germa (deputizing for Mr Ripa di Meana) and Mr Vandewiele.

The report was tabled on 22 March 1984.

The deadline for tabling amendments to this report will be indicated in the draft agenda for the part-session at which it will be debated.

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The Committee on Transport hereby submits to the European Parliament the following motion for a resolution, together with explanatory statement:

MOTION FOR A RESOLUTION

on Community measures to improve the situation in the inland waterways sector

The European Parliament,

- A. having regard to the motion for a resolution tabled by Mr Vandewiele and others on Community measures for the inland waterway sector (Doc. 1-263/83),
- B. having regard to the report by Mr Fuchs on possible measures to improve the situation in the inland waterway sector (Doc. 146/79) and its resolution of 11 May 1979<sup>1</sup>,
- C. having regard to the report by Mr Hoffmann on the inland waterways in the Community (Doc. 1-323/82) and its resolution of 9 July 1982<sup>2</sup>,
- D. deeply concerned at the serious difficulties facing the inland waterways sector, and in particular the problem of structural overcapacity,
- E. aware of the urgent need to do everything possible at Community level to improve the situation in this transport sector,
- F. deploring the fact that it was not consulted on the Commission proposal of 7 October 1983 for a Council decision on joint action by certain Member States within the Central Commission for the Navigation of the Rhine on the adoption of measures to eliminate the structural overcapacity of the Rhine fleets and to prevent the creation of new overcapacity<sup>3</sup>,
- G. having regard to the report of the Committee on Transport (Doc. 1-43/84),

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<sup>1</sup> OJ No. C 140, 5.6.1979, p. 169

<sup>2</sup> OJ No. C 238, 13.9.1982, p.102

<sup>3</sup> COM(83) 582 final

1. Notes with regret that the situation on the inland waterways market has steadily deteriorated in recent years, as is apparent from:
  - the further reduction in the inland waterways sector's share of the total volume of traffic;
  - the persistent decline in the number of crewmen, inland waterways undertakings and inland waterways vessels, and
  - the continuing fall in the profitability of inland waterways undertakings;
  
2. Expresses its deep concern at the alarming upward trend in the structural surplus of cargo capacity, as a result of which:
  - the amount of time spent waiting for cargoes is steadily increasing,
  - the degree of utilization of vessels is declining,
  - freight rates are in no way keeping pace with the rise in operating costs, and hence
  - the existence of many undertakings is threatened, particularly where they are owned by private carriers who are likely to lose their accommodation when they lose their vessels;
  
3. Is firmly convinced that the present crisis could have been averted or at least prevented from assuming such serious proportions if suitable common provisions on the inland waterways sector had been adopted at the right time;
  
4. Expressly condemns, therefore, the Commission's failure to take the desired action in response to the many practical and realistic recommendations set out in its abovementioned resolution of 11 May 1979;
  
5. Notes with great dissatisfaction that in the past five years, the Council has adopted only one piece of legislation of any importance on the inland waterways sector, namely Directive No. 82/714/EEC of 4 October 1982 laying down technical requirements for inland waterway vessels<sup>1</sup>, and has failed to reach agreement on a large number of proposals which should have been implemented as a matter of urgency;

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<sup>1</sup> OJ No. L 301, 28.10.1982, p.1

6. Cannot understand why Parliament was not consulted on the proposal of 10 October 1983 for a decision on overcapacity;
7. Considers the absence of Community decisions on inland waterways to be particularly regrettable inasmuch as this sector of the transport industry offers considerable advantages in the form of low energy consumption, high safety levels and environmental acceptability;
8. Takes the view, therefore, that it would be desirable - particularly from the point of view of establishing a healthier balance between supply and demand on the inland waterways market - for the Community to introduce as soon as possible:
  - a well-considered European programme for scrapping surplus and obsolete cargo capacity, which should be a first priority,
  - uniform laying-up arrangements which would also take account of the adverse effects of severe seasonal fluctuations and cyclical overcapacity,
  - a policy for selling inland waterway vessels to third countries,
  - a more satisfactory market observation system to allow for more rapid and more effective intervention,
  - a satisfactory tariff system,
  - the necessary measures to prevent dumping by Eastern bloc owners after the opening of the Rhine-Main-Danube canal;
9. Requests the Commission at an early date to explore the possibilities for adopting common rules governing rotation and access to the market, perhaps on the basis of a licensing system, and, where necessary, to submit suitable proposals for countering divergent national systems and eliminating or preventing distortions of competition;
10. Calls for this study to be based on the plan to improve inland waterways that was approved by the relevant inland waterways organizations as long ago as 1982 following difficult and time-consuming negotiations;
11. Calls on the Commission to submit to the Council as soon as possible a new proposal for the satisfactory harmonization of social provisions in the inland waterways sector, taking account of the need to guarantee a minimum level of wages and reduce working hours with a view to redistributing the work available;

12. Attaches considerable importance to the establishment of a coherent European waterways network and calls on the Commission to pay particular attention, when granting aid for transport infrastructure projects of Community interest, not only to the major traffic arteries but also to the elimination of bottlenecks on smaller transfrontier waterways; in this connection, express reference should be made to the excellent Plan Grégoire, which was approved by the French Government on 1 June 1983;
13. Reminds the Commission and Council of the distinctive needs of estuarial waterways;
14. Instructs its President to forward this resolution to the Commission and Council, and the parliaments of the Member States.



EXPLANATORY STATEMENTI. INTRODUCTION

1. In paragraph 1 of their motion for a resolution of 4 May 1983 (Doc. 1-263/83), Mr Vandewiele, Mr Hoffman, Mr Kaloyannis, Mr Moorhouse, Mr Gauthier, Mr Seefeld and Mr Klinkenborg justifiably condemned the Commission for failing to take any action on the numerous recommendations for improving the situation in the inland waterways sector set out in the excellent own-initiative report drawn up by Mr Fuchs (Doc. 146/79).

2. Paragraph 2, which the rapporteur also fully endorses, states that the European Parliament regrets that in the past five years, no progress has been made at Community level as regards inland waterways and notes that only one piece of legislation of any importance has been adopted, namely the Council Directive laying down technical requirements for inland waterway vessels.

3. Bearing in mind the importance, advantages and difficulties which characterize this branch of the transport sector, the rapporteur finds the inertia of the Commission and Council totally unacceptable.

If the urgently necessary Community provisions are to be adopted, the European Parliament will once again have to take the initiative and do the Commission's work for it.

In 1983, Mr Albers, Mr Klinkenborg and Mr Loo, on behalf of the Socialist Group, tabled oral questions, pursuant to Rule 42 of the Rules of Procedure, asking the Council and Commission to explain why structural improvements in the carriage of goods by inland waterways had not been forthcoming, despite the fact that many proposals had been submitted over the years and received favourable opinions from the European Parliament.

4. In the course of his preparatory work on the present report, the rapporteur contacted the most representative organizations in the inland waterways sector. He would like to take this opportunity to express his gratitude to all the experts who supplied him with information. Particular thanks go to the officials of the Central Commission for the Navigation of the Rhine (CCNR), the International Union for Inland Navigation (UINF), the European Bargemen's Organization, the Bundesverband der deutschen Binnenschifffahrt and the representatives of the employees' organizations.

## II. SITUATION AND TRENDS IN THE COMMUNITY'S INLAND WATERWAYS SECTOR

5. The Fuchs report points out that the situation in the inland waterways sector is characterized by:

- a relative fall in the inland waterways' share of total traffic
- a continuing reduction in the number of crewmen, vessels and carriers and
- low profitability for carriers<sup>1</sup>.

6. Since that report was drawn up the situation in the sector has deteriorated still further.

7. Commission figures<sup>2</sup> based on data supplied by the national statistical offices show that the total volume of goods carried by inland waterways has fallen by 47 million tonnes, or 10.8%, since 1979.

Between 1979 and 1982, the national and international inland waterways sectors saw a decline in business of 6,317 million tonne-kilometres, or 6.2%.

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<sup>1</sup> Doc. 146/79, Explanatory Statement: point 4, second paragraph

<sup>2</sup> Doc. VII/479/83 'General Market Assessments and Prospects'.

The following table illustrates the trend over this period in those Member States with important inland waterways sectors (in millions of tonne-kilometres).

	<u>B./L.</u>	<u>D.</u>	<u>F.</u>	<u>NL.</u>	<u>TOTAL:</u>
1979	5,908	50,987	11,898	33,472	102,265
1980	5,853	51,435	12,151	33,478	102,917
1981	5,442	50,010	11,068	31,792	98,312
1982	<u>4,958</u>	<u>49,401</u>	<u>10,226</u>	<u>31,363</u>	<u>95,948</u>
Difference	- 950	- 1,586	- 1,672	- 2,109	- 6,317
or	- 16.1%	- 3.1%	- 14.1%	- 6.3%	- 6.2%

8. As a result of this downward trend, the share of inland waterways in total traffic has, of course, declined even further, to the advantage, in particular, of transport by road.

By way of example, the following table shows the percentage shares of rail, road and inland waterways transport in the carriage of goods in the Federal Republic of Germany, France and the Netherlands in 1965 and 1981 respectively<sup>1</sup>:

	<u>rail</u>	<u>road</u>	<u>inland waterway</u>
Germany	37% - 27%	37% - 52%	26% - 21%
France	53% - 39%	36% - 54%	10% - 7%
Netherlands	10% - 6%	24% - 33%	66% - 60%

9. Since 1979, the number of inland waterways vessels in the Community has declined considerably, although the total carrying capacity has fallen only slightly.

On 1 January 1979, the total fleet amounted to 19,397 vessels with a carrying capacity of 13,171 million tonnes, as opposed to 17,707 vessels and 12,947 million tonnes on 1 January 1983 (a fall of 1,690, or 8.7%, in the number of vessels and 224,000 tonnes, or 1.7% in carrying capacity)<sup>2</sup>.

<sup>1</sup> Source: Report of the European Conference of Ministers of Transport (ECMT) on the situation and trends in the inland waterway sector (3.5.1983)

<sup>2</sup> Doc. COM. VII/479/83.

The sharpest decline in this period occurred in the Federal Republic of Germany, where the number of vessels and tonnage fell by 17.4% and 10.4% respectively.

In the Netherlands, on the other hand, the inland fleet increased in size by 2.5% (160 vessels) and available cargo space by 10.6%. The Netherlands is the only country in which an increase occurred in the years 1979 to 1983.

The trend in the number of inland waterways undertakings gives a particularly clear picture of how the situation in the sector has deteriorated.

10. The following table shows how many undertakings were operating in those Member States with important inland waterways sectors on 1 January 1965 and 1 January 1982<sup>1</sup>.

	<u>1965</u>	<u>1982</u>	<u>Total difference</u>	<u>%</u>
Belgium	4,121	2,187	- 1,934	- 47
Germany	4,304	1,910	- 2,394	- 56.3
France	5,088	3,014	- 2,074	- 41
Luxembourg	17	17	-	-
Netherlands	8,194	4,782	- 3,412	- 42
TOTAL:	21,724	11,910	- 9,814	- 45

In contrast, the number of undertakings in Switzerland has increased considerably (from 35 in 1969 to 147 in 1982, which represents a rise of 320%). This significant upward trend can be attributed to the Swiss Government's preferential taxation policy towards the inland waterways branch of the transport sector.

11. Since the overwhelming majority (more than 80%) of inland waterways undertakings own only one vessel, which is usually operated on a family basis, the fall in the number of firms means in practice not only that a large number of businesses went under between 1965 and 1982 but also that many carriers lost their accommodation along with their jobs.

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<sup>1</sup> See ECMT document referred to above

12. In these circumstances, it goes without saying that the profitability of the inland waterways sector, which Mr Fuchs described in his report as 'quite simply bad', has deteriorated still further in recent years as a result of the low level of utilization, lengthy waiting periods for cargoes, and freight rates which have in no way kept pace with the rise in costs. The European Bargemen's Organization has pointed out in this connection that there can be no question of a satisfactory return on capital investment.

The rapporteur will return to this problem in the section on overcapacity.

13. The further decline in the inland waterways sector is attributable in large measure to the crisis in the steel and building industries and to the recent structural changes in the energy sector.

14. The period from 1979 to 1982 saw a considerable fall in the volume of operations involving three of the four main types of merchandise which are carried by inland waterways and which together account for almost 70% of total traffic. Petroleum products were the exception.

This trend is apparent from the following table (in millions of tonnes)<sup>1</sup>:

	Building materials	Ores and metals	Petroleum products	Coal	TOTAL:
1979	55.9	40.4	26.3	13.3	135.9
1982	49.3	34.9	27.7	12.7	124.7
Difference	- 6.6	- 5.4	+ 1.4	-0.6	- 11.2
i.e.	-11.9%	-13.4%	+ 5.3%	-4.3	- 8.3%

Transport forecasts suggest that the revival in the building industry will result in a small increase in the amount of building materials transported by inland waterways, but the difficulties in the steel industry will have negative effects on the sector<sup>2</sup> and there will be no upswing in the immediate future unless action is taken quickly.

<sup>1</sup> Cf. COM.VII/479/83

<sup>2</sup> See the report by the Central Commission for the Navigation of the Rhine on market observations for 1983: analysis and prospects, dated 25.4.1983

15. Although, of course, precise figures are not yet available, it should be pointed out that 1983 was an extremely difficult year for the inland waterways sector. In the spring (March/April), flooding caused considerable problems, and the last three months of the year were characterized by exceptionally low water levels, as a result of which inland waterways vessels were able to use only part of their cargo space.

1983, then, was an unrepresentative year and cannot therefore be used as a basis for an objective assessment of the situation in the inland waterways sector or as a reference year for working out measures to benefit this branch of the transport industry.

16. The general deterioration in the situation is also apparent from the social unrest in the sector which in the Netherlands, in August 1981, led to mass blockades of the main Dutch waterways by private operators and to bitter confrontations with the government and the forces of order.

### III. CRISIS AND OVERCAPACITY IN THE INLAND WATERWAYS SECTOR

17. The excess capacity of the inland fleet is undoubtedly the most important and most difficult problem at present facing the Community's inland waterways sector.

Moreover, the imbalance between supply and demand in this sector is structural in nature and hence can no longer be ascribed purely and simply to cyclical factors.

18. In his report on possible measures to improve the situation in the inland waterway sector, Mr Fuchs warned against the danger of structural overcapacity and pointed out that a well-considered capacity policy was needed because 'the considerable seasonal fluctuations and differences in water level make reserve tonnage indispensable, while an excess of cargo space has a negative effect on freight rates and makes stabilization of this transport market impossible'<sup>1</sup>.

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<sup>1</sup> Doc. 146/79, Explanatory Statement, point 19

19. 1979 was the last year to see a measure of balance between supply and demand on the inland waterways market. Since then, the sector has increasingly had to cope with the problem of permanent excess cargo capacity, the reasons for which are discussed in the foregoing section (reduction of the inland waterways' share in total traffic and the crisis in the building and steel industries).

20. It is difficult to make an exact assessment of the extent of the overcapacity. The Central Commission for the Navigation of the Rhine put the overall figure at roughly 17% on 1 January 1983. In the case of dry-cargo vessels, the estimates were as high as 20%. The CCNR believes that capacity should be reduced by 1 to 1.75 million tonnes.

Unfortunately, comparable figures are not available for waterways other than the Rhine.

However, if we take the trend in average waiting periods as a basis, it is apparent from the Commission document mentioned earlier that overcapacity also occurs - albeit to a lesser extent than on the Rhine - on the international North-South link (Netherlands to France via Belgium).

21. Excess capacity not only depresses price levels but also leads to ruinous competition and threatens the survival of many inland waterways undertakings.

In order to safeguard the existence of these undertakings, the national authorities have adopted divergent measures which impede the smooth flow of cross-frontier inland waterways traffic and often result in discrimination against vessels flying foreign flags.

22. It is impossible to find a solution to the problem of excess capacity in the inland waterways sector which is satisfactory to all the parties concerned, because the interests of shippers, owners and private operators differ so widely and their ideas on the subject are so irreconcilable that any proposed solution, whatever it may be, is bound to run up against opposition from one side or another. Moreover, there is no uniformity in the practices currently adopted in the various countries with important inland waterways sectors.

23. However, it is imperative, for the sake of this branch of the transport industry, to find satisfactory and uniform solutions to the increasingly serious problem of overcapacity - solutions aimed at injecting new life into the sector and hence increasing its competitiveness on the transport market.

24. Such objectives can be achieved only at European level if we are to ensure that divergent national rules do not result in distortions of competition and a further decline in the inland waterways sector.

25. In this connection, therefore, the failure to adopt Community measures is disastrous. The rapporteur is firmly convinced that if the Community had adopted a series of measures in consultation and cooperation with the Central Commission for the Navigation of the Rhine at an earlier stage, the present crisis in the inland waterways sector would not have been so severe.

26. This sector is treated in the Community as the Cinderella of the transport industry, and the blame for the failure to take any action lies with both the Council and the Commission.

27. For its part, the Council displays an appalling reluctance to take decisions. The following documents appear in the latest list of Commission proposals on which the European Parliament has delivered an opinion and which are now pending before the Council (situation at 1 October 1983)<sup>1</sup>:

(a) Proposals relating exclusively to inland waterways:

- proposal for a Council regulation relating to access to the inland waterway freight market, Doc. COM(67) 720 of 23.11.1967, amended by COM(69) 311 of 25.4.1969;
- proposal for a regulation on the harmonization of certain social provisions relating to goods transport by inland waterway, Doc. COM(75) 465 of 10.9.1975, amended by COM(79) 363 of 17.7.1979;
- proposal for a Council regulation on a system of reference tariffs for the carriage of goods by inland waterway between Member States, Doc. COM(75) 640 of 10.12.1975 amended by COM(77) 116 of 6.4.1977

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<sup>1</sup> Doc. SEC(83) 1608/final, of 12 October 1983, pages 43 to 49.



(b) Proposals applying to road, rail and inland waterways transport:

- proposal for a regulation supplementing Regulation No. 1191/69 of 26.6.1969 on action by Member States concerning the obligations inherent in the concept of a public service in transport by rail, road and inland waterway, Doc. COM(72) 1516 of 7.12.1972 and COM(80) 907 of 9.1.1981, amended by COM(82) 106 of 11.3.1982;
- proposal for a regulation concerning a system for monitoring the market for the carriage of goods by rail, road and inland waterway between Member States COM(75) 490 of 1.10.1975, amended by COM(80) 785 of 5.12.1980;
- proposal for a Council decision setting up an information and consultation procedure for relations and agreements with third countries in the field of transport by rail, road and inland waterway Doc. COM(80) 809 of 11.12.1980.

28. The Commission also withdrew a number of proposals when it became apparent that agreement could not be reached in the Council.

This applies to:

- the proposal for a directive, of 1975, on uniform rules governing access to the occupation of carrier of goods and passengers by inland waterway<sup>1</sup>;
- the proposal for a directive, also of 1975, aiming at the mutual recognition of diplomas, certificates and other evidence of formal qualifications for road or waterway passenger transport and goods haulage operators, including measures intended to encourage these operators effectively to exercise their right to freedom of establishment<sup>2</sup>;

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<sup>1</sup> It was not until December 1983 that the Commission submitted a new, albeit watered down, proposal to the Council on this matter (Doc. 1-1239/83 - COM(83) 720 final); this was referred to the Legal Affairs Committee as the committee responsible and to the Committee on Transport, for its opinion.

<sup>2</sup> The European Parliament approved this proposal, subject to a number of amendments, on the basis of the report on the subject by Mr Albers (Doc. 91/76).

- proposal for a regulation concluding the agreement establishing a European laying-up fund for inland waterway vessels, Doc. COM(76) 410 of 21.7.1976<sup>1</sup>.

29. As already pointed out in the introduction, the Council has adopted only one significant text on waterways transport since 1979, namely the directive laying down technical requirements for inland waterway vessels<sup>2</sup>. Moreover, although in the report drawn up on this subject on behalf of the Committee on Transport (Doc. 1-380/79) the rapporteur, Mr Baudis, urged the Council to adopt the directive that year, i.e. in 1979, the Council had to discuss the matter at several meetings and did not manage to reach unanimous agreement until 4 October 1982.

30. The Commission also merits criticism in the inland waterways sector. In its official proposals, it has failed to take action on Parliament's numerous recommendations - apart from the proposal referred to in the previous paragraph - while in Directorate-General VII (Transport), a plan to improve the situation in the inland waterways sector was drawn up after difficult and time-consuming negotiations with the various representative organizations. This plan was never submitted to the Council, although the organizations involved approved it. Subsequently, pursuant to Article 116 of the EEC Treaty, the Commission submitted to the Council a proposal for a decision on the adoption of measures to eliminate structural over-capacity, without consulting the organizations directly concerned<sup>3</sup> and without Parliament's being asked for its opinion.

The rapporteur utterly rejects this procedure. Whatever the content of the document might be - and we shall return to this later - the fact that on 7 October 1983 a proposal was submitted on which Parliament was not consulted is very regrettable, particularly in the light of the large amount of work it has done in this field.

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<sup>1</sup> The rapporteur also drew up a report on this proposal (Doc. 382/76) and the resolution it contained was adopted by the European Parliament on 17 December 1976.

<sup>2</sup> OJ No. L 301, 28.10.1982, p. 1

<sup>3</sup> In a note dated 29 November 1983, the European Bargemen's Organization lodged a very strongly-worded protest against this procedure.

31. Finally, a number of proposals have been overtaken by recent developments in the inland waterways sector, and the Commission should long ago have formulated new proposals or, at least, made the necessary adjustments to the existing ones.

#### IV. MEASURES TO INTRODUCE AN APPROPRIATE CAPACITY POLICY AND TO IMPROVE THE SITUATION IN THE INLAND WATERWAYS SECTOR

32. This section takes up the observations made in the foregoing paragraphs and deals with the various ways of eliminating excess capacity and improving or revitalizing the Western European inland waterways sector.

##### A. Measures relating to overcapacity

###### (i) Scrapping operations

33. The rapporteur takes the view that a well-considered European scrapping programme is the most suitable means of achieving healthier market conditions in the inland waterways sector.

34. Scrapping operations have been carried out in Belgium, France, the Netherlands and the Federal Republic of Germany. However, the arrangements (including methods of financing), duration and results have differed considerably from one country to another. Only in Germany can the consistent efforts made be considered to have yielded satisfactory results: between 1969 and 31 December 1982, 4,272 inland waterway vessels were scrapped, reducing the cargo capacity of the market by 2.1 million tonnes. Moreover, the scrapping premiums were paid out by the industry and not by the government. By contrast, the scrapping measures in the other countries have had little effect, while in the Netherlands, the number of vessels and the tonnage available have even increased in recent years.

35. This situation shows that the problem of structural overcapacity cannot be tackled effectively on a purely national level and that coordinated action is necessary for the removal of surplus tonnage from the market.

36. On 7 October 1983, and acting on the basis of the Central Commission for the Navigation of the Rhine's resolution of 4 May 1983 on overcapacity in the Rhine fleet, the Commission submitted to the Council a proposal for a decision on joint action by certain Member States within the Central Commission for the Navigation of the Rhine on the adoption of measures to eliminate the structural overcapacity of the Rhine fleets and to prevent the creation of new overcapacity<sup>1</sup>.

This proposal, on which Parliament would have liked to be consulted, is consistent with the rapporteur's wishes, at least insofar as the Commission rightly argues that harmonized rules on scrapping and standardized rules on the creation and administration of scrapping funds would make national scrapping programmes more effective. Indeed, such arrangements are the only way of achieving the desired objective and ensuring that inland waterways vessels do not disappear in one country only to turn up again under a different flag in another<sup>2</sup>.

37. Without wishing to discuss this document in great detail, the rapporteur would stress the following points:

- the extent of overall excess capacity must be determined as accurately and as quickly as possible, and criteria should be worked out for assessing surplus cargo space in each country, taking full account of the efforts already made by the countries concerned (Germany being a case in point);
- the scrapping measures would be implemented by the competent national authorities on the basis of the uniform criteria worked out by the CCNR and the Commission of the European Communities;
- scrapping must be selective, inasmuch as obsolete vessels should be taken out of circulation first;

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<sup>1</sup> Doc. COM(83) 582 final

<sup>2</sup> On 16 September 1983, Mr Scherpenhuizen, Netherlands Secretary of State for Transport and Waterways, pointed out in Duisburg that between 1970 and 1980, the Netherlands had 'imported' about 450 thousand tonnes in this way, while Germany had 'exported' roughly 600 thousand tonnes.

- decisions to scrap vessels should be made on a voluntary basis, which means that scrapping premiums would have to be financially attractive; it would therefore be desirable to set up a special fund for this purpose which would be financed by the inland waterways undertakings themselves through levies imposed on the basis of the cargo capacity of such undertakings;
- if, however, this should prove to be impossible in practice, the national authorities could grant aid, on condition that they kept the Commission regularly informed of the amount, so that a balance could be maintained between the Member States concerned;
- since single-vessel owners who opted for scrapping arrangements would lose their jobs and accommodation, the Commission must investigate practical methods for granting financial aid from the Social Fund;
- the scrapping premiums should not be used for the purchase or construction of new vessels;
- the scrapping measures should not be confined to the Rhine Basin.

38. The rapporteur is totally against any measures which would limit the construction of new vessels. It is essential to modernize the fleet if we are to make this sector attractive and hence increase its share of the market. Moreover, container traffic is likely to expand considerably in the coming years, and the inland fleet must therefore prepare for this growth, for example by means of investments in push-tugs, so that the inland waterways sector can compete in the sphere of combined transport. Technological progress cannot and should not be halted.

The scrapping measures should allow for the extra tonnage created in each category by the construction of new vessels, account being taken at the same time of the technical characteristics and improved turn-around capacity of such vessels. As Mr Carossino pointed out in his recent report on inland transport<sup>1</sup>, no state aid should be granted for the construction of new vessels.

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<sup>1</sup> Doc. 1-1138/83, Explanatory Statement, point 57

(ii) Laying-up arrangements

39. Scrapping measures alone cannot fully eliminate structural overcapacity, and in any case, seasonal overcapacity will still continue to cause problems. In the rapporteur's view, therefore, scrapping operations should be supplemented by adequate laying-up arrangements<sup>1</sup>.

On 9 July 1976, Belgium, Germany, France, the Netherlands, the United Kingdom and Switzerland initialled an agreement on the introduction of laying-up measures. The Commission subsequently drew up a proposal for a regulation concluding the agreement establishing a European laying-up fund for inland waterway vessels<sup>2</sup>.

In the same year, the rapporteur made a detailed examination of the aims, machinery, terms and consequences of the arrangements and strongly recommended in his report (Doc. 382/76) that the agreement should be endorsed. For further details, reference should be made to this report (resolution adopted by the European Parliament on 17 December 1976<sup>3</sup>).

Legal difficulties and opposition from certain carriers' organizations prevented the implementation of the scheme.

40. In view of the serious nature of the present situation, the Commission is requested to re-open negotiations as soon as possible with a view to the conclusion of a similar agreement on the elimination of cyclical overcapacity.

Preliminary consultations should, of course, be held with the organizations concerned.

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<sup>1</sup> See Written Question No. 1078/78 from the rapporteur to the Commission, OJ No. C 113, 7.5.1979, p. 27

<sup>2</sup> OJ No. C 208, 3.9.1976, p. 2

<sup>3</sup> OJ No. C 6, 10.1.1977, p. 146

(iii) Sale of vessels

41. The debate on the above resolution on laying-up arrangements led to the adoption of an amendment requesting the Commission to explore the possibilities of exporting surplus barges to the developing countries where their use for transshipment and storage would help to alleviate port congestion<sup>1</sup>.

This was, in fact, in line with one of the suggestions made by UNCTAD<sup>2</sup>. Moreover, Belgium, for example, has exported low-capacity inland waterways vessels to Nigeria.

In answer to a written question from the rapporteur, the Commission said that for a number of economic and technical reasons it was not intending to introduce any measures of the type referred to<sup>3</sup>.

42. Italian operators have recently informed the rapporteur that there is a shortage of cargo space on the Po, where infrastructural improvements are being made.

43. The rapporteur therefore asks the Commission to explore this possibility more fully and to submit appropriate proposals. He is not satisfied with the answer to the written question he tabled in 1977.

(iv) Market observation

44. The ability to take swift action is a prerequisite for increasing the effectiveness of measures to control capacity. To this end, the market observation system operated by the Central Commission for the Navigation of the Rhine and the Commission of the European Communities should be improved. The Bundesverband der deutschen Binnenschifffahrt pressed for such improvements in a letter to the rapporteur dated 14 September 1983.

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<sup>1</sup> OJ No. C 6, 10.1.1977, p 146, paragraph 3

<sup>2</sup> UNCTAD, GE 76-67014, 5.7.1976, p. 12

<sup>3</sup> OJ No. C 94, 18.4.1977, p. 33

(v) Access to the market

45. With a view to solving the problem of excess capacity, the Central Commission for the Navigation of the Rhine is at present studying the conditions for access to the market and the possible introduction of a licensing system. An interim report issued by the CCNR's economic committee on 28 November 1983<sup>1</sup> indicates that it has not been possible to reach agreement on this matter. The Netherlands, for example, supports a European licensing system under which permits would be refused in the event of serious market disturbances, while the Federal Republic of Germany opposes such arrangements for access to the market.

46. In its communication of 11 February 1983 entitled 'Progress towards a Common Transport Policy', the Commission states that 'as regards access to the market, there seems to be no good reason to depart from the present practice under which the decision to enter the market is left to the commercial considerations of operators'<sup>2</sup>.

47. The European Bargemen's Organization has informed the rapporteur that it considers the introduction of a European system of operating licences essential to the control of capacity. The organization takes the view that increases in tonnage could be prohibited at times of structural overcapacity, and that at times of cyclical overcapacity, it might, for example, be possible to adopt arrangements whereby new tonnage would be admitted to the market only if an equivalent amount of old tonnage was withdrawn.

The Bundesverband der deutschen Binnenschifffahrt pointed out in this connection that the first step should be to eliminate structural overcapacity, after which - at times when capacity still exceeded requirements - the construction of new vessels should be allowed only if the same amount of cargo space was scrapped (new for old). In no circumstances should a Community quota system of the type used in the road transport sector be introduced for inland waterways transport.

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<sup>1</sup> Doc. ECO(83) 13, rev. 3

<sup>2</sup> OJ No. C 154, 13.6.1983, p. 14, paragraph 5.4.2.



48. The rapporteur requests the Commission to revise its proposal for a regulation on access to the inland waterways freight market (Doc. COM(67) 720, as amended by Doc. COM(69) 311 of 25.4.1969) in the light of current trends and requirements and to submit a new proposal on the subject to the Council as quickly as possible.

(vi) Rotation

49. Belgium, France and the Netherlands have now adopted legislation covering rotation in inland shipping. France also applies such legislation to operations across the border into Belgium and the Netherlands, and Belgium applies it to operations across the border into France. The subject is a very controversial one.

50. Mr Fuchs pointed out in his report that by means of rotation, an indispensable reserve capacity could be maintained without negative effects on freight rates. On the other hand, he also pointed out that it did not reduce capacity as such, it was not conducive to modernization of the fleet, and it limited the freedom of choice of shippers and consumers which, of course, ran counter to the EEC Treaty and the 1965 basic regulation on the harmonization of the conditions of competition. The counterargument advanced by private carriers is that a rotation system governed by legislation and providing for compulsory minimum rates guarantees a profit margin which allows for the modernization or replacement of vessels<sup>1</sup>.

Rotation cannot be applied on the Rhine because the 1868 Convention of Mannheim guarantees virtually complete freedom of navigation on that river.

51. As long ago as 1978, the rapporteur asked the Commission in a motion for a resolution (Doc. 517/78) to 'cooperate in the opening of negotiations between the appropriate authorities in the trade and to offer its good offices with a view to removing the difficulties that had arisen'<sup>2</sup>. The Fuchs report made the same request.

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<sup>1</sup> Fuchs Report, Doc. 146/79, Explanatory Statement, point 32

<sup>2</sup> The European Parliament adopted this resolution on 15 December 1978  
OJ No. C 6, 8.1.1979.

52. The situation now, five years later, is that the above objective has still not been attained and, moreover, the differences between shippers, owners and private carriers on the matter of rotation arrangements have become even more marked.

The Commission is therefore requested to submit practical proposals at long last - after consultations with those concerned - and to take account in these proposals of the fact that the overcapacity has now become structural in nature.

53. In the rapporteur's view, priority should be given at Community level to an effective package of scrapping measures designed to eliminate structural overcapacity. These measures should be combined with European laying-up arrangements to cope with the problem of cyclical overcapacity. This, however, does not mean to say that uniform provisions relating to other measures should not be worked out as quickly as possible. Where necessary, consideration could be given to transitional arrangements on certain complicated issues such as rotation. In this connection, account should be taken of what is said on the subject of forms of cooperation and the adjustments which should be made to the rules of competition in the final resolution adopted at the end of the Year of Small and Medium-sized Undertakings (SMU).

#### B. Other measures for the inland waterways sector

##### (i) Infrastructural provisions

54. In 1982, Mr Hoffmann made a detailed survey of the existing inland waterways network and of the improvements which were either planned or already under way. The rapporteur can therefore confine his comments to the main developments that have occurred in this field since Mr Hoffman's report (Doc. 1-323/82) was drawn up<sup>1</sup>.

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<sup>1</sup> The report was approved in committee on 27.5.1982 and the resolution it contained was adopted by Parliament on 9.7.1982.

55. As regards national measures, attention should be drawn to the French scheme - the 'Plan Grégoire' - adopted by the French Government on 1 June 1983 with the aim of revitalizing the sector, inter alia by means of an ambitious infrastructure programme<sup>1</sup>.

The rapporteur welcomes this initiative because it makes for a global approach and ensures that priorities can be defined more accurately. He hopes, therefore, that this example will be followed in those other countries which have important inland waterways sectors.

The Commission is urged to investigate and report on the extent to which the Plan Grégoire covers transfrontier links and is consistent with the development of a coherent modern European network of major inland waterways, as advocated by Parliament in the Hoffmann resolution.

56. As regards Community measures, attention should be drawn to the transport infrastructure experimental programme (COM (82) 828 final) which the Commission submitted to the Council on 14 December 1982.

This programme, which covers the periods 1983 to 1984 (first phase) and 1985 to 1987 (second phase), makes provision for a total of 1,500 million ECU to be granted in the form of financial support for infrastructure projects of Community interest.

57. The annex to this programme lists the following inland waterway projects (the figures in brackets show the estimated costs in millions of ECU):

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<sup>1</sup> 'Schéma de développement du transport fluvial et schéma directeur des voies navigables'. La documentation française, March 1983.

- France-Belgium axis: development of the Lys link (58);
- East-West axis: development of the Canal du Centre in Belgium (154);
- Belgium-Netherlands axis: development of the Albert Canal (264);  
development of the Belgian section of the Lanaye Canal (22);  
development of the Dutch section of the Zuid Willemsvaart Canal (85);  
  
development of the Zuid-Beveland Canal (NL) (235)  
development of the Wessem-Nederweert link (NL) (60)
- Rhine axis: deepening of the Lower Rhine between Duisburg and the Dutch border (28) and
- Oude Maas: construction of a drawbridge (16).

58. The above list should not be regarded as definitive. If financial aid is actually to be granted out of Community funds, it is essential that the Commission should first draw up practical proposals and consult Parliament on the matter.

In a report on this subject, Parliament called on the Commission to extend its machinery for evaluating the importance to the Community of traffic infrastructure projects when implementing the proposed multiannual programme and to establish adequate objective criteria for determining the value to the Community in a cost-benefit analysis based on a uniform procedure for all projects<sup>1</sup>.

59. Although the granting of Community aid should be based solely on objective criteria, it should nevertheless be pointed out that the Community's waterways network is not without a number of major bottlenecks which form an obstacle to transfrontier transport by inland waterways and hence hamper the successful development of the sector.

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<sup>1</sup> Baudis report, Doc. 1-979/83.

60. Without wishing to advocate a system of preferential support for the inland waterways sector, the rapporteur would draw attention to the fact that both the Fuchs report and the Vandewiele motion for a resolution stressed the relative advantages of inland waterways over other forms of transport, namely low energy consumption, a high degree of safety and environmental acceptability.

These advantages cannot of course be quantified, but they should in no circumstances be overlooked when the list of projects eligible for Community aid is drawn up.

(ii) Social measures

61. On 17 September 1975, the Commission submitted to the Council a proposal for a regulation on the harmonization of certain social provisions relating to goods transport by inland waterway<sup>1</sup>. After wide-ranging consultations with all the parties concerned, Parliament adopted a large number of amendments to the proposal for a regulation<sup>2</sup>, most of which were incorporated by the Commission in its revised proposal of 17 July 1979<sup>3</sup>.

62. The Council took no action at all on this proposal. Moreover, because of the deterioration which has occurred in the inland waterways sector since that time, it has now been overtaken by events, and the rapporteur expects the Commission to submit without delay a new proposal on the subject adapted to meet present requirements. In this connection, sufficient attention should be paid to improving current working conditions, the role of women on inland waterways vessels, social security and legal requirements as regards crewing levels.

63. Efforts should be made to reduce working hours with a view to redistributing the work available. The proposals at present before the CCNR tripartite committee, which tend more towards an increase in working hours, are unacceptable. Crewing strengths should be maintained at their present levels despite the technical improvements in equipment. In this connection, it should be remembered that the volume of waterway traffic is growing, and that dangerous substances now account for a larger proportion of the goods transported.

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<sup>1</sup> OJ No. C 259, 12.11.1975, p. 2

<sup>2</sup> Osborn report (Doc. 484/76) OJ No. C 57, 7.3.1979, p. 9

<sup>3</sup> OJ No. C 206, 16.8.1979, p. 3

Account should be taken of the statutory reduction in the length of the working week in France. A directive should be adopted to ensure that such statutory reductions are not confined to one Member State but are introduced in all the others.

64. On 5 June 1979, in a resolution on the Tripartite Conference-Council of Ministers of Social Affairs of 15 May 1979, the European Parliament expressed the view that:

'parties to collective wage negotiations should be urged to reduce the amount of work per employee, and that a reduction of about ten per cent over five years would be appropriate, although the actual arrangements must form the subject of negotiations in the individual branches of industry, in which connection the public authorities as the largest employers should in particular set an example'<sup>1</sup>.

In the same resolution it advocated the gradual abolition:

'of structural overtime by means of uniform Community arrangements which must at the same time include measures to ensure that minimum wages are safeguarded and adjusted' and recommended the Commission 'to investigate the extent to which these measures can be supervised or controlled by means of the notification or authorization system for overtime in force in most Member States of the Community'<sup>2</sup>.

65. Since 1979, the European Parliament has repeatedly stressed the importance of this problem, in particular in the Ceravolo report (Doc. 1-71/83) on the reduction and reorganization of working time.

66. Particular attention should be drawn to the fact that measures to bring journey times and working schedules into line with the general aim of reducing working hours and thus improving the distribution of the work available will have a favourable effect on the utilization of capacity in the inland waterways sector.

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<sup>1</sup> Albers Report (Doc. 31/79) - OJ No. C 140, 5.6.1979, p. 49, para. 9

<sup>2</sup> Albers Report (Doc. 31/79) - OJ No. C 140, 5.6.1979, p. 49, para. 10

The transport industry must not be allowed to lag behind the other industries.

The Commission has signally failed to encourage social progress in the transport sector, and in particular in inland waterways.

(iii) Precautions against dumping by Eastern bloc shipowners

67. The problem of unfair competition from Eastern European countries on the Community's inland waterways is not at present very serious because the Eastern bloc has only limited access to the Western European network. However, the opening of the Rhine-Main-Danube canal in a few years time is likely to have far-reaching effects on Western European operators when they are confronted with the expansionist transport policy of Eastern European state-owned undertakings<sup>1</sup>.

68. It is therefore vital to take the necessary precautions at this stage. Such precautions include:

- the implementation, at Community level, of Supplementary Protocol No. 2 to the Convention of Mannheim, which defines the terms on which operators from non-EEC countries and non-riparian states are allowed access to the Rhine basin<sup>2</sup>;
- the conclusion of bilateral agreements, which could be incorporated in a balanced multilateral agreement;
- the establishment of compulsory minimum rates, which would cover costs and guarantee reasonable profits;
- Community rules on the right of establishment, with a view to ensuring that Eastern European state-owned undertakings cannot drastically undermine the Western European inland waterways market through the intermediary of subsidiary companies and majority holdings in the West.

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<sup>1</sup> The difficulties experienced by German and Austrian vessels on the Danube are very significant in this connection

<sup>2</sup> See the Commission's communication of 11.2.1983, OJ No. C 154, 13.6.1983, p. 14, paragraph 5.4.2.

Precautions of this type are also necessary as a means of ensuring that East-West trade is not disrupted by bitter confrontation between inland waterways undertakings from the two blocs or - as Mr Fuchs put it<sup>1</sup> - by a chain reaction of measures and countermeasures.

(iv) Tariffs

69. The question of tariffs in the inland waterway sector must also be re-examined as soon as possible, and suitable new proposals should be submitted on the subject.

The Commission is recommended to hold consultations with all the parties concerned with a view to bringing its 1975 proposal<sup>2</sup> as closely into line as possible with current requirements.

70. In his report on the subject (Doc. 381/76), the rapporteur proposed a number of amendments to the draft regulation. The intention was to ensure that at times of crisis or serious and persistent market imbalance, it would be possible to abandon the proposed reference tariffs (which were designed purely as a guide) and replace them with minimum tariffs imposed by the national authorities and approved by the Community.

(v) Utilization of modern technologies

71. The rapporteur feels that the inland waterways sector should make better use of technological advances. This applies both to the construction and fitting out of vessels and to transport operations as such.

In this connection, attention should be drawn in particular to the use of computers to obtain a more accurate picture of the market situation in order, for example, to give carriers a better chance of obtaining return cargoes.

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<sup>1</sup> Fuchs report Doc. 146/79, Explanatory Statement, point 41

<sup>2</sup> OJ No. C 54, 8.3.1976, p. 30



## (vi) Cooperation

72. The rapporteur would take this opportunity to appeal to all the parties involved in the inland waterways sector to work together more closely in the future. The considerable differences in outlook which divide the various interest groups, and in particular private carriers' organizations, make it extremely difficult to find satisfactory solutions, which are of course a sine qua non for the implementation of an effective Community policy in this area.

## V. CONCLUSIONS

73. In this report, which has been drawn up in response to the motion for a resolution tabled by Mr Vandewiele and others and referred to the Committee on Transport, the rapporteur has tried to show that since Mr Fuchs drew up his basic report in 1979 - and particularly in more recent years - the situation in the inland waterways sector has deteriorated alarmingly and that both the Council and the Commission have failed in their duty in this area.

74. He has also attempted to sketch out the broad lines of a Community approach to the problem of bringing about an improvement in the situation and to describe in greater detail certain specific and urgently necessary Community measures. He has been guided in his efforts principally by the knowledge that the competitiveness of inland waterways must be strengthened in the medium and long term so that the sector can finally win the share of the market he feels it deserves.

75. Sadly, it must be pointed out that the Commission has conspicuously failed in its duty as regards measures to improve the situation in this area. It has been too ready to withdraw valuable proposals and has taken too long to submit new ones. The results of years of difficult negotiations with the many inland waterways organizations have been swept aside.

76. The present Commission clearly attaches too much importance to the effects of the market mechanism and fails to appreciate the special requirements of the inland waterways sector.

77. Finally, it would be useful to recall what Mr Kapteyn said as long ago as 1961 in his report on problems relating to a common transport policy in the EEC:

'If the European Economic Community is to live up to its name, and if something is really to be done for the freedom of transport in Europe, the acknowledged aim of a common transport policy must be first to ensure that common rules are applied in the foreseeable future to the entire European waterway network'<sup>1</sup>.

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<sup>1</sup> Kapteyn report (Doc. 106/61), page 95, paragraph 266, sub-paragraph 2.

MOTION FOR A RESOLUTION (Doc. 1-263/83)

tabled by Mr VANDEWIELE, Mr K.H. HOFFMANN, Mr KALOYANNIS, Mr MOORHOUSE,  
Mr GAUTHIER, Mr SEEFELD and Mr KLINKENBORG

pursuant to Rule 47 of the Rules of Procedure  
on Community measures for the inland waterway sector

The European Parliament,

- A. having regard to the report by Mr Fuchs on possible measures to improve the situation in the inland waterway sector (Doc. 146/79) and its resolution on this subject of 11 May 1979<sup>1</sup>,
- B. having regard also to the report by Mr Hoffmann on the inland waterways in the Community (Doc. 1-323/82) and its resolution on this subject of 9 July 1982<sup>2</sup>,
  1. Deplores the failure of the Commission of the European Communities to take any action in response to the numerous recommendations set out in the above report concerning the improvement of the situation in the inland waterway sector;
  2. Regrets that in the past five years no progress has been made at Community level as regards the inland waterways and notes that only one piece of legislation of any importance has been adopted, namely the Directive of 4 October 1982 laying down technical requirements for inland waterway vessels<sup>3</sup>;
  3. Points out that inland waterway transport offers major advantages such as low energy consumption, a high standard of safety and environmental compatibility and therefore considers the neglect of this transport sector by the Council and the Commission unacceptable;

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<sup>1</sup> OJ No. C 140 of 5 June 1979, p. 169

<sup>2</sup> OJ No. C 238 of 13 September 1982, p. 102

<sup>3</sup> OJ No. L 301 of 28 October 1982, p. 1

4. Draws attention to the fact, moreover, that the inland waterway sector has to contend with numerous difficulties, viz.:
  - a relatively low level of profitability;
  - disadvantages as regards competition with other modes of transport;
  - great dependence on water levels and seasonal variations which give rise to periodical imbalances between supply and demand for cargo space with all the attendant consequences for competition and freight charges;
  - serious bottlenecks in the waterway network and inadequate infrastructure;
  - absence of minimum social provisions;
5. Notes that the inland waterway enterprises and bargemen's organizations are in favour of a European approach in this field, especially as regards transfrontier traffic;
6. Calls for the adoption of appropriate specific Community measures for the inland waterway sector and for a greater degree of harmony between the national regulations;
7. Instructs its President to forward this resolution to the Council and Commission of the European Communities.

## RESOLUTION

on possible measures to improve the situation in the inland waterway sector<sup>1</sup>

The European Parliament,

- having regard to importance of inland waterway transport within the Community, particularly in Belgium, France, the Federal Republic of Germany and the Netherlands,
- concerned at the serious difficulties confronting this transport sector and in a desire to find Community solutions for this problem,
- anxious to maintain a balance between the competitive position of inland waterway transport and that of the other modes of transport,
- having regard to the report of the Committee on Regional Policy, Regional Planning and Transport (Doc. 146/79),

1. Notes that the inland waterway sector is characterized by a recurrent cyclical and structural imbalance between supply and demand in transport capacity and that because of the resultant decline in transport charges, inland waterway transport undertakings are faced with serious problems of viability;
2. Is aware that one of the consequences of this is an ageing fleet no longer able to meet the modern requirements of shippers;
3. Fears that this state of affairs is a threat to competition in this sector;
4. Notes also that the efforts being made to improve the situation in the inland waterway sector are based on divergent national and international measures and deplures, therefore, the lack of European solutions, particularly as regards cross-frontier inland waterway navigation, even though proposals have been submitted by the Commission;
5. Takes the view that every possible effort must be made at Community level to find satisfactory solutions for this transport sector, which undoubtedly offers important advantages, in particular comparatively low costs and transport charges, low energy consumption, a low level of pollution and a high standard of safety;
6. Is fully aware that major seasonal fluctuations and changes in navigability result inevitably in some excess capacity in this sector, but takes the view that this excess capacity must be adapted and managed in such a way as to prevent it from having an adverse effect on freight charges in certain market situations;
7. Considers it therefore necessary for a coherent system to be devised to suit the requirements of the market, and points out that this would at the same time help improve the quality of the inland waterway fleet;
8. Considers therefore that to improve the situation in this transport sector within the European Community:
  - (a) the actual situation in the market should be kept under constant surveillance, with particular attention to fluctuations in supply of and demand for cargo space, and that, in this context, forecasts should be made in conjunction with the responsible shipping organizations concerning the short-, medium- and long-term prospects for inland waterway transport;
  - (b) standard regulations should be established governing access to the occupation of inland waterway carrier;
  - (c) transport permits should be made obligatory as soon as possible both for national and international commercial and own-account inland waterway transport;
  - (d) a definitive Community system of navigability certificates should be introduced based on standard technical specifications with which inland waterway vessels must comply;
  - (e) a coherent system should be established for the laying-up, scrapping and rotation of vessels to avoid adverse effects on freight charges in certain market situations;

<sup>1</sup> OJ No. C 140, 5.6.1979, p. 169 - Cf. Fuchs report - Doc. 146/79

9. Believes that all measures considered in connection with a policy on access to the market should take account of the traffic conditions, the type of vessel and the type of firm;
10. Urges that the necessary precautions be taken as soon as possible to prevent the opening of the Rhine-Main-Danube canal giving rise to distortion of competition by the State-trading countries and further deterioration in the situation in the Western European inland waterway sector;
11. Considers it essential in this connection to prevent Eastern European State-run inland waterway concerns being able to set up business in the Member States of the Community;
12. Considers it imperative for reciprocal quotas to be established for traffic to and from State-trading countries and that such traffic should be effected at economic freight rates;
13. Confirms the position it adopted previously concerning the social problems in the inland waterway sector (\*) and hopes that the Commission will, in the near future, submit new proposals to the Council in this connection on the basis of that opinion, to bring about a swift, effective improvement in working conditions in this sector;
14. Calls on the Commission to consider what measures can be taken to assist inland waterway carriers and workers who, as a result of measures taken to reduce excess capacity, give up or lose their livelihood;
15. Takes the view that the Commission should play an active part in the planning of a European inland waterway network and that waterways of international importance should be eligible for Community financial aid;
16. Believes, however, that for reasons of efficiency and to avoid distortion of competition, any financial contribution made by the Community to improve the infrastructure of the inland waterways should be merely complementary to the financial efforts of the individual Member States;
17. Urges the Commission to consider whether, and if so, how the Community could provide supplementary aid for national scrapping operations, at the same time taking into account the modernization and improvement of the inland waterway fleet;
18. Is convinced that the setting up of a permanent consultative body on inland waterways chaired by the Commission and composed of delegates from representative inland waterway organizations, organizations of forwarding agents and of carriers for own account and an observer from the Central Commission for the Navigation of the Rhine would help in devising satisfactory solutions and at the same time, in avoiding strike action harmful to the inland waterway sector itself;
19. Considers it moreover essential, in view of the Mannheim Act and other inland waterway interests in Switzerland, for negotiations to be held with the latter before Community measures are taken;
20. Instructs its appropriate committee to pursue the examination of this matter and, if necessary, to report to it;
21. Instructs its President to forward this resolution and the report of its committee to the Council and Commission.