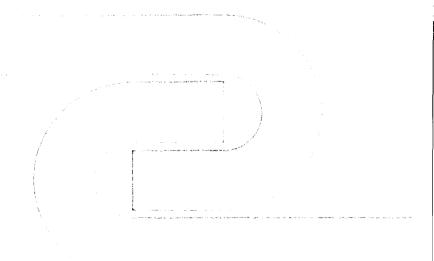
ECONOMIC AND SOCIAL COMMITTEE OF THE EUROPEAN COMMUNITIES

TRANSPORT POLICY IN THE 1980s

OPINION



The European Communities' Economic and Social Committee, chaired by Mr François CEYRAC approved this Opinion at its 201st Plenary Session, which was held on 27 and 28 October 1982.

The preliminary work was done by the Section for Transport and Communication, having Mr Sylvain LOCCUFIER as Rapporteur.

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FOREWORD

"The Community shall have as its task, by establishing a common market and progressively approximating the economic policies of Member States, to promote throughout the Community a harmonious development of economic activities, a continuous and balanced expansion, an increase in stability, an accelerated raising of the standard of living and closer relations between the States belonging to it."

Under the Treaty, the Community has to introduce a common transport policy. Title IV (Articles 74 to 84) of the Treaty contains some general provisions on the subject designed to guide the Commission in the exercise of its right to make proposals. In its capacity as an advisory body to the Council and the Commission, the Economic and Social Committee has to be consulted on the formulation of a common transport policy. Since the Paris Summit of October 1972, it has also had the right to issue Opinions on its own initiative on all matters of particular importance, and can accordingly also act as initiator.

The Committee is by no means satisfied with the degree of integration achieved in the Community in the area of transport policy. External aspects, particularly East-West transport and flags of convenience are also a cause of considerable concern. In the Own-initiative Opinions adopted in 1977 and 1978, the Committee admonished the Commission and the Council and urged them to take more positive action, unfortunately without any apparent success to date.

In 1980 it proposed a solution to the problem of weights and dimensions which was endorsed by the European Parliament and the Commission, but here again nothing has been done so far. After the disappointing Council of Ministers meeting of 26 March 1981, at which the Council undertook merely to discuss the matter again but not to adopt the urgently needed measures, the Committee felt itself compelled to remind the Council of its responsibilities.

At the instigation of its Section for Transport and Communications, the Committee joined forces with the European Parliament in moves which resulted in the Parliament's producing the CAROSSINO Report and the corresponding Resolution, while the Committee issued the LOCCUFIER Report and an Opinion on Community transport policy in the 1980s, prepared by Mr ROUZIER. This Opinion was adopted on 28 October 1982 and was widely publicized.

In this Opinion, the Committee reverts to the common transport policy for the first time since its critique of the common transport policy in 1975. It examines the Commission proposals which are still pending before the Council, urges a more pragmatic approach within the framework of an overall blueprint, and calls on the Council to assume its political responsibility for transport policy imposed upon it by the Treaty and at last lead the Community out of the inertia that has characterized this area for years.

The European Parliament has in the meantime instituted proceedings against the Council for its failure to act. Against this background the Committee urges the Council not to disregard the warning contained in its Opinion and to give serious consideration in the near future to the constructive recommendations which the Economic and Social Groups represented on the Committee have made. At a time of serious economic and social upheaval, the Community, can no longer afford very different national transport systems which do not allow optimum use of resources and which have become so expensive that the costs can no longer be borne without serious damage to the Community in the long-term.

The Committee's Report and Opinion on the transport policy of the Community in the 1980s are intended to provide a constructive contribution towards a speedy solution to the many outstanding problems.

I. OPINION OF THE ECONOMIC AND SOCIAL COMMITTEE ON THE TRANS-PORT POLICY OF THE EUROPEAN COMMUNITY IN THE 1980s

1. General Comments

One reason why there has so far been little progress towards a common transport policy undoubtedly lies in the fact that the basic stance of individual Member States on transport is largely determined by economic and geographical considerations; this is reflected in the considerable differences between national transport market structures.

In the past, some Member States of the Community have striven primarily for more liberalization in the transport sector whilst others have by and large given greater priority to harmonization of the terms of competition. In both cases, guidance has been necessary.

Contrary to the view - derived from free market economy principles - that without State intervention market mechanisms will lead to an optimum allocation of resources (including the allocation of resources between regions), it has become clear that regional and economic disparities are exacerbated rather than evened out by industrialization. This is especially true in times of serious economic recession, which is why measures are needed particularly urgently in the transport sector.

Continuing differences in development between areas of the Community as well as within individual Member States are inconsistent with the aim of creating equal opportunities in all regions in the interests of social justice. The elimination of regional disparities has only been partly successful

so far but can be achieved gradually through selective non-private-sector measures in the area of transport policy and physical planning. A market economy does not mean that market forces must be given a totally free rein and be expected to solve all problems on their own.

Production conditions in transport are in many ways different from those in the rest of industry. The basic conditions governing competition between and within the different modes of transport at both national and international level are also extremely varied. This is true of the requirements to be met by commercial carriers, the degree to which infrastructure costs are covered, the participation of the public authorities in covering loss risks, the conditions governing transit and third-country traffic, and the different labour provisions in force - to mention but a few important problems.

In an economic Community of ten States which trade heavily with each other and with other countries, efforts to secure an optimum organization of the Community's transport system take on a European dimension and are therefore a matter of Community interest. The inter-relationships between the transport sector and other Community policies are also such that unresolved transport problems may clearly have a negative or even harmful impact on the Community.

Because of the connection between macroeconomic and sectoral policies, the Community must assign an important place to investment in its strategy for social and economic revival. This has already been stressed on several occasions by the Committee.

There are ample projects for investment in transport and infrastructure so that the challenges to the common transport policy and socioeconomic structural policy in the 1980s can be taken up in parallel.

2. Basic framework

The lack of optimum basic conditions for transport leads to an uneconomic use of capital and labour. It is accordingly necessary to develop a Community transport policy that will help to ensure that demand for passenger and goods transport can be met continuously, quickly and efficiently with appropriate transport facilities. Such a policy should on the one hand be designed to create and promote conditions which are conducive to the formation and operation of financially-sound, commercially and socially well-equipped, and expertly managed undertakings. On the other hand the policy should also ensure that the public authorities provide such undertakings with an optimum transport infrastructure. As soon as cost-benefit analyses have been carried out, public and, if necessary, Community funds should be made available for this purpose.

The fact that a country's entire social and economic system cannot function without transport, coupled with the fact that Member States have different concepts of the role of transport, has meant that the transport market frequently does not operate as well as it might and that, in the absence of European solutions, the ensuing transport regulations have inevitably been based on national considerations and accordingly vary considerably. In particular, national regulations cannot cope with situations where there is a high degree of interdependence between countries, as is the case in the EEC. This is yet another reason why a Community transport policy is needed.

The present conditions in the transport market can lead to unacceptable distortions. Of course it is true that these specific factors (which result in surplus capacity and cut-throat competition) are found in other sectors as well, but not to the same degree nor at one and the same time.

This generates such a downward pressure on prices that the continuity of services is jeopardized. There is accordingly no alternative but to impose certain restrictions on competition in the interests of a healthy development of the transport sector, for it is obvious that cut-throat competition also has an adverse effect on social conditions in transport undertakings and on the longer-term interests of transport users.

Another typical feature of the present transport market is the wide variety of "public service" obligations imposed on carriers by the State. These obligations place a burden on national transport budgets. The task of a common transport policy would be to ensure that the carriers in question are compensated for the costs or deficits incurred, such compensation being charged to sections of national budgets to be determined in the light of the categories of beneficiaries.

Furthermore, it is impossible to create an EEC transport market based on market economy principles, unless the starting conditions as regards competition within and between different modes of transport are the same.

Supplementary measures may also be necessary. These could, for example, be concerned with technical competence and technical regulations. Neither general transport policy measures nor possible supplementary measures should, however, work to the advantage or disadvantage of one of the modes of transport, or arbitrarily infringe the principle of freedom of choice for the user. All measures in the field of transport rates and conditions must also take into consideration the economic situation of carriers.

As the Treaty provides not merely for the establishment of a common market but also for a common policy vis-à-vis non-Member States, it would be appropriate, when defining the general objectives, to make a distinction between transport within the Community and transport between the Community and non-Member States. As regards the latter, reference can be made to the objectives set out in Part 3, Tittle II, Chapter 3 of the EEC Treaty (Community commercial policy), which permits protective measures in the event of dumping or subsidies while specifying that, in the selection of such measures, preference will be given to "those which cause the least disturbance to the functioning of the common market".

3. Redefinition of the common transport policy in the 1980s

The common transport policy's task, as derived from the Treaty, can be described as follows:

"The task of transport is to create a framework for the difficult modes of transport so that passengers and goods can be carried between and within the various regions of the Community with optimum efficiency. Optimum efficiency is achieved when the transport sector contributes as much as possible to the common good and to the achievement of other policies (which may in turn have an impact on the transport sector and transport users) bearing in mind the overall costs of transport, and especially the cost of infrastructure, damage to the environment, accident risks, and the cost of social security."

If a common transport policy is to be successful in the 1980s, however, it must adopt a pragmatic approach within the framework of an overall blueprint that the Council should approve in the reasonably near future.

The pragmatic approach should be based on the following three guidelines:

The Common transport policy must allow as much free competition as possible, though in specific cases, and when necessary, this must be limited if the overriding interests of the general public are at stake. The basic factors setting limits to the liberalization of transport are (a) the differences in conditions of production and competition, (b) the importance of transport in regional planning, (c) the environment and energy conservation, and (d) the scarcity of land, raw materials and funds.

If it is to have any chance of success in practice, the common transport policy must concentrate on problems that are of Community-wide significance and can only be solved through joint efforts. This would pave the way for measures that do not necessarily involve all Member States, as long as similar solutions are found for similar problems in individual Member States. Community measures could be supplemented or amended by multilateral, bilateral or national solutions where this seems appropriate in the light of actual circumstances.

In formulating a Community transport policy it will be necessary to set out from the premise that the same measures do not have to be adopted for all transport modes, given, among other things, the considerable differences in the structure of transport enterprises and in the infrastructure they use. It is much more important to pay extra attention to the specific characteristics of each individual transport mode. Blanket measures would have disruptive effects and would artificially eliminate the natural advantages peculiar to each transport mode. However, if measures particular to an individual mode are adopted, actual transport operations should not suffer as a result.

4. Sectoral demands made on the common transport policy

Social Policy

A common transport policy must be socially beneficial by catering for transport needs from an overall economic point of view and by helping to improve the living and working conditions of the people employed in transport.

This quite naturally involves first and foremost the effective implementation of Community measures which have already been adopted, e.g. Regulation N° 543/69 on the harmonization of certain social provisions in road transport. As a result of its not being applied uniformly in the Member States, this Regulation is conducive to those very distortions of competition which it is itself intended to eliminate.

Furthermore, Community action in this field requires the implementation of provisions envisaged in Council Decision (65/271/EEC) of 13 May 1965 as well as the updating of existing measures.

Finally, Community action urgently requires cooperation between management and labour so that the package of social measures lying on the Council's table at the present time can finally be adopted as well. In this context, the Commission should be asked by the Council to strengthen contacts with the two sides of industry.

Energy policy

The rational use of energy (particularly oil) as well as utmost thrift in the use of public funds are necessary and must be reflected in all sectoral policies, including transport policy. Utmost thrift in the use of public funds does not mean so much restricting appropriations as directing funds to those uses which will bring about the greatest possible improvement in the conditions of production. The demands made by energy policy on a common transport policy will be fulfilled in the main if:

- infrastructure investments are scrutinized with a view to promoting means of transport which are more efficient and thus generally more economical in their consumption of energy;
- research is promoted into the development of (a) systems for transforming primary energy into tractive power and (b) energy-efficient designs and configurations;
- the development and use of transport modes using power from a variety of sources is encouraged to reduce dependence on oil.

Infrastructure problems

The most effective way of conducting transport policy and obtaining lasting results is through infrastructure investments made almost exclusively by the public authorities or at least significantly influenced by them. What needs to be done in the present situation is to examine all new plans to see whether they are commensurate with the most economical use of funds and in particular the saving of energy. The appropriate conclusions should be drawn regarding construction or expansion projects which do not fulfil these criteria.

Nor should one lose sight of the fact that for technical and qualitative reasons a large number of transport operations still have to be carried out by specific modes.

There is an urgent need to coordinate investment in this area with the active assistance of the Advisory Committee on Infrastructure in order to avoid needless and costly duplication. If existing infrastructure is to be utilized to optimum effect and developed properly, the main criteria to be applied, apart from the quality and level of the services offered, should be: regional development, environmental damage and energy requirements.

Major European infrastructure projects (Channel tunnel, removal of bottlenecks facing traffic to and from Italy and Greece, infrastructure projects in third countries such as Austria, Switzerland and Yugoslavia which play a significant role as regards transport links between Member States) must also be studied carefully because of their importance to the Community. Particular consideration should be given to the role such infrastructure projects can play in helping to boost the economy and improve the employment situation.

Urgent consideration should therefore be given to examining how the 10 million EUA earmarked for such projects in the Community's supplementary budget for 1982 can be used. In the view of the Committee, infrastructure measures cannot be effective unless the necessary resources are also provided for in subsequent budgets or an infrastructure fund is finally approved by the Council.

Greek accession and the impeding expansion of the Community southwards also make it necessary to give more importance to transport in the Mediterranean area. This calls not only for an appropriate Community infrastructure policy but also for a policy on ports. These two policies could usefully complement each other in this part of Europe, as the Section for Transport and Communications was able to establish in the case of transport between Greece and the rest of the Community via Trieste at an on-the-spot meeting held by the Section in Trieste on 15 and 16 July 1982.

Charging of infrastructure costs

Given the basic view that a pragmatic approach should be adopted towards a common transport policy, principles for the charging of infrastructure costs should be defined. These principles should therefore not only be defensible from a theoretical point of view, but should also be practicable. The Commission should thus be called upon by the Council to work out practical solutions and present them in the foreseeable future.

The Commission's proposals should, among other things, take account of the need to align infrastructure charges with external costs, including costs connected with deterioration of the environment, and to promote the more rational use of energy in transport.

Regional policy

In working out a European transport policy, account should also be taken of the need for a suitable regional policy which would have adequate regard for the requirements of underdeveloped regions and the problems of economically disadvantaged areas. The modernization of transport networks should in large measure be aimed at eliminating the risks of excessive concentration. Plans to modernize transport networks must be so devised as to avoid the risk of stimulating the

growth of urban agglomerations in the industrial heartland of Europe at the expense of the peripheral regions.

One approach would be to improve short-distance passenger transport, particularly in densely populated regions and the large conurbations. These measures must not, however, lead to an increase in concentration at the expense of the peripheral regions.

Environmental policy

Heavy industrialization in certain regions of the Community has led to the special problems of conurbations (urban sprawl, the despoilment of nature, bad communications for workers travelling to and from work, the impact of modern industrial and housing policies on the cohesiveness of the local community, the sharp increase in private transport). A transport policy for the future therefore presupposes a sensible, environmentally-oriented physical planning policy.

Responsibility in this area rests of course with the national authorities, though this does not mean that the Community should close its eyes to such problems - especially since they occur in regions on both sides of national borders. The problems thus also have a Community dimension.

Environmental problems falling within the jurisdiction of the Community - shipping accidents, air and sea pollution, noise abatement, etc. - also call for appropriate "European" solutions within the framework of transport and other Community policies.

The Committee reserves the right to take up these matters in more detail at a later date.

Industrial policy and technology

The improvement of traditional technology, the development of new transport technologies and the promotion of joint research projects, all spring to mind in this connection. They are also worthy of consideration from the employment angle. The Community should aim to secure the effective coordination of these activities and should examine the possibility of providing financial aid, for example via specific R & D projects.

One specific branch of industrial policy is the abolition of certain technical barriers, inter alia the still unresolved problem of the weights and dimensions of commercial vehicles, which has held up the planning and rational operation of industrial production for years. This problem is an example of irrational production methods and unnecessary costs due to the lack of political decision-making, even though all the parties concerned reached agreement on the matter some considerable time ago. The Committee in fact delivered a separate Opinion on the matter on 31 January 1980 (1) and the European Parliament and the Commission subsequently adopted positions very much in line with the Committee's views.

The Community's external relations

The Commission needs to give an impetus to the Community's external relations in the field of transport policy. Since the Community is heavily involved in external trade, it will also have to find common solutions to its transport problems with non-Member States (East-West relations, inland waterway transport on the Rhine and Danube, flags of convenience, sea transport via the Mediterranean ports of the Community, transit through Austria, Switzerland and Yugoslavia, relations with international and supranational organizations).

⁽¹⁾ O J N° C 113 of 7 May 1980, page 14.

A common approach to external relations - particularly in sea and air transport - is particularly important for the cohesion of the Community so that EEC industries can improve or maintain their competitiveness on foreign markets.

5. Conclusions

The foregoing enables us to draw the following conclusions regarding a redefined common transport policy:

The Council must at long last make a serious attempt to meet its Treaty commitments regarding the achievement of a Community transport policy. To this end, it should urge the Commission to submit a realistic blueprint for transport policy in the 1980s as quickly as possible, and by the end of this year at the latest. The blueprint should be accompanied by a programme of concrete proposals, perhaps including amendments to the proposals already before the Council. The present Opinion should be taken into account in the drawing up of the blueprint. The Commission's blueprint must then be forwarded to the Parliament and Economic and Social Committee for their Opinions, and the Council must then formally undertake to use it as a guide for action in the coming years.

Pragmatism does not mean acting without a plan. Adoption by the Council of Ministers of a blueprint and programme for transport, will have the advantage of enabling individual measures - which might be adopted in stages - to be fitted into the blueprint and their relative importance to be properly assessed. The 160 or so transport measures adopted by the Council so far bear witness to a certain amount of activity on the part of the Council but certainly do not deserve the title of "European Transport Policy".

In drafting this new blueprint, the Council and Commission should as far as possible be guided by the following additional considerations:

Inter-modal cooperation in long-distance transport within the Community should be encouraged so that the technical and economic advantages of each mode can complement each other and the cost to the economy as a whole can be reduced.

Investment projects of Community significance in the fields of infrastructure and means of transport should be coordinated so that cross-frontier traffic can flow unimpeded.

National frontiers should not obstruct the balanced geographical distribution of transport, which is desirable for regional policy reasons.

Greater political importance should be attached to social developments than before. Advances in the social field are a priority aim.

National measures have created distortions of competition in long-distance and especially cross-frontier transport in various Member States. Insofar as harmonization of the conditions of competition in the interests of the Community seems possible only in the long term, temporary measures will have to be taken at national level with regard to rates, taxes and licensing procedures in order to balance out the differences.

The same applies to the differences in rate-fixing procedures for long-distance and, in particular, cross frontier transport, insofar as these differences are due to national measures.

Financial equilibrium in the railways should be a priority goal, though we should not forget that this can only be achieved gradually, and in parallel with harmonization of the conditions of competition.

All measures and developments designed to ensure the rational use of energy in transport should be encouraged and supported.

Commission proposals which have obtained the endorsement of advisory bodies and the two sides of industry, or which have been amended by the Commission (e.g. weights and dimensions), should finally be adopted so that Europe's citizens can actually see that progress has been made.

Translating the aforementioned principles into practice in a blueprint with a timetable for the gradual harmonization of the terms of competition (which will dispense with the need for the national compensatory measures mentioned above) must form the kernel of (and first major step under) a common transport policy for the 1980s.

II. REPORT OF THE SECTION FOR TRANSPORT AND COMMUNICATIONS (Rapporteur: Mr LOCCUFIER)

1. Preliminary comments

Numerous efforts of various kinds stretching over a period of more than twenty years have still not succeeded in producing a common transport policy along the lines called for in Articles 74-84 of the EEC Treaty, at least if this is taken to mean a self-contained Community policy embracing all modes of transport.

The Council, acting on proposals from the Commission and following consultation of the Parliament and the Economic and Social Committee, has adopted approximately 160 transport Regulations, Directives and Decisions during the Community's life-time so that nobody can seriously claim that nothing has been done in this sector so far. Nonetheless it is very difficult to discern any consistent pattern (1).

There has been no shortage of individual ideas. Over the years the Commission has made several attempts to fulfil its role as guardian of the Treaty and give some substance to the Treaty's admittedly very generally worded provisions on transport. However, the Commission has not yet managed to get the Council to agree on an overall blue-print for a Community transport policy.

The Commission's first endeavours date back to 1961. All of its major initiatives have been commented on by the Committee, which has given the views of practitioners from the transport sector. The main Commission and Committee documents involved are as follows:

- a) Memorandum of 10 April 1961 on the basic guidelines for the common transport policy (COM(61) 50 final ESC Opinion CES 70/62 of 28 February 1962)
- b) Action programme for a common transport policy (Communication of 23 May 1962 from the Commission to the Council) (COM(62) 88 final ESC Opinion CES 234/62 of 3 July 1963)
- c) Communication of <u>14 September 1971</u> from the Commission to the Council on the common organization of the transport market (SEC(71) 3150 final)
 - Communication of <u>8 November 1971</u> from the Commission to the Council on the development of a common transport policy (SEC(71) 3923 final Supplement 8/71 to the Bulletin of the European Communities)
 - Communication from the Commission to the Council of 25 October 1973 on the development of the common transport policy (COM(73) 1725 final Supplement 16/73 to the Bulletin of the European Communities ESC Opinion of 28 March 1974, O.J. N° C 126/74, page 26)
- d) Commission Memorandum of 30 October 1972 concerning transport as an instrument of regional policy and regional planning within the Community (SEC(72) 3827 final)
 - The development of the common transport policy (COM(73) 850 final of 30 May 1973)
 - Energy conservation short-term objectives (COM(75) 22 final of 31 January 1975)

- Additional Opinion of the ESC of 25 September 1975 on the Communication from the Commission to the Council on the development of the common transport policy. In this Opinion special attention was given to transport and energy policy, transport and regional policy and the financial implications of transport.

After being granted the "right of initiative", the Committee also decided of its own accord to comment on the following major questions:

- a) Transport problems in relations with Eastern bloc countries Own-initiative Opinion of 24 November 1977.
- b) Problems currently facing Community shipping policy, particularly maritime safety, the growing importance of new shipping nations, the development of flags of convenience and the discrimination against certain flags Own-initiative Opinion of 4 April 1979 O.J. N° C 171/79, Bulletin of the European Communities N° 4/79, point 2.3.67.

Finally, a first joint meeting with the European Parliament's Transport Committee was organized by the Economic and Social Committee's Section for Transport and Communications on 23 April 1981 on the subject of "The level of integration of Community transport policy". At this meeting both bodies publicly criticized the Council for dragging its feet in the transport sector.

This joint meeting had been prompted, in particular, by the disappointing outcome of the Transport Council meeting of 26 March 1981 with regard to a Draft Resolution entitled "priorities and timetable for decisions to be taken by the Council in the transport sector during the period up to the end of 1983". At this meeting the Council had decided that it was prepared only to "discuss" a number of the priority topics.

The European Parliament summed up the joint criticism in its CAROSSINO Report (PE 68.325 final of 15 February 1982) and also adopted a critical motion for a resolution on 9 May 1982.

At the beginning of July 1981, the Section for Transport and Communications was in turn given permission by the Committee's Bureau to draw up an Own-initiative Opinion on the European Community's transport policy.

At a meeting held on 9 September 1981 in the presence of Mr KONTOGEORGIS, Member of the Commission of the European Communities, the Section set up the following Study Group to deal with this matter:

<u>Chairman</u>: Mr RENAUD

Rapporteur : Mr LOCCUFIER

Members : Mr DOBLE

Mr HENNIG
Mr JONKER
Mr KENNA
Mr KIRSCHEN
Mr MORSELLI
Mr ROUZIER

Mr SCHARRENBROICH Mr SCHNEIDER

Mr ZUNKLER

Experts : Prof. FUNCK (Rapporteur's expert)

Dr. ROCKMANN (Group I expert)
Mr BUONACCORSI (Group II expert)
Mr SCARLETT (Group III expert)

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"Since the Council has not adopted an overall concept for a common transport policy, the Commission still draws up its proposals in line with the guidelines suggested in its October 1973 document entitled "Common Transport Policy: Objectives and Programmes". For the rest, the Commission is adhering to the list of priority issues drawn up by the Council in March 1981, which covers practically all the priority areas proposed by the Commission itself.

The Commission is aware that, given the present state of the work and the atmosphere of crisis that is evident in this sector, too, it is necessary to give greater momentum to the Common Transport Policy.

The Commission departments are at present considering ways to revitalize this policy.

I would emphasize the importance of your Section's plan to draw up a Report on the Common Transport Policy. The Study Group Chairman and the Rapporteur will not have an easy task. The Commission is prepared to contribute to this work and help the Study Group in any way it can.

This ESC initiative has come at the right moment."

The openings available for developing the Community's transport policy in the '80s are discussed in the analyses given in the following chapters.

Chapter 2 indicates the legal framework and gives a preliminary definition of a common transport policy's objectives which will serve as a working hypothesis.

Chapter 3 deals briefly with the significance of transport for the Common Market's development.

The interrelationships between the transport industry and other Community policies are described in greater detail in Chapter 4.

Chapter 5 examines the reasons for the little headway made in Community transport policy, while Chapter 6 points to the need for a new transport policy in the eighties.

Chapter 7 indicates the measures still to be taken, and a number of concluding comments are made in Chapter 8.

The Report also contains two Appendices.

2. Legal Framework

Below, the Section takes a critical look at what has been achieved - and not achieved - in pursuit of transport integration, tries to identify the reasons for the hold-ups and indicates how progress could be made. First, however, it is necessary to recapitulate the Treaty provisions which delimit the Community's scope for action in the field of transport.

2.2. - Article 2 of the EEC Treaty

"The Community shall have as its task, by establishing a common market and progressively approximating the economic policies of Member States, to promote throughout the Community a harmonious development of economic activities, a continuous and balanced expansion, an increase in stability, an accelerated raising of the standard of living and closer relations between the States belonging to it."

- Article 3 of the EEC Treaty

"For the purposes set out in Article 2, the activities of the Community shall include, as provided in this Treaty and in accordance with the timetable set out therein ... the adoption of a common policy in the sphere of transport."

- Article 74 of the EEC Treaty

"The objectives of this Treaty shall, in matters governed by this Title, be pursued by Member States within the framework of a common transport policy."

- Articles 75 to 84 of the EEC Treaty

Articles 75 to 84 stipulates, inter alia, that the Council shall

"lay down ... common rules applicable to international transport."

and

"the conditions under which ... carriers may operate transport services".

that aids are permissible for the coordination of transport and for the fulfilment of public service obligations, that certain forms of discrimination shall be abolished and that these provisions shall apply to transport by rail, road and inland waterway.

- Article 78 of the EEC Treaty

Article 78 also stipulates that

"any measure taken ... in respect of transport rates and conditions shall take account of the economic circumstances of carriers".

- Article 84 (2) of the EEC Treaty

"The Council may, acting unanimously, decide whether, to what extent and by what procedure appropriate provisions may be laid down for sea and air transport."

It is possible at the beginning of this Report to give the following more general definition of a common transport policy's task as derived from the Treaty:

"The task of transport policy is to create a framework for the different modes of transport such that passengers and goods can be carried within and between the various regions of the Community with optimum efficiency. Optimum efficiency is achieved when the transport sector makes a maximum contribution to the common good and to the achievement of other policies (which in turn may have repercussions on the transport sector and users), bearing in mind the costs of transport – including the cost of infrastructure, damage to the environment and accident risks."

3. Importance of Transport for the Common Market

The Community's transport policy programme in the coming years is bound to be affected by the radical and lasting changes in the Community's economic situation, as exemplified by stationary or declining populations, the deficits in Member States' balances on current account resulting

in particular from their oil bills, falling growth rates, coupled with continuing technological progress, rising unemployment and growing public sector borrowing requirements. The colder wind of international competition and the more difficult position of the Community cannot fail to leave their stamp on the transport policy objectives of earlier, better years.

It is necessary to turn the spotlight onto the needs of the present and examine how far these needs must be taken into account in the transport sphere, too, or have already been taken into account there (cf. Appendix 1).

The transport policy objectives of earlier Commission programmes must therefore be checked to determine how far they cater for these needs or require adjustment.

The importance of a smoothly operating transport system for the achievement of a common market within the European Economic Community is obvious and really does not require any special explanation.

Commercial transport - including the own-account sector - is responsible for about 6% of GNP, employs about 6 million people and is a major investor in many areas. Transport is thus a mainstay of the productive sector, and plays a key role in the co-existence of the peoples of Europe and their economies. It also accounts for a considerable part of final energy consumption and thus has an appreciable impact on the Community's energy and foreign trade balance.

Although all forms of passenger transport are constantly in the public eye, it is not always easy for the man-in-the-street to recognize the importance of goods transport. All the same, it is a part of the production and distribution system and the consumer prices paid by Community citizens are determined in part by freight rates. Therefore, passenger and goods transport impinges heavily on the interests of every individual.

In an economic community of ten States which trade heavily with each other and with other countries, the optimum organization of the Community's transport takes on a European and indeed a global dimension and is therefore a matter of Community interest. This is illustrated most clearly by the questions which have been studied by the Committee in connection with transport between the European Community and the State-trading nations of Eastern Europe, flags of convenience and safety standards in maritime shipping and Community ports.

4. <u>Interrelationships between the Transport Industry and</u> Other Community Policies

The above-mentioned Articles 2, 3 and 74 of the EEC Treaty make it clear that there are numerous interrelationships between the transport industry and other Community policies. It follows that the common transport policy called for by the Treaty is a means to an end, namely furtherance of the Treaty's higher-ranking objectives. The object as far as the Member States are concerned is to establish a Common Market.

Harmonious economic development, greater stability, closer relations between the partner countries and a better quality of life for all Community citizens are the aims of the Common Market. Achievement of these ambitious aims requires efforts at all levels. If one of the important links in the complicated economic system, such as transport, breaks down,

the whole system starts to falter. If one part functions badly, the overall performance drops. The possible consequences include higher costs for the taxpayers, less social advancement and greater economic uncertainty.

The statement that "a chain is as strong as its weakest link" encapsulates the need to secure maximum transport efficiency, at the lowest cost to the general public. Above all, the advantages of scale offered by the Community must be put to good use. However, this requires the adoption of common rules. Many potential advantages cannot be used because long-established national provisions stand in their way.

To counter this, it can be said that transport already operates properly within the Community. However, on closer examination, the inefficient conditions under which transport operates become clear. These conditions are responsible for putting up transport costs and act as a curb on Community integration. The many types of barriers cannot be eliminated by action at Member State level.

Furthermore, the Community must defend the interests of the Member States vis-à-vis other countries in those cases where the voice of a single Member State carries too little weight or where Member States cannot act on their own on account of the danger of a shift in the pattern of transport.

Finally, the transport sector does not stand in isolation. The Community has embarked on a policymaking course of its own in numerous fields (agriculture, industry, external trade, customs, monetary environment, regional policy, etc.). These policies have numerous cross-links with the transport sector, which must be fitted in properly.

This is another reason why a Community approach and a common blueprint are urgently required.

Some important aspects of transport policy

Infrastructure policy

The most effective way of conducting transport policy and obtaining lasting results is through investments in infrastructure. These investments are made almost exclusively by the public authorities or at least significantly influenced by them.

If existing infrastructure is to be utilized to optimum effect and developed properly, the main criteria to be applied apart from the quality and level of the services offered should be: regional development, environmental damage and energy requirements.

There is an urgent need to coordinate investment in this area with the active assistance of the Advisory Committee on Infrastructure in order to avoid needless and costly duplication.

What needs to be done in the present situation is to examine all new plans to see whether they are commensurate with the most economical use of funds and in particular the saving of energy.

It is highly doubtful whether this is the case with a number of road and waterway projects. A critical examination might show here that the expansion or improvement of existing links leads to a greater increase in productivity or a greater contribution to energy saving than the construction of new links. In the case of inland shipping, for example, funds invested in the deepening of the Lower Rhine have a much greater impact than funds invested in the building of new waterways. The railways, too, offer openings for investment in

track extensions. Checks should be made, whenever the building of new track is being planned, to see whether the same result could not be obtained more cheaply by upgrading existing track.

Investment in transport equipment is in general a matter for the transport firm itself. The State can, however, control this investment policy in many ways, for example by tax measures, thereby exerting an indirect influence on infrastructure requirements. Therefore, it is necessary, for example, to (a) check whether appreciable energy savings can be achieved by changing lorry weights and dimensions or overall dimensions in rail and sea transport, and (b) determine what it would cost to adapt the infrastructure to these new energy-saving weights and dimensions.

Greek accession and the impending expansion of the Community southwards also make it necessary to give more importance to transport in the Mediterranean area. This calls not only for an appropriate Community infrastructure policy but also a policy on ports. These two policies could usefully complement each other in this part of Europe, as the Section was able to establish in the case of transport between Greece and the rest of the Community via Trieste at an on-the-spot meeting held by the Section in Trieste on 15 and 16 July 1982.

Charging of infrastructure costs

With the aid of renowned experts, individual Member State Governments and the Commission have been making very serious and thorough attempts for many years to come up with a basic solution to this problem.

A considerable step forward was undoubtedly made with the elaboration of the idea of gearing charges to the intensity of utilization of transport infrastructure, with the dual proviso that the charges are not to be less than the marginal social costs of utilization of the infrastructure on all links and that overall budgetary balance is to be achieved for the transport network. The theoretical advantages of this system are evident: the utilization of overloaded infrastructure is reduced by means of high charges, traffic is partly diverted to under-utilized infrastructure and routes with less traffic are thus better used. Investment in new infrastructure is consequently based on better overall utilization of existing infrastructure.

In spite of all the Commission's efforts, this idea, which was first developed in the mid-1960s, has yet to be translated into a realistic policy. The reasons for this has been the search for a degree of perfection and practicality in determining all the necessary data which is commensurate with the theoretical concept. Thereis no doubt that considerable practical problems arise when it comes to determining the marginal social costs of the utilization of transport infrastructure or levying infrastructure charges on a differentiated basis according to the intensity of usage of the individual routes. Indeed, it might well be impossible to carry out these operations with a degree of perfection commensurate with the theoretical concept.

In line with this Report's basic standpoint that a pragmatic approach should be adopted in the pursuit of a common transport policy, principles for the charging of infrastructure costs should be defined. These principles should not only be theoretically sound but should also be easy to apply in practice. It is therefore surely enough to determine the marginal social costs of transport on the basis of the calculations made. Furthermore, it should also be sufficient in the first instance to make a very rough classification of infrastructure according to the intensity of its utilization

especially as the anticipated shifts in traffic patterns can only be achieved on a long-term basis if friction is to be avoided.

The Section can therefore only urge the Commission to continue its work in this field in a simpler form and to put forward practical solutions. The Section also calls upon the Council of Ministers to give the Commission greater support in this work and finally adopt initial measures in this field.

Fiscal problems

When the rules and regulations governing the transport industry are harmonized, it will be necessary to include fiscal policy, since tax measures, public investment and State aid and compensation are instruments of transport policy.

In accordance with the decisions taken at the October 1972 Paris Summit, transport should be organized in such a way that it is efficient and can be run at the least possible cost for the economy as a whole. Thus, the overall economic cost will be a main yardstick in the new approach to transport.

In order to prevent investment in the transport sector from being tailored too closely to national needs, funds ought to be provided at Community level to complement the financing of Member States' own projects. This in turn could lead to a better coordination of economic policies and bring about common action in the regional, structural and social spheres.

Fiscal policy can thus play a central role in strengthening transport policy's ties with other policy-making areas.

The following projects will have financial consequences:

- Arrangements for the funding of infrastructure projects of Community significance;
- Alignment of the charges for the use of transport infrastructure on the external marginal costs of the infrastructure;
- Allocation of social costs caused by an increase in environmental damage;
- Adjustment of commercial vehicle tax structures (road tax, mineral oil tax) in the course of a subsequent alignment of tax levels;
- Allowance for tax criteria;
- Improvement of short-distance public transport, especially in densely populated areas of agglomerations.

Energy policy

One of the prime objectives of the Member States' economic policy is to save energy and thereby reduce the oil bill and improve the balance of payments. This, combined with steps to combat inflation and limit the national debt, should create a favourable economic and investment climate, which will provide a basis for tackling the other economic problems of the present time, particularly unemployment.

The rational use of energy (particularly oil) and utmost thrift in the use of public funds are necessary and must be reflected in all sectoral policies, including transport policy. Utmost thrift in the use of public funds does not mean so much restricting appropriations as directing funds to those uses which will bring about the greatest possible improvement in the conditions of production and the quality of life.

The demands made by energy policy on a common transport policy will be fulfilled in the main if:

- in the planning of infrastructure investments an examination is made of the possibility of promoting means of transport which are efficient are thus generally more economical in their consumption of energy and account is taken of energy-saving techniques in determining routes.
- research is promoted into the development of (a) energy-saving systems for transforming primary energy into tractive power and (b) energy-efficient transport designs and configurations and the results of this research are applied in practice;
- the development and use of transport modes driven by new energy sources is encouraged to reduce dependence on oil.

The transport taxation system should give more preferential treatment to energy-saving propulsion and transport methods so as to help them achieve a faster breakthrough. It is not only the absolute energy-saving that is important here, but also which form of energy is used. The use of electricity, which is generally available only for rail transport, makes a greater contribution to the desired independence from oil than any of the energy-saving techniques

used in the other transport modes. One must not, however, lose sight of the fact that for technical and qualitative reasons a large number of transport operations have to be carried out by specific modes.

Regional policy

An effective common transport policy is a vital component of a balanced regional development strategy. Therefore, the demands for a suitable regional policy, the needs of less developed regions and the problems of economically disadvantaged areas should be taken into consideration in transport policy.

One of the main objectives of modernizing transport networks is to eliminate the risk of an excessive spatial concentration of the population and industry.

Excessive concentration - leading to an imbalance between industrial agglomerations, regional centres and rural settlements - results in higher marginal social costs and misallocation of resources. The transport sector has the task of joining up these centres and industrial areas in accordance with requirements. To achieve this it will above all be necessary to co-ordinate infrastructure projects.

Within the individual areas, transport networks should be developed so as to increase the flexibility of labour and housing markets and improve socio-economic links, thus making for more balanced economic and living conditions.

Environmental policy

It is particularly important to take a balanced view of this difficult issue. Blind faith in growth is just as misplaced as emotional opposition to every project for a new road or airport. Improving the standard of transport services is a sine qua non for improving or sustaining the competitiveness of a country's economy and in the final analysis the standard of the services available is determined by the efficiency of the infrastructure.

Ecological demands may also be in conflict with a solution to the problem of unemployment. Investments in the building of roads, waterways and railways have been drastically cut in recent years in some Member States and this has undoubtedly had a regrettable effect on the labour market. Not that infrastructure should be built merely to keep jobs going. All we are trying to say is that environmental policy must also take the demands of other sectoral policies into consideration.

The heavy industrialization in certain areas of the Community has led to urbanization and the concentration of working populations - including transport workers - in these areas. These phenomena are to blame for rising social costs, the major danger of environmental deterioration and the widening gap between the rates of economic growth in individual regions, which are scarcely reconcilable with the steady and balanced economic expansion set as an objective in Article 2 of the EEC Treaty.

Traffic in agglomerations has such a grave impact on society that the State must clamp down on transport firms' activities in order to prevent too much damage from being done. Noise and atmospheric pollution are cases in point.

In recent years there has been a rise in private transport which, apart from causing a persistently large number of road traffic deaths and injuries - and the resultant costs for society as a whole - has also increased congestion in agglomerations. Matters might be improved considerably if better public transport services were offered locally and agglomerations were decongested by a made-to-measure infrastructure policy.

Industrial policy and technology

The idea here is not just to improve industrial production technology but also to develop new transport techniques and systems. This requires, <u>inter alia</u>, a broadly-based research policy which is not only devoted to the development of individual items of technology but also makes a systematic study of the technical and commercial openings for satisfying passenger and goods transport requirements which change with the changing socio-economic conditions, right through to the development of logistic systems for integrating transport in the production process.

National programmes for new forms of transport are generally geared to different techniques, but more or less serve the same goals. These programmes are run side-by-side at ever increasing costs. If States do not co-ordinate their technology, a very confused situation might arise when networks link up with each other or pass through several countries.

Social policy

A common transport policy must be socially beneficial by catering for transport needs from an overall economic viewpoint and by helping to improve the living and working conditions of the people employed in transport.

Harmonization of the conditions of competition in transport would have a lasting effect both on trends in transport firms' costs and on working conditions.

It would also form the basis for making social policy in the transport sector part of the Social Action Programme. The measures to be adopted in this connection would mainly concern employment, working conditions, basic and advanced vocational training, social security and occupational safety and health.

Jobs are often hit by transport firms keeping abreast of technological progress, which they have to do if they are to improve their cost structures and enhance safety. In order to prevent jobs from being lost in such cases as far as possible, the Social Fund should provide cash for retraining the workers in question.

It is also necessary for all measures in the social field to be adopted in consultation with the two sides of industry.

The Community's external relations

The Member States' different geographical locations and economic structures have entailed and stimulated the development of divergent transport regulations and measures in line with national requirements.

This development poses problems for the definition of a common attitude towards the outside world and to a certain degree explains the different positions of the Member States in various areas of transport policy: sea transport, air transport and projects for infrastructure through third countries, between individual Member States and third countries and between Member States. The accession to the Community of countries with distinct national interests, for example, in the area of shipping is likely to exacerbate these problems.

A pragmatic solution to these problems could involve bilateral agreements; these should not, however, run counter to the aims of a Community policy on transport that will have to be gradually worked out. To ensure that this is so, the Community (Commission) should be involved in the drafting of these agreements or be informed of them.

The questions of East-West transport and flags of convenience, which probably do not have the same importance for all Member States but which must concern the Community as such, should not be left to the Member States alone because of the overriding interests that are at stake.

5. Reasons for the little progress made towards a Community Transport Policy (Appendix 2)

One reason why there has so far been little progress towards a common transport policy lies clearly in the fact that the basic attitude of the individual Member States is largely influenced by their economic and geographical situation, which gives rise to fundamental differences in the structure of their national transport markets. Smaller Member States, such as the Benelux countries, are mainly geared to the transport of bulk goods by road and inland waterway. In Member States with longer distances to cover (e.g. Germany, France and Italy) the railways have attained greater importance, or rather these States have given some degree of precedence to the railways. The almost regular congestion on the motorway network in Germany, a transit country, and the difficult situation of the Deutsche Bundesbahn partly explain the reservations about, for instance, moves to liberalize road haulage (increase in Community quotas).

Certain, mainly peripheral Member States strive primarily for more <u>liberalization</u>, while others give greater priority to <u>harmonization of the terms of competition</u>. Their aim

is to protect not only the railways but also road transport in their own countries. France steers more of a middle course. Against the background of such differences the difficulties that have been experienced so far in arriving at a common position are all too understandable.

The Section considers that this matter cannot just be dismissed by saying that the Commission's proposals are unrealistic.

The Economic and Social Committee and its Section for Transport note the absence of a clear will on the part of the Council to fulfil its task under the Treaty of implementing a Community transport policy. The Council is always free to replace what it considers to be unfeasible Commission proposals by more realistic initiatives provided they are compatible with the Treaty.

However, since the inception of the common market the Council has not even once attempted to formulate any kind of blueprint for a common transport policy. The last plan for a transport policy submitted to the Council by the Commission dates from October 1973 and has never had the Council's formal endorsement. In over eight years the Council should at least have been able to give concrete form to this plan.

It is therefore not surprising that the Council now and again issues partial measures; but without an overall common transport policy concept, this is a dangerous strategy, not a common transport policy.

For years the Economic and Social Committee has regularly been expressing its views to the Council and making a constructive, responsible contribution.

If the Council does not see the need for a common transport policy, the general economic situation may soon force the issue. The European Parliament (Carossino Report) is already considering bringing the Council before the European Court of Justice because of its failure to act.

The Economic and Social Committee, on which the various interest groups in the transport sector and other industries are represented, calls upon the Council to take its political responsibility seriously before it is too late.

6. The Transport Policy of the European Community in the 1980s

Economic policy options available for a new approach

Liberalization, harmonization of competition rules, control of transport

Contrary to the view derived from the principles of the free market economy that without State intervention market mechanisms would lead to optimum allocation of resources, including between regions, it has become clear that regional and economic differences were exacerbated rather than evened out in the process of industrialization. The result of this historical trend has been areas of economic concentration which keep on growing and underdeveloped areas in danger of depopulation (see also p. 37).

Continuing differences in development between areas of the Community and within individual Member States are inconsistent with the aim of creating equal opportunities in all regions in the interests of social justice. Only partial progress has been made so far towards the elimination of regional disparities, but this can be achieved gradually through selective action on the part of the public authorities in the area of transport infrastructure and physical planning policy. For having a market economy does not mean that market forces

must cope all on their own. A more even distribution of transport infrastructure throughout the regions and an efficient yet varied range of services for the transport of passengers and goods in all parts of the Community are important pre-conditions for a more balanced development of the regions.

It should also be remembered that production conditions in transport differ in many ways from those in the rest of industry. The basic conditions governing competition between and within the different modes of transport at both national and international level are also quite varied; this applies to the requirements to be met by commercial carriers, the methods whereby infrastructure costs are apportioned and the degree to which they are covered, the participation of the public authorities in covering loss risks, the conditions governing transit and third country traffic and the differences in the regulations covering working conditions, to mention but a few important problems.

Different production and competition conditions and the importance of transport for physical planning <u>set limits</u> to <u>liberalization</u> in the transport sector; these limits need to be defined precisely. The <u>basic principle must be to allow competition as free a rein as possible but to limit it, though only to the degree necessary, in specific instances where <u>overriding public interests so require</u>.</u>

Even though there is agreement within the Section on this point, the views on the scale and scope of intervention by the public authorities differ as follows:

Some members think that free choice of the means of transport and hence implementation of the principles of the free market economy are to be regarded as the best means of balancing the interests of carriers, users and workers and that intervention by the public authorities is not warranted unless there are overriding considerations.

Other members call for concerted planning and coordination between the various modes of transport, modal specialization, top priority for overriding considerations, emphasis on the common good (including the interests of consumers and workers employed in transport) and preferential treatment for public transport (including short-distance transport).

Some members think that the lack of optimum conditions in transport prevents capital and labour from being used to optimum effect in the Member State economies.

It is accordingly necessary to devise a Community transport policy which will help to ensure that the demand for passenger and goods transport can always be satisfied. This policy should on the one hand be designed to create and promote conditions which are conducive to the formation and operation of financially sound, commercially and socially well-equipped and expertly managed undertakings capable of meeting Community users' varied and rapidly-developing transport requirements quickly and efficiently. And on the other hand it should ensure that the public authorities provide these undertakings with an optimum transport infrastructure. To this end the public authorities and, if necessary, the Community should supply the requisite funds once cost-benefit analyses have been completed.

The fact that the Member States have different conceptions of the role of transport, although the whole socio-economic system cannot function without transport, has meant that the transport market frequently does not operate as well as it might. In the absence of European solutions transport regulations have inevitably been based on national considerations and accordingly vary considerably. In particular, national legislation cannot cater for a situation in

which there is a high degree of interdependence between countries, as is the case in the EEC. This is another reason why a Community transport policy is needed.

The aim should be to provide a framework for the transport markets which will enable the requirements of the Community economy to be met and will at the same time make for a healthy development of the transport sector. Measures taken in pursuit of these two goals should conform with the principles of the market economy, though this does not rule out government intervention for reasons to do with the special features of the transport sector, market disruption or the general interest.

The special conditions prevailing on the transport market can lead to unacceptable distortions under certain circumstances (fluctuating level of the Rhine, inability to provide transport services on tap, etc.). These factors - which result in surplus capacity and cut-throat competition - are found in other sectors as well, but not to the same degree nor with the same frequency.

The above-mentioned circumstances can generate such a pressure on prices that the continuity of services is jeopardized. There is accordingly no alternative but to impose certain restrictions on competition in such cases, in the interests of a healthy development of the transport sector, for it is clear that cut-throat competition will have adverse effects on working conditions in transport undertakings and on the longer-term interests of users.

Account must also be taken of public service obligations in passenger transport insofar as compensation must be paid to carriers for the extra costs or deficits incurred.

Supplementary measures by the public authorities may also be necessary. These could, for example, be concerned with the technical competence required of transport operators and technical regulations.

Neither general transport policy measures nor supplementary measures should, however, work to the advantage or disadvantage of one of the modes of transport, or infringe the principle of freedom of choice for the user. Freedom of choice for users is the best means of ensuring that the most suitable technique is used for each type of transport.

Furthermore, it is impossible to create an EEC transport market based on market economy principles, unless the <u>starting conditions</u> as regards competition within and between different modes of transport are the same. To this end it will be necessary to harmonize the terms of competition in transport of Community significance which differ for artificial reasons (i.e. because of measures adopted by individual Member States).

As the Treaty provides not merely for the establishment of a common market but also for a common policy vis-à-vis non-Member States, it would be appropriate, when defining the general objectives, to also make a distinction between transport within the Community and transport between the Community and non-Member States. As regards the latter, reference can be made to the objectives set out in Title 11, Chapter 3 of the EEC Treaty (Community commercial policy), which permits protective measures in the event of dumping or subsidies. It is stated, however, that in the selection of such measures, priority is to be given to those which cause the least disturbance to the functioning of the common market.

In formulating a Community transport policy it will be necessary to set out exclusively from the premise that the same measures do not have to be adopted for all transport modes, given, <u>inter alia</u>, the considerable differences in firm structure and in the relationship between carriers and the infrastructure they use. Uniform rules would have disruptive effects and would artificially eliminate the "natural" advantages peculiar to each transport mode.

Other members consider that transport policy in the 1980s should have the following objectives:

- to establish an efficient transport system geared to satisfying the transport requirements of society at large;
- to ensure adequate finance for the requisite infrastructure improvements and the provision of public transport as one aim of a Community social policy;
- to take into consideration the improvement of working conditions and workers' earnings in these sectors;
- to contribute towards Member States' economic growth;
- to take account of factors associated with the environment and the quality of life;
- to promote the utilization of energy-efficient means of transport.

These members attribute the present unsatisfactory situation in transport to an incorrect distribution of transport operations on account of unequal conditions of competition, sustained neglect of public transport and the resultant impairment of the environment in general and of working conditions in transport.

Limited multilateral, bilateral or national solutions to supplement Community measures

The need for measures to guide transport has become evident with the increasing inclination of the Member States towards social market economies with overall government control. If the transport market cannot be regulated exclusively by co-operation between transport firms and users, the question arises as to whether it is essential for the construction of Europe for there to be uniform rules covering the entire transport market.

The basic question is therefore whether there should not be a new pragmatic approach to a common transport policy based more on an identification of those problems which really can and must be solved at Community level alone. Such an approach might enable measures to be taken which would not necessarily involve all the Member States - rather the aim should be to find similar solutions within the Community to similar types of problems. Community solutions could be supplemented, or modified, as the case may be, by "limited" multilateral, bilateral or national solutions where this was found to be expedient in the light of the actual circumstances.

The development of a Community transport policy concept for the '80s will therefore have to be limited to major points. It will have to provide answers to the problems posed by the fact that transport policy is interwoven with other Community policies, as indicated in 4.

In the absence of clear provisions in the EEC Treaty the common transport policy concept which is to be developed must put an end to the isolation in which transport policy measures have been adopted up to now.

It is not possible to proceed on a piecemeal basis and work out fragmentary solutions in certain sub-sectors. These measures must instead tie in with overall Community policy and the order in which they are to be gradually implemented must be based on a list that is to be compiled. The "pragmatic approach" and the identification of common interests" do not therefore mean acting without a plan or a concept.

The new approach to a transport policy for the 1980s

The new approach must be based on a <u>blueprint</u> in which greater priority is given to the pressing demands of the moment.

Any change in Commission thinking which this entails should be regarded as a flexible response to changing economic and social circumstances and not as a sign of inconsistency.

The Economic and Social Committee does not consider it its task to work out this blueprint in detail. This is the task of the Commission. However, the Commission is fighting a losing battle if the Council, as the decision-making body, does not announce at least that such a "blueprint for a transport policy for the 1980s" will be given serious consideration and will thereafter be adopted.

The Council of Ministers' meeting of 10 June 1982 has shown once again in the view of the Section that the Council is acting pragmatically but that there is still no plan into which the individual measures adopted by the Council can be incorporated. Community transport policy, too, has first to be planned, and then programmes have to be drawn up.

The Section considers that the following approach should be adopted in this connection:

The Council should call on the Commission straight-away to submit a blueprint for the transport policy for the '80s by the end of the year, taking into consideration the Economic and Social Committee's Opinion.

During the drafting of this blueprint, those measures which have already been implemented should be vetted to see if they are realistic, and should then be modified if necessary.

The Commission proposals pending at the Council should also be vetted.

Using the blueprint as a basis, the Commission should produce a catalogue of the measures still needed for a Community transport policy and should draw up a plan for these measures' gradual implementation, covering at least the foreseeable future. Since Community funds are required in particular for infrastructure and regional measures, it is vital that not only the problems as such be listed but that the financial planning and provision of funds over a longer period of time be included, too.

7. Measures Still to be Taken (cf. Appendix 2)

Community transport policy is urgently in need of a new impetus. The growing pressures being exerted on the Community from outside and the internal difficulties of an economic nature cannot be effectively and permanently countered by Member States going it alone.

However, the Section does not rule out the possibility that individual difficulties in the transport sector might be solved at below Community level. More is said about this in 6.1.2. These solutions should, however, remain the exception and should not become the rule. They must also of course be compatible with the Treaty.

Some impetus could be generated, however, if the Community puts its mind to solving those problems which really are of Community interest and which individual Member States can only solve at the expense of a smoothly operating Common Market and by acting in an anti-Community spirit.

Priority measures of Community interest

Progress in the harmonization of conditions of competition

Provisions affecting intra-Community competition between transport modes (including social provisions) should be harmonized by the Community as a matter of urgency. Hitherto, the Community's free market economy has been impeded by differing conditions of production and competition.

Without wishing to revive the old liberalism v. harmonization dispute, the Section believes that neither carriers nor workers should suffer from an opening up of the transport markets. In the long term, the only way in which the legitimate interests of transport users can be defended in a single Common Market is to provide protection against cut-throat competition from outside. Only by doing this will it be possible for efficient firms to develop and for the general public to avoid unnecessary costs.

Improving the situation of the railways

The railways must gradually become capable of acting as economic undertakings, covering the cost of their services on the market. This process must be completed by 1990 at the latest.

The cost of public service obligations imposed on railways for regional policy, social policy, energy policy or other reasons by the owners of the railway systems, namely the Member States, must be shown in the relevant ministerial budgets as expenditure and must be entered as special revenue in the accounts of the railways. These public service obligations vary in nature and scale from one Member State to another and may thus, in differing ways, reflect overriding national political considerations. Effects on competition with other modes of transport cannot be ruled out, particularly as the railways do not have the same importance in transport policy terms in all Member States. A Community decision of principle can therefore have a certain steering effect which may emphasize the efficiency advantages of other modes of transport.

It is clearly in the Community's interest to reduce the deficits of the railways as this would make it possible to achieve one of the objectives of the Treaties, namely the provision of transport services at the lowest cost to the community at large. This would give the market maximum scope and financial resources would be released for other tasks.

Infrastructure policy

An economic community requires an <u>infrastructure</u> <u>policy</u> which provides financial support for projects of community interest. The Commission has repeatedly aired its views on this matter, most recently in its report on bottlenecks, to which reference will be made below. The primary consideration

here is the upgrading of existing infrastructure (see also p.30). New infrastructure should be supported subject to checks that it is in the Community interest. Transport without appropriate infrastructure becomes inefficient and entails high external and social costs which are wasteful of resources from the macro-economic and Community point of view. Inadequate infrastructure or infrastructure bottlenecks may of course boost other modes of transport. In macro-economic terms, however, this is generally not justifiable. In the long term new investment projects or upgrading investments offer greater benefits from an overall economic point of view and they may also help to stimulate economic activity.

Infrastructure of Community interest should attract appropriate Community finances. The money could be raised by a practicable system for charging for the use of infrastructure and by <u>establishing a corresponding fund</u> to which some of the national funds would have to be channelled.

Infrastructure projects on the periphery of the Community and projects through third countries which facilitate transport between the Member States should also be included. Negotiations should be opened as soon as possible where they are not already under way.

Major European infrastructure projects (Channel tunnel, removal of bottlenecks facing traffic to and from Italy and Greece, infrastructure projects of significance to intra-Community links in third countries such as Austria, Switzerland and Yugoslavia) must also be studied cafefully because of their importance to the Community. (The Section would refer in this connection to Mr KENNA's Report and the Opinion of the Economic and Social Committee). The Section is pleased to note that at its 10 June 1982 meeting the Council instructed the Commission to submit, within three months, a "balanced experimental programme" for giving financial support to transport infrastructure, and hopes that the Council will do more than merely discuss the programme.

Relaxing of border formalities

The Committee is currently examining a Commission proposal on this subject and does not wish to prejudge its final Opinion. However, it should be stated here and now that in view of the shortage of funds and the tight economic situation there is an urgent need to pinpoint the time and money wasted each year waiting at border checks and complying with border formalities.

Social advancement and greater safety in transport

The Committee has been advocating social advancement and greater safety in transport for a good many years. In the meantime the Council has adopted measures in this area, but the practical implementation of these measures in the Member States has not been all that it should be. Despite the desire to harmonize national provisions, the measures adopted have amounted to distortions of competition. Therefore, the Council must examine the provisions adopted so far to see if they are practicable and, where necessary, must ensure their enforcement or make the requisite changes.

Energy policy measures in the transport sector

Priority should be given to encouraging the use of energy-conserving means of transport and research into the rational use of energy. (see p. 36).

External relations - sea and air transport

The Council's work in the fields of <u>sea and air</u> transport should be continued at a steady pace. The interests of both Community transport operators and the workers employed by them should be taken into consideration in this work. It is also in the interest of air and sea transport users that the

special features of these two modes should be taken into consideration. Regulations on the application of the Treaty's rules on competition to these two modes must not disregard legitimate Community interests.

The same applies to the problems concerning intra-Community transit traffic through non-Community countries.

For these reasons the Commission and the Council should tackle the problem of the Community's external relations in the transport sector as a matter of urgency.

Industrial policy and technology

The harmonization of commercial vehicles' weights and dimensions is one area where the Community is very clearly dragging its feet. This issue has been under review in all Community bodies since 1961, but unfortunately without any visible success. The Economic and Social Committee, with the backing of the European Parliament, has adopted an Opinion on this matter, which has also been taken over by the Commission in the meantime. At the Council of Ministers' meeting of 10 June 1982 "the delegations' positions on a number of basic questions were considerably closer than before", but no concrete solution was achieved.

Measures to be adopted in the longer term

Charging of infrastructure costs

A common transport policy implies a common infrastructure policy not only in respect of investment and planning but also in terms of a common system of charging for the use of infrastructure.

The system should accord with the principle of theoretical optimalization, but should be much simpler and rougher when it comes to the details. The Commission should be urged to work out practical and realistic solutions which are simpler than those before the Council at present.

Port and airport infrastructures

These should not be excluded, with regional policy, environmental policy and external trade policy considerations all being taken into account.

Policy for regulating the market

Consideration should be given in the longer term to extending access to the market and revising the policies on capacity and licensing. At all events it will be necessary, in the interest of all parties, to retain measures for averting cut-throat competition; this is the only way in which a Community which is dependent on foreign trade can ensure an efficient transport system in the long term.

Establishing an efficient Community-wide transport system

The object of all measures must be to set up an efficient Community-wide transport system in the long term which gives the user the freedom of choice between the various modes while at the same time letting the advantages of each mode come to bear.

8. Conclusions

The Council must at long last abandon its policy of advancing by small steps in the transport sector in favour of a long-term overall view. A pragmatic approach must not mean the absence of a guiding concept. The common interest is not the sum of national interests. Failure to realize these simple

facts seems to have been the stumbling block of the Community's transport policy so far. Acting in the Community interest brings advantages to everyone. In the long run the pursuit of national interests must weaken the Community. The gravity of the energy problem, the increasing harm being done to the environment and workers, and the constant rise in the cost to society as a whole make fundamental reforms an overriding and extremely urgent necessity.

Therefore the Council should pursue a policy which is planned and coordinated between the different modes of transport and which will economically provide optimum services for the Community as a whole. This objective can only be achieved as part of an integrated transport policy concept.

APPENDIX 1

Measures already implemented

Preliminary Comments

- 1. The Appendix does not include legislation which
- concerns the individual EEC Member States,
- was enacted to bring the acceding countries (at the time of the First and Second Enlargement of the EEC) into line with existing Community legislation (the "acquis communautaire").
- 2. The Appendix covers legislation enacted up to September 1982.

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I. ROAD TRANSPORT

- 1. First Council Directive of 23 July 1962 on the establishment of certain common rules for international transport (carriage of goods by road for hire or reward)
- 2. Commission Decision 64/449/EEC of 10 July 1964 on the road traffic censuses to be carried out in 1965 in accordance with the Council Decision of 22 June 1964 on the organization of survey of infrastructure costs (see VII, 8)
- 3. Council Directive of 13 May 1965 concerning the standardization of certain rules relating to authorizations for the carriage of goods by road between Member States (65/269/EEC)
- Commission Decision of 5 July 1965 setting up a Joint Advisory Committee on Social Questions arising in Road Transport (65/362/EEC)
- 5. Regulation (No. 117/66/EEC) of the Council of 28 July 1966 on the introduction of common rules for the international carriage of passengers by coach and bus.
- 6. Regulation (No. 212/66/EEC) of the Commission of 16 December 1966, prescribing certain model control documents referred to in Articles 6 and 9 of Council Regulation No. 117/66/EEC on the introduction of common rules for the international carriage of passengers by coach and bus
- 7. Regulation (No. 1016/68/EEC) of the Commission of 9 July 1968 prescribing the model control documents referred to in Articles 6 and 9 of Council Regulation No. 117/66/EEC.
- 8. Council Directive of 19 July 1968 on the standardization of provisions regarding the duty-free admission of fuel contained in the fuel tanks of commercial motor vehicles (68/297/EEC)
- 9. Regulation (No. 1018/68/EEC) of the Council of 19 July 1968 on the establishment of a Community quota for the carriage of goods by road between Member States
- 10. Regulation (No. 1174/68/EEC) of the Council of 30 July 1968 on the introduction of a system of bracket tariffs for the carriage of goods by road between Member States
- 11. Committee of Experts on International Road Transport Tariffs set up by Article 11 of Council Regulation (No. 1174/68/EEC) of 30 July 1968

- 12. Regulation (No. 1224/68/EEC) of the Commission of 9 August 1968 prescribing the models for Community authorization and for forms for obtaining statistical information on the use of Community authorization referred to in Articles 2(2) and 5(1) (ii) of Council Regulation No. 1018/68/EEC on the establishment of a Community quota for the carriage of goods by road between Member States
- 13. Regulation (No. 358/69/EEC) of the Commission of 26 February 1969 laying down detailed rules for the publication of transport rates and conditions which depart from published tariffs, in implementation of Article 9 of Council Regulation No. 1174/68/EEC of 30 July 1968 on the introduction of a system of bracket tariffs for the carriage of goods by road between Member States
- 14. Council Regulation (No. 543/69/EEC) of 25 March 1969 on the harmonization of certain social legislation relating to road transport
- 15. Council Directive of 8 December 1969, on statistical returns in respect of carriage of goods by road, as part of regional statistics (69/467/EEC)
- 16. Regulation (No. 293/70/EEC) of the Council of 16 February 1970 amending Article 5 of Regulation No. 1174/68/EEC the introduction of a system of bracket tariffs for the carriage of goods by road between Member States
- 17. Decision of the Commission of 18 June 1970 on the model for the standard form of report whereby Member States are to forward to the Commission the information required fordrawing up the general report which the Commission must present annually to the Council on the implementation by Member States of the Council Regulation on the harmonization of certain social legislation relating to road transport (Article 17(1) and (2) of Regulation No. 543/69/EEC) (70/325/EEC)
- 18. Regulation (No. 1463/70/EEC) of the Council of 20 July 1970 on the introduction of recording equipment in road transport
- 19. Council Regulation (No. 514/72/EEC) of 28 February 1972 amending Regulation No. 543/69/EEC on the harmonization of certain social legislation relating to road transport
- 20. Council Regulation (No. 515/72/EEC) 28 February 1972, amending Regulation No. 543/69/EEC on the harmonization of certain social legislation relating to road transport

- 21. Regulation (No. 516/72/EEC) of the Council of 28 February 1972 on the introduction of common rules for shuttle services by coach and bus between Member States
- 22. Regulation (No. 517/72/EEC) of the Council of 28 February 1972 on the introduction of common rules for regular and special regular services by coach and bus between Member States
- 23. Regulation (No. 1172/72/EEC) of the Commission of 26 May 1972 prescribing the form of the documents referred to in Council Regulation No. 517/72/EEC and Council Regulation No. 516/72/EEC
- 24. Commission Decision of 16 October 1972 amending the model for the standard form of report provided for in Article 17 of Council Regulation No. 543/69/EEC on the harmonization of certain social legislation relating to road transport (72/366/EEC)
- 25. Regulation (No. 2442/72/EEC) of the Council of 21 November 1972 postponing, for the new Member States, the application of Regulation No. 516/72/EEC on the introduction of common rules for shuttle services by coach and bus between Member States and of Regulation No. 517/72/EEC on the introduction of common rules for regular and special regular services by coach and bus between Member States
- 26. Council Directive of 19 December 1972, amending the first Council Directive of 23 July 1962 on the establishment of certain common rules for international transport (carriage of goods by road for hire or reward) (72/426/EEC)
- 27. Regulation (No. 2778/72/EEC) of the Commission of 20 December 1972 amending Regulation No. 1172/72/EEC prescribing the form of the documents referred to in Council Regulation No. 517/72/EEC and Council Regulation No. 516/72/EEC
- 28. Regulation (No. 2826/72/EEC) of the Council of 28 December 1972 extending and amending Regulation No. 1174/68/EEC on the introduction of a system of bracket tariffs for the carriage of goods by road between Member States
- 29. Regulation (No. 2829/72/EEC) of the Council of 28 December 1972 on the Community quota for the carriage of goods by road between Member States
- 30. Council Regulation (No. 1787/73/EEC) of 25 June 1973 amending Regulation No. 1463/70/EEC on the introduction of recording equipment in road transport

- 31. Council Directive of 25 June 1973 concerning the standardization of certain rules relating to authorizations for the carriage of goods by road between Member States (73/169/EEC)
- 32. Council Directive of 4 March 1974, amending the first Council Directive of 23 July 1962 on the establishment of certain common rules for international transport (carriage of goods by road for hire or reward) (74/149/EEC)
- 33. Regulation (No. 2063/74/EEC) of the Council of 1 August 1974 amending Regulation No. 2829 /72/EEC on the Community quota for the carriage of goods by road between Member States
- 34. Council Directive of 12 November 1974 on admission to the occupation of road haulage operator in national and international transport operations (74/561/EEC)
- 35. Council Directive of 12 November 1974 on admission to the occupation of road passenger transport operator in national and international transport operations (74/562/EEC)
- 36. Regulation (No. 3255/74/EEC) of the Council of 19 December 1974 extending and amending Regulation No. 1174/68/EEC on the introduction of a system of bracket tariffs for the carriage of goods by road between Member States
- 37. Regulation (No. 3256/74/EEC) of the Council of 19 December 1974 prolonging and amending Regulation No. 2829/72/EEC on the Community quota for the carriage of goods by road between Member States
- 38. Council Decision of 15 October 1975, authorizing the Commission to negotiate an agreement between the European Economic Community and third countries concerning the rules to be applied in international road passenger transport by coach and bus
- 39. Council Decision of 15 October 1975 laying down guidelines for the negotiation of an agreement between the European Economic Community and third countries on the rules to be applied to international road passenger transport by coach and bus
- 40. Regulation (No. 3330/75/EEC) of the Council of 18 December 1975, amending Regulation No. 3255/74/EEC of the Council of 19 December 1974 extending and amending Regulation No. 1174/68/EEC on the introduction of a system of bracket tariffs for the carriage of goods by road between Member States

- 41. Regulation (No. 3331/75/EEC) of the Council of 18 December 1975 prolonging Regulation No. 2829/72/EEC on the Community quota for the carriage of goods by road between Member States
- 42. Commission Decision (76/208/EEC) of 22 December 1975 authorizing the United Kingdom of Great Britain and Northern Ireland to take protective measures in respect of Council Regulation No. 543/69/EEC of 25 March 1969 on the harmonization of certain social legislation relating to road transport
- 43. Commission Decision (76/209/EEC) of 22 December 1975 authorizing Ireland to take protective measures in respect of Council Regulation No. 543/69/EEC of 25 March 1969 on the harmonization of certain social legislation relating to road transport
- 44. Commission Decision (76/210/EEC) of 23 December 1975 authorizing the Kingdom of Denmark to take protective measures in respect of Council Regulation No. 543/69/EEC of 25 March 1969 on the harmonization of certain social legislation relating to road transport
- 45. Council Decision of 15 March 1976 supplementing the Council Decision of 15 October 1975 on the opening of negotiations for an agreement between the European Economic Community and third countries on the rules to be applied to international road passenger transport by coach and bus
- 46. Commission Decision (76/587/EEC) of 23 June 1976 modifying its Decision of 22 December 1975 authorizing the United Kingdom of Great Britain and Northern Ireland to take protective measures in respect of Council Regulation No. 543/69/EEC of 25 March 1969 on the harmonization of certain social legislation relating to road transport
- 47. Commission Decision (76/588/EEC) of 23 June 1976 modifying its Decision of 22 December 1975 authorizing Ireland to take protective measures in respect of Council Regulation No. 543/69/EEC of 25 March 1969 on the harmonization of certain social legislation relating to road transport
- 48. Commission Decision (76/589/EEC) of 23 June 1976 modifying its decision of 23 December 1975 authorizing Denmark to continue to take protective measures in respect of Council Regulation No. 543/69/EEC of 25 March 1969 on the harmonization of certain social legislation relating to road transport

- 49. Council Regulation (No. 3164/76/EEC) of 16 December 1976 on the Community quota for the carriage of goods by road between Member States
- 50. Council Directive of 16 December 1976 on the minimum level of training for some road transport drivers (76/914/EEC)
- 51. Regulation (No. 3181/76/EEC) of the Council of 21 December 1976, extending Regulation No. 1174/68/EEC of the Council of 30 July 1968 on the introduction of a system of bracket tariffs for the carriage of goods by road between Member States
- 52. Council Regulation (No. 3237/76/EEC) of 21 December 1976 on the advance implementation of the Technical Annexes and the advance use of the specimen TIR carnet of the Customs Convention on the international transport of goods under cover of TIR carnets (TIR convention) of 14 November 1975, Geneva, + Annexes 1 to 7
- 53. Council Directive of 29 December 1976 on the approximation of the laws of the Member States relating to roadworthiness tests for motor vehicles and their trailers (77/143/EEC)
- 54. Council Directive of 14 February 1977, amending the first Council Directive of 23 July 1962 on the establishment of certain common rules for international transport (carriage of goods by road for hire or reward). (77/158/EEC)
- 55. Commission Decision (77/201/EEC) of 23 February 1977 modifying its Decision of 22 December 1975 authorizing the United Kingdom of Great Britain and Northern Ireland to take protective measures in respect of Council Regulation No. 543/69/EEC of 25 March 1969 on the harmonization of certain social legislation relating to road transport
- 56. Commission Decision (77/202/EEC) of 23Febraury 1977 modifying its Decision of 22 December 1975 authorizing Ireland to take protective measures in respect of Council Regulation No. 543/69/EEC of 25 March 1969 on the harmonization of certain social legislation relating to road transport
- 57. Council Decision of 25 October 1977 approving the joint declaration of intent to implement a European project in the field of electronic traffic aids on major roads (COST projects 30)

- 58. Council Regulation (No. 2827/77/EEC) of 12 December 1977 amending Regulation No. 543/69/EEC on the harmonization of certain social legislation relating to road transport
- 59. Council Regulation (No. 2828/77/EEC) of 12 December 1977 amending Regulation No. 1463/70/EEC on the introduction of recording equipment in road transport
- 60. Council Regulation (No. 2829/77/EEC) of 12 December 1977 on the bringing into force of the European Agreement concerning the work of crews of vehicles engaged in international road transport (AETR)
- 61. Council Regulation (No. 2832/77/EEC) of 12 December 1977 on the fixing of rates for the carriage of goods by road between Member States
- 62. Council Directive of 12 December 1977 aiming at the mutual recognition of diplomas, certificates and other evidence of formal qualifications for goods haulage operators and road passenger transport operators, including measures intended to encourage these operators effectively to exercise their right to freedom of establishment (77/796/EEC)
- 63. Regulation (No. 3022/77/EEC) of the Council of 20 December 1977 amending Regulation No. 517/72/EEC on the introduction of common rules for regular and special regular services by coach and bus between Member States
- 64. Council Regulation (No. 3024/77/EEC) of 21 December 1977 amending Council Regulation 517/72/EEC of 16 December 1976 on the Community quota for the carriage of goods by road between Member States
- 65. Commission Decision (78/85/EEC) of 21 December 1977 authorizing the United Kingdom of Great Britain and Northern Ireland to take measures in respect of national road transport involving exemptions from certain provisions of Council Regulation No. 543/69/EEC on the harmonization of certain social legislation relating to road transport, as last amended by Council Regulation No. 2827/77/EEC of 12 December 1977
- 66. Commission Decision (78/86/EEC) of 21 December 1977 authorizing Ireland to take measures in respect of national road transport involving exemptions from certain provisions of Council Regulation No. 543/69/EEC on the harmonization of certain social legislation relating to road transport, as last amended by Council Regulation No. 2827/77/EEC of 12 December 1977

- 67. European Agreement concerning the work of crews of vehicles engaged in international road transport (AETR) (1978)
- 68. Authorizations for the international carriage of goods by road, Resolution No. 119 (revised) (1978)
- 69. Council Decision of 20 February 1978 amending the two Decisions of 15 October 1975 on the negotiation of an agreement between the European Economic Community and third countries on the rules to be applied to international road passenger transport by coach and bus
- 70. Council Directive of 20 February 1978, amending the first Council Directive of 23 July 1962 on the establishment of certain common rules for international transport (carriage of goods by road for hire or reward). (78/175/EEC)
- 71. Regulation (No. 1301/78/EEC) of the Council of 12 June 1978, amending Regulation No. 517/72/EEC on the introduction of common rules for regular and special regular services by coach and bus between Member States
- 72. Council Directive (No. 78/546/EEC), of 12 June 1978 on statistical returns in respect of carriage of goods by road, as part of regional statistics.
- 73. Commission recommendation of 29 June 1978 concerning the general conditions for the application of the reference tariffs provided for in Article 4(3) of Council Regulation No. 2831/77/EEC on the fixing of rates for the carriage of goods by road between Member States. (78/624/EEC)
- 74. Commission Decision (78/638/EEC) of 30 June 1978 authorizing the United Kingdom of Great Britain and Northern Ireland to grant exemptions for national road transport operations from the Community Regulations on social matters relating to road transport
- 75. Council Regulation (No. 2112/78/EEC) of 25 July 1978 on the conclusion of the Customs Convention on the international transport of goods under cover of TIR carnets (TIR convention) of 14 November 1975, Geneva. Customs convention on the international transport of goods under cover of TIR carnets (TIR convention)

- 76. Commission Decision of 25 October 1978 setting a time limit for the conclusion of the negotiations between professional organizations for the establishment of reference tariffs for the carriage of goods by road between Member States (78/934/EEC)
- 77. Regulation N $^{\circ}$ (2778/78/EEC) of the Council of 23 November 1978 amending Regulation N $^{\circ}$ 516/72/EEC on the introduction of common rules for shuttle services by coach and bus between Member States
- 78. Council Regulation N° 3062/78/EEC of 19 December 1978 amending Regulation N° 3164/76/EEC of 16 December 1976 on the Community quota for the carriage of goods by road between Member States
- 79. Council Decision of 15 June 1979 on the definition of a Community position for the Member States' delegations to the International Labour Conference on the negotiation and adoption of a Convention and a recommendation concerning hours of work and rest periods in road transport
- 80. Council Decision on the acceptance of Resolution N° 119 (revised) of the Economic Commission for Europe on the standardization of the forms used for authorizations for the international carriage of goods by road (adopted by the Council on 25 June 1979).
- 81. Commission Decision (79/709/EEC) of 27 July 1979 authorizing the Netherlands Government to apply certain measures exempting national road transport operations from the provisions of Community Regulations concerning social matters in road haulage
- 82. Regulation (N° 2963/79/EEC) of the Council of 20 December 1979 amending, as regards increasing the quote, Regulation N° 3164/76/EEC on the Community quota for the carriage of goods by road between Member States
- 83. Regulation (N° 2964/79/EEC) of the Council of 20 December 1979 amending, as regards the introduction of short-term Community authorizations, Regulation N° 3164/76/EEC on the Community quota for the carriage of goods by road between Member States
- 84. Council Decision of 20 December 1979 on the adjustment of capacity for the carriage of goods by road for hire or reward between Member States (80/48/EEC)

- 85. Council Directive of 20 February 1979, amending the first Council Directive, of 23 July 1962 on the establishment of certain common rules for international transport (carriage of goods by road for hire or reward) (80/49/EEC)
- 86. Council Decision of 26 March 1980 supplementing the guidelines laid down by the Decisions of 15 October 1975 and 20 February 1978 on the negotiation of an agreement on the rules to be applied to international road passenger transport by coach and bus
- 87. Commission Opinion of 10 September 1981 regarding the Draft Royal Decree submitted by the Belgian Government on the incorporation into Belgian Law of Council Regulation N° 1463/70/EEC concerning the introduction of recording equipment in road transport (81/776/EEC)
- 88. Commission Decision of 15 September 1981 authorizing the Italian Republic to exempt from application of Regulation N° 1463/70/EEE on the introduction of recording equipment in road transport the vehicles referred to in Article 14 a) paragraph 3 a) of Regulation N° 534/69/EEC (81/790/EEC)
- 89. Council Regulation N° 3020/81/EEC of 19 October 1981 amending Regulation N° 3020/81/EEC on the advance implementation of the Technical Annexes and the advance use of the specimen TIR carnet of the Customs Convention on the international transport of goods under cover of TIR carnets (TIR Convention) of 14 November 1975, Geneva
- 90. Commission Decision of 18 December 1981 authorizing the United Kingdom to grant exemptions from Council Regulation N° 543/69/EEC on the harmonization of certain social legislation relating to road transport (82/62/EEC)
- 91. Council Directive of 19 January 1982 amending the 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 (82/50/EEC)
- 92. Council Regulation N° 663/82/EEC of 22 March 1982 amending as regards the increase of the quota, Regulation N° 3164/76/EEC on the Community quota for the carriage of goods by road between Member States
- 93. Council Decision of 12 July 1982 concluding the Agreement on the International Carriage of Passengers by Road by Means of Occasional Coach and Bus Services (ASOR) (82/505/EEC)

II. RAIL TRANSPORT

1. Agreement of 21 March 1955 between governments of the Member States of the ECSC convened in Council and concerning the fixing of international through rail tariffs Annex I : Special regulation

- Annex II : Coefficients of degressivity
- 2. Committee of ECSC Rail Experts for the application of ECSC International Tariff Nº 9001 established pursuant to the agreement of 21 March 1955 on the introduction of through international rail tariffs
- 3. Agreement of 28 July 1956 between the Swiss 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 Switzerland
- 4. ECSC/Switzerland Transport Committee set up by Article 6 of the Agreement of 28 July 1956 on the introduction of through international rail tariffs for the carriage of Coal and Steel through Swiss territory
- 5. 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
- 6. ECSC/Austria Transport Committee set up by Article 6 of the Agreement of 26 July 1957 on the introduction through international rail tariffs for the carriage of coal and steel through the territory of the Republic of Austria
- 7. Agreement of 23 January 1962 on certain measures to facilitate customs clearance of products covered by the ECSC Treaty carried by rail
- 8. Regulation (No. 1192/69/EEC) of the Council of 26 June 1969 on common rules for the normalization of the accounts of railway undertakings
- 9. Council Resolution of 7 December 1970, on cooperation between railway undertakings

- 10. Commission Decision of 24 April 1972 setting up a joint Advisory Committee on Social Questions arising in the Railway Industry (72/172/EEC)
- 11. Revised uniform nomenclature for the carriage by rail of coal and steel (1974)
- 12. Council Resolution of 27 June 1974 concerning the proposal for a Council decision relating to Article 8 of Council Decision No. 65/271/EEC of 13 May 1965 (cf. VII, II)
- 13. Council Decision of 20 May 1975 on the improvement of the situation of railway undertakings and the harmonization of rules governing financial relations between such undertakings and States (75/327/EEC)
- 14. Council Regulation (No. 2830/77/EEC) of 12 December 1977 on the measures necessary to achieve comparability between the accounting systems and annual accounts of railway undertakings
- 15. Council Regulation (No.2183/78/EEC) of 19 September 1978 laying down uniform costing principles for railway undertakings
- 16. Council Decision of 23 November 1978 concerning the acceptance of Resolution No. 212 (revised) of the Economic Commission for Europe and relating to the facilitation of health and quality inspection in the international carriage of goods by rail as regards traffic between the Community and third countries' signatories to the resolution
- 17. Commission Recommendation of 22 February 1982 to the Italian Republic concerning measures to improve the transport of goods by rail to and from Italy (82/172/EEC)
- 18. Council Decision of 19 July 1982 on the fixing of rates for the international carriage of goods by rail (82/529/EEC)

III. INLAND WATERWAYS

- Agreement of 9 July 1957 between the Governments of the Member States of the ECSC meeting at the Council concerning freight rates and conditions for the carriage of coal and steel on the Rhine.
- Commission Decision of 28 November 1967 setting up a Joint Advisory Committee on Social Questions arising in Inland Navigation (67/745/EEC)
- 3. Commission Recommendation of 31 July 1968 to the Member States on the structural improvement of the market in the carriage of goods by inland waterway (68/335/EEC)
- Commission Decision of 19 June 1970 amending the Decision of 28 November 1967 setting up a Joint Advisory Committee on Social Questions arising in Inland Navigation (70/326/EEC)
- Council Resolution of 27 June 1970 on access to the market in goods transport by inland waterway
- Commission Regulation (No. 281/71/EEC) of 9 February 1971 determining the composition of the list of waterways of a maritime character provided for in Article 3(e) of Council Regulation of 4 June 1970 (No. 1108/70/EEC) (cf. VII, 25)
- 7. Council Directive of 12 October 1971 on the approximation of the laws of the Member States relating to the calibration of the tanks of vessels (71/349/EEC)
- 8. Commission Decision of 19 April 1972 concerning the Appointment of the Members of the Joint Advisory Committee on Social Questions arising in Inland Navigation (72/164/EEC)
- 9. Council Decision of 28 December 1972 on the opening of negotiations for an agreement on the implementation of a set of rules on the temporary laying-up of vessels used for the carriage of goods and applicable to certain waterways
- 10. Council Decision of 17 February 1975 amending and supplementing the Directives annexed to the council Decision of 28 December 1972 on the opening of negotiations for an agreement on the implementation of a set of rules on the temporary laying-up of vessels used for the carriage of goods and applicable to certain waterways
- Council Directive of 20 January 1976 on the reciprocal recognition of navigability licences for inland waterway vessels (76/135/EEC)

- 12. Council Decision of 17 May 1976 supplementing the Directives annexed to the Council Decision of 28 December 1972 and of 17 February 1975 on the opening of negotiations for an agreement on the implementation of a set of rules on the temporary laying-up of vessels used for the carriage of goods and applicable to certain waterways.
- 13. Commission Decision of 29 July 1977, establishing the list of maritime shipping lanes for the application of Council Directive 76/135/EEC (77/527/EEC)
- 14. Council Decision of 13 September 1977 setting up a consultation procedure on relations between Member States and third countries in shipping matters and on action relating to such matters in international organizations (77/587/EEC)
- 15. Council Decision of 20 February 1978 amending the Directives annexed to the Council Decisions of 28 December 1972, 17 February 1975 and 17 May 1976 on the opening of negotiations for an agreement on the implementation of a set of rules on the temporary laying-up of vessels used for the carriage of goods and applicable to certain waterways
- 16. Council Directive of 23 November 1978 amending Directive 76/135/EEC on the reciprocal recognition of navigability licences for inland waterway vessels (78/1016/EEC)
- 17. Council Decision of 19 December 1978 on the adoption by certain Member States of the European Economic Community of an additional protocol to the revised Convention for the navigation of the Rhine of 17 October 1968 in its terms of 20 November 1963
- 18. Commission Opinion of 19 October 1981 addressed to the Government of the Kingdom of the Netherlands on a draft law establishing rules concerning the publication of data relating to loads in North-South inland waterway traffic (81/886/EEC)

IV. COMBINED TRANSPORT

- 1. 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 (75/130/EEC)
- Council Directive of 19 December 1978 amending Directive 75/130/EEC on 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 (79/5/EEC)
- 3. Council Directive of 21 December 1981 amending Directive 75/130/EEC on the establishment of common rules for certain types of combined road/rail carriage of goods between Member States (82/3/EEC)
- 4. Council Regulation (No. 1658/82/EEC) of 10 June 1982 supplementing by provisions on combined transport Regulation (EEC) No. 1107/70 on the granting of aids for transport by rail, road and inland waterway (cf. VII, 23)
- Council Directive of 28 July 1982 amending Directive 75/130/EEC on the establishment of common rules for certain types of combined road/rail carriage of goods between Member States (82/603/EEC)

V. AIR TRANSPORT (*)

Council Decision of 20 December 1979 setting up a consultation procedure on relations between Member States and third countries in the field of air transport and on action relating to such matters within international organizations (80/50/EEC)

^(*) Community action in the air and sea transport sectors was not initiated until after the Court of Justice decisions of 4 April 1974 and 12 October 1978 in cases 167/73 and 156/77 respectively.

VI. SEA TRANSPORT (*)

- Council Decision of 13 September 1977 setting up a consultation procedure on relations between Member States and third countries in shipping matters and on action relating to such matters in international organizations (77/587/EEC)
- Council resolution of 26 June 1978 setting up an action programme of the European Communities on the control and reduction of pollution caused by hydrocarbons discharged at sea.
- Council recommendation of 26 June 1978 on the ratification of Conventions on safety in shipping (78/584/EEC)
- 4. Council Decision of 19 September 1978, concerning the activities of certain third countries in the field of cargo shipping (78/774/EEC)
- Council Decision of 19 December 1978 on the collection of information concerning the activities of carriers partici– pating in cargo liner traffic in certain areas of operation (79/4/EEC)
- Council recommendation of 21 December 1978 on the ratification of the 1978 International Convention on standards of training, certificating and watchkeeping for seafarers (79/114/EEC)
- 7. Council Directive of 21 December 1978 concerning pilotage of vessels by deep-sea pilots in the North Sea and English Channel (79/115/EEC)
- 8. Council Directive of 21 December 1978 concerning minimum requirements for certain tankers entering or leaving Community ports (79/116/EEC)
- 9. Council Regulation (No. 954/79/EEC) of 15 May 1979 concerning the ratification by the Member States, or their accession to, the United Nations Convention on a Code of Conduct for Liner Conferences

^(*) See footnote to Part V of Appendix

- 10. Council Directive of 6 December 1979, amending Directive 79/116/EEC concerning minimum requirements for certain tankers entering or leaving Community ports (79/1034/EEC)
- 11. Commission Opinion of 16 March 1982 addressed to the Kingdom of Belgium pursuant to Council Regulation No. 954/79/EEC of 15 May 1979 concerning the ratification by Member States of, or their accession to, the United Nations Convention on a Code of Conduct for Liner Conferences (82/210/EEC)

VII. MATTERS CONCERNING SEVERAL MODES OF TRANSPORT - GENERAL TRANSPORT POLICY

- 1. Rules of the Transport Committee of 15 September 1958
- Commission recommendations of 21 June 1960 and the supplement of 25 July 1961 addressed to the Member States and relating to the development of transport infrastructure within the Community
- 3. Council Regulation (No. 11/60/EEC) of 27 June 1960 concerning the abolition of discrimination in transport rates and conditions, in implementation of Article 79(3) of the Treaty establishing the European Economic Community
- 4. ECSC High Authority: Recommendation (No. 1-61) of 1 March 1961 to the Governments of the Member States, concerning the publication or communication of the scales, rates and tariff rules applied to the carriage of coal and steel
- 5. Regulation (No. 141/62/EEC) of the Council exempting transport from the application of Council Regulation No. 17
- 6. Council Decision of 21 March 1962 instituting a procedure or prior examination and consultation in respect of certain laws, regulations and administrative provisions concerning transport proposed in Member States
- 7. Council Decision of 22 June 1964 amending the Rules of the Transport Committee ($\underline{64/390/EEC}$)
- 8. Council Decision of 22 June 1964 on the organization of a survey of infrastructure costs in respect of transport by rail, road and inland waterway $(\underline{64/389/\text{EEC}})$
- 9. Commission Decision 65/258/EEC of 27 April 1965 on the censuses and samplings to be carried out in 1966 relating to the use of infrastructure
- 10. Council Decision of 13 May 1965 implementing Article 4 of Council Decision No. 64/389/EEC of 22 June 1964 on the organization of an inquiry into infrastructure costs in respect of transport by rail, road and inland waterway (65/270/EEC)
- 11. Council Decision of 13 May 1965 on the harmonization of certain provisions affecting competition in transport by rail, road and inland waterway (65/271/EEC)

- 12. Council Agreement of 22 June 1965 and Council resolution of 20 October 1966 on the organization of the transport market
- 13. Council Regulation (No. 165/65/EEC) of 9 December 1965 extending the deadline for exempting rail, road and inland waterway transport from the application of Council Regulation No. 17
- 14. Council Decision of 28 February 1966 instituting a procedure for consultation in respect of transport infrastructure investment (66/161/EEC)
- 15. Council Decision of 14 December 1967 on certain measures of common transport policy (67/790/EEC)
- 16. Council Regulation (No. 1002/67/EEC) of 14 December 1967 extending the deadline for exempting rail, road and inland waterway transport from the application of Council Regulation No. 17
- 17. Regulation (No. 1017/68/EEC) of the Council of 19 July 1968 applying rules of competition to transport by rail, road and inland waterway
- 18. Advisory Committee on restrictive Practices and Monopolies in the Transport Industry set up by Article 16 of Council Regulation (No. 1017/68/EEC) of 19 July 1968
- 19. Regulation (No. 1191/69/EEC) of the Council of 26 June 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
- 20. Regulation (No. 1629/69/EEC) of the Commission of 8 August 1969 on the form, content and other detail of complaints pursuant to Article 10, applications pursuant to Article 12 and notifications pursuant to Article 14(1) of Council Regulation (No. 1017/68/EEC) of 19 July 1968
- 21. Regulation (No. 1630/69/EEC) of the Commission of 8 August 1969 on the hearings provided for in Article 26(1) and (2) of Council Regulation No. 1017/68/EEC of 19 July 1968
- 22. Council Decision of 27 January 1970 amending the Council Decision of 13 May 1965 implementing Article 4 of the Council Decision of 22 June 1964 on the organization of an inquiry into infrastructure costs in respect of transport by rail, road and inland waterway (70/108/EEC)

- 23. Regulation (No. 1107/70/EEC) of the Council of 4 June 1970 on the granting of aids for transport by rail, road and inland waterway
- 24. Advisory Committee on transport Aids set up by Article 6 of Council Regulation No. 1107/70/EEC of 4 June 1970
- 25. Regulation (No. 1108/70/EEC) of the Council of 4 June 1970 introducing an accounting system for expenditure on infrastructure in respect of transport by rail, road and inland waterway
- 26. Regulation (No. 2598/70/EEC) of the Commission of 18 December 1980 specifying items to be included under the various headings in the forms of accounts shown in Annex I to Council Regulation (No. 1108/70/EEC) of 4 June 1970
- 27. Council decision of 6 November 1972 authorizing the Italian Government to extend certain time-limits laid down in Articles 6 and 9 of Regulation No. 1191/69/EEC) on action by Member States concerning the obligations inherent in the concept of a public service in transport by rail, road and inland waterway (72/378/EEC)
- 28. Council Decision of 22 November 1973 amending the Decision of 21 March 1962 instituting a procedure or prior examination and consultation in respect of certain laws, regulations and administrative provisions concerning transport proposed in Member States (73/402/EEC)
- 29. Regulation (No. 2988/74/EEC) of the Council of 26 November 1974 concerning limitation periods in proceedings and the enforcement of sanctions under the rules of the European Economic Community relating to transport and competition
- 30. Council Regulation (No. 1473/75/EEC) of 20 May 1975, amending Regulation No. 1107/70/EEC on the granting of aids for transport by rail, road and inland waterway
- 31. Council Decision of 20 February 1978 instituting a consultation procedure and setting up a committee in the field of transport infrastructure (78/174/EEC)
- 32. Commission Regulation (No. 2116/78/EEC) of 7 September 1978 amending Regulation (No. 2598/70/EEC) specifying the items to be included under the various headings in the forms of accounts shown in Annex I to Council Regulation No. 1108/70/EEC of 4 June 1970

- 33. Council Regulation No. 1384/79/EEC of 25 June 1979 amending Regulation (No. 1108/70/EEC) introducing an accounting system for expenditure on infrastructure in respect of transport by rail, road and inland waterway
- 34. Council Directive on summertime arrangements (No. 80/737/EEC) of 22 July 1980
- 35. Council Regulation (No. 3021/81/EEC) of 19 October 1981 adapting, consequent upon the accession of Greece, Regulation No. 1108/70/EEC introducing an accounting system for expenditure on infrastructure in respect of transport by rail, road and inland waterway.

APPENDIX 2 - COMMISSION PROPOSALS STILL PENDING AT THE COUNCIL

COMMISSION PROPOSALS PENDING BEFORE THE COUNCIL

(Situation: July 1982)

I. ROAD HAULAGE

Proposals

1. Proposal for a first Council Directive on the Adjustment of National Taxation Systems for Commercial Vehicles

Submitted to the Council on 17 July 1968 EP Opinion issued on 7 May 1969 ESC Opinion issued on 26 February 1969

2a) Proposal for a Directive on Commercial Road Vehicles and on Certain Additional Technical Requirements concerning weights and other characsuch Vehicles

Submitted to the Council on 21 June 1971 EP Opinion issued on 18 September 1971 ESC Opinion issued on 27 January 1972

Remarks

So far, the Council has taken no decision since Italyhas made approval of the Commission proposal dependent on the final acceptance of the directive on the weights and dimensions of commercial vehicles.

The Commission's 1971 prothe Weights and Dimensions of posal is valid only as far as the part on the dimensions of vehicles is concerned. For teristics, see 2b).

b) Proposal for a Council Directive on the Weights and Certain Other Characteristics (not including Dimensions) of Road Vehicles used for the Carriage of Goods

Submitted to the Council on 30 December 1978 EP Opinion issued on 7 May 1981 ESC Opinion issued on 31 January 1980

c) Amendment of the Proposal referred to under b) (COM(81) 510 fin of 11 September 1981)
Submitted to the Council on 18 September 1981

Remarks

The part on weights replaced in 1978 by an amended Commission proposal, on which the ESC issued an Opinion in 1980.

a) ~ c)

In September 1981, the Commission sent the Council an amended version of its 1978 proposal, in which it took account of the ESC Opinion, which was supported by the EP, and limited the maximum total weight of commercial road vehicles to 40 tonnes.

The Council noted at its meeting of 10 June 1982 that the views of delegations on certain basic questions had moved much closer together. The Committee of Permanent Representatives was asked to continue discussions along specific lines.

3. Proposal for a Council Directive amending Council Directive No. 68/297/EEC on the Standardization of Provisions regarding the Duty-Free Admission of Fuel contained in the Fuel Tanks of Commercial Motor Vehicles.

Submitted to the Council on 31 July 1974 EP Opinion issued on 15 November 1974 ESC Opinion issued on 18 October 1974

4. Proposal for a Council Regulation on the <u>Harmonization</u> of <u>Certain Social Legis</u>—
<u>lation Relating to Road</u>
Transport

Submitted to the Council on 9 March 1976 EP Opinion issued on 17 December 1976 ESC Opinion issued on 28 October 1976

Amended version

Submitted to the Council on 8 August 1977

Remarks

The Council examined this proposal on 11 December 1974 and 12 June 1978. So far, however, it has not achieved the unanimity required under Articles 75 and 99 of the EEC Treaty because Germany has not abandoned its original reservations. On 4 December 1980 the Council referred the matter back to the Permanent Representatives.

On 12 December 1977 the Council adopted Regulation (EEC) No. 2827/77. At this meeting it was agreed that new factors were to be taken into account during the second stage of the above Regulation's revision. Among these points, special mention should be made of possible changes which might be necessary following ratification of ILO Convention No. 153.

(The deadline for certain derogations from Regulation No. 543/69 expired on 1 January 1981).

Remarks

At its meeting on 4 December 1980 the Council adopted a resolution on the application of Regulation No. 543/69.

On 14 July 1981 the Commission informed the Council that it intended to consult interested economic and social groups and the Member States with a view to the possible amendment of Regulation No. 543/69.

On 15 December 1981 the Council noted that the Commission intended to submit a report on the Community's social policy in road transport by July 1982.

5. Proposal for a Council
Regulation on the Adjustment of Capacity for the
Carriage of Goods by Road
for Hire or Reward between
Member States.

Submitted to the Council on 5 October 1978 EP Opinion issued on 16 February 1979 ESC Opinion issued on 22 February 1979 Some of the measures suggested in this proposal have already been implemented through Council Decision No. 80/48/EEC of 20 December 1979.

When this decision was adopted, the Council and the Commission agreed that the points in the latter's proposal which could not be dealt with by Regulation No. 80/48/EEC should be re-examined after this measure had been in force some time. The Commission should particularly look at the question of transit - which was contained in its proposal - and draw up a report on the matter.

This report is not yet before the Council.

6. Proposal for a Council
Decision concerning the
Amendment of the European
Agreement concerning the Work
of Crews engaged in International Road Transport
(AETR) and the Accession of
the EEC to this Agreement

Submitted to the Council on 24 January 1979

The ESC was not asked for an Opinion on the above proposal. However, on 25 June 1975 it did issue an Opinion on the Commission's parent proposal which led to Regulation No. 2829/77 of 12 December 1977

Remarks

On 12 December 1977 the Council adopted Regulation (EEC) No. 2827/77, amending Regulation No. 543/69 on the harmonization of certain social provisions in road transport.

As a result, the AETR agreement had to be amended.

This was one of the aims of the proposal.

The proposed amendments to the AETR have been sent to the General-Secretary of the United Nations on the basis of a Council Decision of 15 december 1981 (Part I of the Proposal - bringing the agreement in line with the Community's social provisions in road transport and especially those on the tachograph).

At a later date the Council will examine other points in the Commission proposal, especially the question of the Community's accession to the AETR.

7.Proposal for a Council
Directive on Own-Account
Carriage of Goods by Road
between Member States

Submitted to the Council on 1 February 1979 EP Opinion issued on 27 April 1979 ESC Opinion issued on 30 January 1980

8. Proposal for a Council
Resolution on Acceptance by
the Community of a Draft
Resolution of the European
Conference of Transport
Ministers on the Introduction of an ECMT Licence
for International Removals.

Submitted to the Council on 18 September 1980 EP Opinion issued on 21 November 1980 ESC Opinion issued on 19 December 1980

Remarks

Part of the Commission proposal has already been brought into force by Council Directive No. 80/49/EEC of 20 December 1979. The remainder of the proposal could be reexamined in the light of results given by the above Directive.

This has not yet been done.

On 23 September 1981, the Commission sent the Council a working paper with a draft ECMT resolution concerning international removals.

These proposals are currently being examined by the Council and new initiatives from the Commission are expected.

9. Proposal for a Council
Directive amending
Directive 65/269/EEC on
the Standardization of
Certain Rules Relating
to Authorization for the
Carriage of Goods by Road
between Member States

Submitted to the Council on 15 December 1980 EP Opinion issued on 7 May 1981 ESC Opinion issued on 26 February 1981

10. Proposal for a Council
Resolution on the Collection of Information concerning the Activities of Road Hauliers Participating in the Carriage of Goods to and from Certain Non-Member Countries

Submitted to the Council on 14 January 1982 ESC Opinion issued on 26 May 1982

11.Proposal for a Council Directive on the Easing of Formalities and Controls in Goods
Transport between Member
States

Submitted to the Council on 20 April 1982 ESC Opinion likely to be issued at the end of 1982

Remarks

In view of the difficulties that have arisen in some Member States because Community authorizations are needed both for tractor units and trailers, the Commission proposes that in future authorizations be issued only for tractor units. These authorizations should be issued by the Member State in which the tractor unit is registered.

After the submission of Opinions from the Parliament and ESC, the Council is now awaiting an amended proposal from the Commission.

12.Proposal for a Council Regulation Amending EEC Regulation No 3164/76 and 2964/79 on the Community Quota for Goods Transport between Member States

Submitted to the Council on 15 September 1982 ESC Opinion issued at the end of November 1982

13.Proposal for a Council
Regulation (EEC) on Measures
Implementing the Agreement
on the International Carriage
of Passengers by Road by
Means of Occasional Coach
and Bus Services (ASOR)

(22 September 1982)

14. Proposal for a Council
Regulation on the Formation
of Rates for the Carriage
of Goods by Road between
Member States

(22 September 1982)

II. TRANSPORT BY RAIL

Remarks

On 15 December 1981 the Council adopted a resolution on the Community's railways policy (1) and called upon the Commission to submit a report on the Community's policy relating to rail transport by July 1982, and sooner if possible. To this report there should be added, where appropriate, concrete proposals on the following:

⁽¹⁾ OJ No C 157 of 22 June 1982, p.I.

Remarks

- the obstacles to closer cooperation between the railways, and especially those which could be removed by government action;
- the possibilities of improving international express passenger transport on the transport networks designed for this purpose;
- the past and foreseeable trend in the prices of international goods transport;
- the laying down of guidelines for the distribution of income from international traffic, taking account of the common interests of the railway companies involved;
- the stage reached in the work of the coordinating committee on "pick-a-back traffic" as regards the future organization of this mode of transport;
- the structure and extension of container traffic: and
- the possible form of a network of railway links and transit centres in keeping with the future development of combined transport and technical characteristics.

1.Proposal for a Council Regulation amending Regulation
No. 1192/69 on Common Rules
for the Normalization of the
Accounts of Railway Undertakings

Submitted to the Council on 7 December 1977 EP Opinion issued on 16 June 1978 ESC Opinion issued on 31 May 1978

- 2.- Proposal for a Council
 Regulation Setting the
 Time Limit and Conditions for the Achievement of Financial Balance
 by Railway Undertakings
 - Proposal for a Council
 Regulation amending the
 Decision 75/327/EEC on
 the Improvement of the
 Situation of Railway
 Undertakings and the Harmonization of Rules governing Financial Relations
 between such Undertakings
 and States

Remarks

On 10 June 1982 the Counalso took cognizance of the Commission Communication on an Action Programme for International Railway Cooperation. The Commission was asked to discuss the programme and then put forward concrete proposals as soon as possible.

In a Memorandum of 16 December 1980 on railways policy, the Commission expressed the wish that the Council should adopt all the proposals concerning railways policy before it at that time, of which this proposal was one.

Both proposals have already been given an initial examination by the Council.

New Commission initiatives are expected here too.

Remarks

Submitted to the Council on 20 January 1981 EP Opinion issued on 16 October 1981 ESC Opinion issued on 28 October 1981

Proposed amendment to the proposal (financial balance)

Submitted to the Council on 17 March 1982

III. TRANSPORT BY INLAND WATERWAY

1. Proposal for a Council Regulation relating to Access to the Market for Goods Transport by Inland Waterway

Submitted to the Council on 29 November 1967 tember 1968 ESC Opinion issued on 26 June 1968

Proposed amendment to the proposal submitted to the Council on 28 April 1969

In a Decision of 27 January 1970 the Council gave priority to the question of laying-up.

The provisions of Title III Chapter 2 of the proposal served EP Opinion issued on 30 Sep- as a basis for the Ccuncil decision of 28 December 1972 and for Directives concerning negotiatiations with Switzerland in order to set up a European laying-up fund.

> These negotiations have so far had no results.

Remarks

In its 1975 communication to the Council on the functioning of the transport markets, the Commission split off Title II of the 1967 proposal on access to the national and international markets in inland waterway goods and passenger transport.

The amended text of the initial proposal - with the exception of the detached parts - has been incorporated in toto in a Commission working document of 11 January 1977 with a view to the work being continued by the Council. At the request of the Working Party on Transport Questions, the Commission had also submitted two working documents on:

- an inventory of breaking-up measures decided on by the Member States;
 - an examination of possible measures to eliminate structural surplus capacity in inland waterway navigation or to counteract its effects.

In view of the fact that talks on the laying-up fund have not so far been successful, discussions on the proposed regulation on access to the market in inland waterway goods transport have so far had no results.

2.Proposal for a Council Regulation on the <u>Harmonization of</u> <u>Certain Social Provisions</u> <u>Relating to Goods Transport</u> by Inland Waterway

Submitted to the Council on 17 September 1975 EP Opinion issued on 7 February 1977 ESC Opinion issued on 26 January 1977

Amended version Submitted to the Council on 17 July 1979

3.Proposal for a Council Regulation on a System of Reference Tariffs for the Carriage of Goods by Inland Waterway between Member States

Submitted to the Council on 15 December 1975 EP Opinion issued on 17 December 1976 ESC Opinion issued on 30 September 1976

Amended version submitted to the Council on 13 April 1977

Remarks

Since the amended proposal was submitted on 17 July 1979, the Council authorities have continued to examine the Commission's proposal. Later, they suspended work pending the outcome of the Commission's consultations with the Rhine shipping board.

The Commission recorded the results of these talks in a working paper which was sent to the Council on 25 December 1981.

The Council authorities first discussed this matter on 9 January 1980. It is awaiting new proposals from the Commission regarding market access before resuming work.

Remarks

IV.TRANSPORT BY AIR

1. Proposal for a Council Regulanal Air Services of passen- mission's proposal. As a gers, mail and cargo between result of this exchange the Member States

Submitted to the Council on 1 December 1980 EP Opinion issued on 16 October 1981 ESC Opinion issued on 28 October 1981

Proposed amendment to the proposal submitted to the Council on 16 December 1981

.2.Proposal for a Council Directive on Tariffs for Scheduled Air Transport between Member States

> Submitted to the Council on 27 October 1981 The ESC Opinion will presumably be ready at the end of 1982

3.Proposal for a Council Regulation (EEC) on the Application of Articles 85 and 86 of the EEC Treaty to Air Transport

Submitted to the Council on 10 August 1981 The ESC Opinion will presumably be ready at the end of 1982.

On 15 December 1981 and 10 tion concerning the <u>Authoriza</u>-June 1982 the Council had an tion of Scheduled Inter-regio-exchange of views on the Comdelegations' most important concerns could be taken into account and some guidelines laid down for the continuation of work by COREPER.

٧. TRANSPORT BY SEA

1. Proposal for a Council Decision Rendering Mandatory the Procedures for Ship Inspection forming the subject of resolutions of the Inter-Governmental Maritime Consultative Organization (IMCO)

> 13 November 1978 EP Opinion issued on 19 January 1979 ESC Opinion issued on 24 January 1979

Remarks

At its meeting on 20 February 1979, the Council examined the proposal for a decision rendering mandatory the procedures for ship inspection forming the subject of resolutions of the Intergovernmental maritime Consultative Organization (IMCO). It was concluded, after a study of the proposal, that the problems Submitted to the Council on involved necessitated a further period of reflection.

> These same problems were raised again when discussions were held on the proposal referred to under point 2. During these discussions the Council took into consideration, among other things, the work carried out by the Regional Conference of Ministers for Shipping Safety (1-2 December 1980 in Paris: member countries. Spain, Norway, Portugal, Sweden).

> On 15 December 1981 the Council adopted a resolution on shipping controls by the port state; in this Resolution Member States and the Commission were invited to participate in the second Regional Conference of Ministers (Paris, 26 January 1982) in order to set up a coordinated system of shipping controls by the port state in the EEC. The Council also declared that it would eventually take a look at matters which might require additional measures in this field at Community level. A memorandum embodying an agreement on shipping controls by the port state was signed in Paris and its provisions have been in force since 1 July 1982.

2.Proposal for a Council Directive concerning the Enforcement, in respect of shipping using Community ports, of In- interested in this matter. ternational Standards for Shipping Safety and Pollution Prevention

Submitted to the Council on 30 July 1980 EP Opinion issued on 16 January 1981 ESC Opinion issued on 25 March 1981

- 3. Proposal for a Council Decision adopting a concerted action project for the European Economic Community in the field of shore-based maritime navigation aid systems
 - Recommendation for a Council Decision empowering the Commission to negotiate an agreement on the implementation of a concerted action project concerning "shorebased maritime, navigation aid systems" between the Community and third countries involved in European cooperation in the field of scientific and technical research (COST)

Submitted to the Council on 24 September 1981 ESC Opinion issued on 25 November 1981

Amended proposal submitted to the Council on 9 September 1982

Remarks

An agreement was reached at the Paris Conference (see comments on VI) between the participants

Remarks

4. Proposal for a Council Regulation (EEC) on the detailed Application of Articles 85 and 86 to Maritime Transport

Submitted to the Council on 16 October 1981 The ESC's Opinion is expected to be ready by the end of 1982

VI. MATTERS CONCERNING TWO OR MORE MODES OF TRANSPORT

1a) Proposal for a Council Regulation supplementing Council Regulation (EEC) No. 1191/69 of 26 June 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

In its memorandum of 16 October 1980 on railways policy

the Commission called upon the

Council to adopt the proposal.

Submitted to the Council on 18 December 1972 EP Opinion issued on 10 May ESC Opinion issued on 23 May 1973

b) Proposal for a Council Regulation (EEC) amending Regula- coninuing its examination of tion (EEC) No. 1191/69 on ac- this proposal. tion by Member States concerning the Obligations Inherent in the Concept of a Public Service in transport by rail, road and inland waterway

The Council is currently

Submitted to the Council on 20 January 1981 EP Opinion issued on 18 september 1981 ESC Opinion issued on 28 October 1981

Proposed Amendment to the proposal submitted to the Council on 15 March 1982

2. Proposal for a Council Directive 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

Submitted to the Council on 10 October 1975 EP Opinion issued on 14 May 1976 ESC Opinion issued on 25 May 1976

Amended on 30 July 1976.

Remarks

The Proposal led to the adoption, on 12 December 1977, of Council Directive 77/796/EEC on road transport operators carrying out activities under Directives 74/561/EEC and 74/562/EEC.

The adoption of this Directive by the Council led to the following declaration being included in the Minutes:

The Council and the Commission declare that the original proposal of the Commission will be further examined by the Council, and especially as regards activities other than those of road transport operators. The same applies to the activities of inland waterway operators.

However, so far the Council authorities have not reexamined the other aspects of this proposal.

3. Proposal for a Council Regulation concerning a System for Observing the Markets for the Carriage of Goods by Road, Rail and Inland Waterway between the Member States

Submitted to the Council on 10 October 1975 EP Opinion issued on 18 November 1976 ESC Opinion issued on 30 september 1976

Amended version submitted to the Council on 11 december 1980

EP Opinion issued on 19 June 1981 ESC Opinion issued on 28 may 1981

4. Proposal for a Council Regulation concerning Aid to
Projects of Community
Interest in the Field of
Transport Infrastructure

Remarks

 $\overline{0}$ n 12 June 1978, the Council noted that the Commission intended to introduce a system for observing the markets for a 3-year trial period from 1.1.1979, so as to have information about the state of these markets and trends on them. The Council therefore agreed to await the results of this trial before deciding on the proposed regulation. On 11 December 1980 the Commission submitted a report to the Council on the application of the market observation system to land transport together with an amendment to its original proposal of 1975.

At its meeting on 22/23 July 1978 the Council adopted a decision whereby it noted the Commission's intention to operate the market observation system for a new 3-year trial period from 1.1.1982.

On 23 November 1978, the Council had a general discussion on this proposal. The Council called upon the Commission to submit a report to it before 1 January 1980

Submitted to the Council on 5 July 1976 EP Opinion issued on 18 November 1976 ESC Opinion issued on 15 December 1976

First Amendment to the Proposal submitted to the Council on 3 October 1977

Second Amendment to the Proposal submitted to the Council on 4 March 1980

Remarks

on transport infrastructure bottlenecks in the Community and the various measures taken by the Community, and to work out criteria with the Committee on infrastructure questions for assessing projects of Community interest.

On 19 June 1980 the Commission submitted a report on bottlenecks and the various intervention measures, and on 16 December 1981 it submitted the report on the criteria for assessing projects of Community interest.

On 4 December 1980, the Council drew certain conclusions and laid down guidelines for continuing work. After the two reports referred to above were submitted, the Council resumed work on this matter on 21 October 1981.

On 15 december 1981 the Council adopted a resolution on Community aid for transport infrastructure projects. Two

Remarks

of the seven points in the Decision are worthy of special mention: Firstly, the Council asked the Commission, in collaboration with the committee on infrastructure questions, to apply the procedures for assessing the "Community importance" of infrastructure projects (which were put forward in its report) to a limited number of specific projects on a trial basis and submit its findings before 1 October 1982.

A further point was the appointment of COREPER to examine the Commission proposal, with particular regard to (a) the scope of the regulation, (b) the possible forms of financial aid for projects of Community interest, and the conditions to be attached to them, and (c) the proposed decision-making procedure, with special reference to the role of the Council in this.

5. Proposal for a Council Directive on the Harmonized Application of the International Convention for Safe Containers (CSC) in the European Economic Community

On 10 June 1982 the Council asked the Commission to submit a balanced trial programme within three months. The trial programme would cover a period of between three to five years and would include a clearly defined infrastructure project.

Submitted to the Council on 18 July 1980 EP Opinion issued on 21 November 1980 ESC Opinion issued on 26 february 1981

6. 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

Submitted to the Council on 19 December 1980 EP Opinion issued on 19 June 1981 ESC Opinion issued on 26 May 1981

7. Proposal for a Council
Regulation on the <u>Granting</u>
of <u>Limited Financial Support</u>
in the <u>Field of Transport</u>
Infrastructure

Submitted to the Council on 22 July 1982 ESC Opinion issued at the end of October 1982

. Remarks

Most delegations had expressed definite reservations about this proposal, and the ESC in its Opinion even went as far as advising against conclusion of this international convention. Examination of this file is therefore deferred for the moment.

Examination of this file has been temporarily shelved.

European Communities - Economic and Social Committee

"Transport Policy of the European Community in the 1980s"

Own-initiative Opinion of the Economic and Social Committee

Brussels: General Secretariat of the Economic and Social Committee

1983 - 99 pages

DK, D, F, Gr, I, N.

The common transport policy of the 1980s will have to be pragmatic without losing sight of fundamental objectives. It must allow as much free competition as possible, though this will have to be curtailed where necessary if the overriding interests of the general public are at stake. This is in essence, the central message of the ESC's Opinion. The ESC also makes an urgent appeal to the Council and the Commission to implement a European transport policy in the 1980s as soon as possible.