Report

drawn up on behalf of the Committee on Transport

on the proposal from the Commission of the European Communities to the Council (Doc. 1-527/83 - COM(83) 340 final) for a regulation amending Regulation (EEC) No. 3164/76 on the Community quota for the carriage of goods by road between Member States

Rapporteur: Mr K.-H. HOFFMANN
By letter of 1 July 1983, the general secretariat of the Council of the European Communities requested the European Parliament to deliver an opinion on the proposal from the Commission for a Council regulation amending Regulation (EEC) No. 3164/76 on the Community quota for the carriage of goods by road between Member States (COM(83) 340 final).

On 6 July 1983, the proposal was referred to the Committee on Transport.

At its meeting of 22 September 1983, the Committee on Transport appointed Mr K.-H. HOFFMANN rapporteur.

The Committee on Transport considered the Commission's proposal and the draft report at its meeting of 19 October 1983.

At its meeting of 19 October 1983, the committee decided by eight votes to two to recommend to Parliament that it approve the Commission's proposal subject to the following amendments. The committee then adopted the motion for a resolution by eight votes to two.

The Commission stated before the committee that it was prepared to accept the Committee on Transport's amendments, with the exception of the amendment to Article 3.

The following participated in the vote: Mr Seefeld, chairman (deputizing for the rapporteur); Mr Albers, Mr Buttafuoco, Mr Gabert, Mr Key, Mr Klinkenborg, Mr Loo (deputizing for Mr Ripa di Meana), Mr Marshall, Mr Nikolaou (deputizing for Mr Lagakos) and Mrs Scamaroni.

The report was tabled on 20 October 1983.
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The Committee on Transport hereby submits to the European Parliament the following amendments to the Commission's proposal and motion for a resolution together with explanatory statement.

Proposal from the Commission
for a Council regulation amending
Regulation (EEC) No. 3164/76 on the
Community quota for the carriage of goods
by road between Member States.

Amendments tabled by the Committee on Transport

Text proposed by the Commission of the European Communities

Preamble

First to fourth recital
(unchanged)

Fifth recital

Whereas the Community quota should be substantially increased during the transitional period because of its advantages by comparison with bilateral quotas; whereas the Community quota should be adjusted in accordance with objective criteria which ensure the correct matching of the development of the quota to that of road transport demand; whereas it is important that this adjustment should be based on statistics the validity of which is acknowledged by all concerned;

Whereas the Community quota should be substantially increased - with a corresponding reduction in bilateral quotas - during the transitional period because of its advantages by comparison with bilateral quotas; whereas the Community quota should be adjusted in accordance with objective criteria which ensure the correct matching of the development of the quota to that of road transport demand; whereas it is important that this adjustment should be based on statistics the validity of which is acknowledged by all concerned;
Sixth to eighth recital
(unchanged)

Article 1

Regulation (EEC) No. 3164/76 is hereby amended as follows:

Paragraph 1 (unchanged)

Paragraph 2 (unchanged)

Paragraph 2(a) (new)

A paragraph 6 is to be inserted in Article 3 as follows:

'6. The Member States shall take all the necessary steps to reduce the number of authorizations granted by them on the basis of existing bilateral agreements by the same rate each year as the number of Community authorizations is increased.'

Paragraphs 3 - 5 (unchanged)

Article 2

With effect from the date fixed by decision of the Council pursuant to Article 3(i), the following amendments shall be made to Regulation (EEC) No. 3164/76:

Paragraphs 1 - 7 (unchanged)
Article 3

1. The Council shall, before 31 December 1987, acting on a proposal from the Commission, decide, as a result of developments in the transport market and taking account of developments in the common transport policy, the date with effect from which the provisions of Article 2 of this Regulation shall be applied.

2. Should the date decided be later than 1 January 1989, the Community quota shall be increased each year, with effect from 1 January 1989, by ten times the rate of increase in road haulage traffic between Member States in the latest year for which adequate statistics are available.

Articles 4 and 5
(unchanged)
MOTION FOR A RESOLUTION

closing the procedure for consultation of the European Parliament on the proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC) No. 3164/76 on the Community quota for the carriage of goods by road between Member States

The European Parliament,

- having regard to the Commission proposal¹,
- having been consulted by the Council (Doc. 1-527/83),
- having regard to its resolution of 19 November 1982²,
- having regard to the report of the Committee on Transport (Doc. 1-917/83),
- having regard to the vote on the Commission proposal,

A. whereas the principles of the common transport policy as formulated in the EEC Treaty require that authorizations for commercial carriage of goods by road between the Member States should be issued on a uniform basis which rules out any form of discrimination,

B. whereas the system now proposed by the Commission of increasing each year the quotas for Community authorizations issued on the basis of Regulation (EEC) No. 3164/76³ and then ultimately abolishing these in a final phase is in accordance with Parliament's earlier requests,

C. whereas it is, however, necessary in the transitional phase to reduce each year the number of authorizations granted by the Member States for the commercial carriage of goods by road between their territories on the basis of bilateral agreements at the same rate as the number of Community authorizations is increased, to prevent disruptions of the market equilibrium,

¹ OJ C 179, 6.7.1983, p. 6 et seq.
D. Whereas the yearly arguments surrounding increases of the quotas for Community authorizations allocated to the individual Member States detract from the image of the Community and represent an obstacle to progress towards a common transport policy,

E. Whereas the method proposed by the Commission for calculating the rate at which the number of Community authorizations should increase each year is based on objective, market oriented criteria while being flexible enough to take account of particular problems,

F. Whereas an increase in Community quotas with a simultaneous reduction in bilateral quotas will have no negative impact on railways nor any harmful effects as regards environmental and energy policy,

1. Welcomes the fact that the Commission, in accordance with Parliament's wishes, has taken the initiative to reorganize the system for Community authorizations and with this proposal is seeking gradually to reduce quotas for the commercial carriage of goods by road between the Member States;

2. Regrets, however, that in its proposal the Commission has not taken account of the matter of 'bilateral quotas';

3. Considers it necessary that, in addition to a considerable annual increase in the number of Community authorizations, there should at the same time and on the same scale be a reduction in the number of authorizations granted by the Member States on the basis of bilateral agreements;

4. Considers the method proposed by the Commission for calculating annual increases in Community quotas generally acceptable;

5. Requests the Council to bring to an end immediately the annual haggling over increases in Community quotas and to adopt at its next meeting the regulation proposed by the Commission as amended by Parliament;

6. Instructs its President to forward to the Council and Commission, as Parliament's opinion, the Commission's proposal as voted by Parliament and the corresponding resolution.
EXPLANATORY STATEMENT

1. Articles 74 and 75 of the EEC Treaty require rules applicable to international transport between Member States and, in particular, conditions under which carriers may operate outside the Member State in which they are resident to be laid down within the framework of a common transport policy.

2. For the commercial carriage of goods by road and between Member States, Regulation (EEC) No. 3164/76\(^1\) establishes a system of Community authorizations based on annually adjusted quotas for the individual Member States. At present, however, over 90% of road haulage operations between Member States are carried out under authorizations granted on the basis of bilateral agreements.

3. Only the system of Community authorizations meets the requirements of a common transport market and for this reason the European Parliament has consistently advocated a more extensive application of this system.

4. In particular, it has condemned the annual haggling over raising the quotas and has called on the Commission to devise a fundamentally new system of setting quotas and allocating Community bilateral and multilateral quotas\(^2\).

5. The Commission's present proposal satisfies the European Parliament to the extent that it provides for the phasing out of Community authorization quotas. This goal is to be achieved by consistently raising the annual number of Community authorizations on an objective, market-related basis over a transitional period of 5 years (with the option of an extension).

6. By the end of the transitional period (i.e. as of 1.1.1989, assuming there is no extension), the system of setting quotas for Community authorizations should be completely discontinued and any carrier who fulfils certain requirements as to professional qualifications, experience and reliability should receive the Community authorization. The Member States will also be free to undertake an additional assessment of the demand for the services concerned after consulting the Commission.

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\(^{1}\) OJ No. C 357, 29.12.1976, p. 1

7. This system is in essence compatible with the objectives of the common transport policy and would seem practicable given its step-by-step and flexible approach. The annual adjustment rate for the Community quota — five times the rate of growth in the carriage of goods by road between Member States recorded in the previous year — lends a certain dynamism to the process. The elimination of 'downward adjustments' during periods when the volume of traffic is on the decline will prevent setbacks in the process of integration.

8. Nevertheless, the Commission's proposal is fundamentally flawed in that it ignores transport politicians' calls to take into account the problems associated with the bilateral quotas. In this connection, it must be stressed that there will be no harmonious transition from the present system to a non-quota Community authorization system for the commercial carriage of goods by road unless every increase in the Community quotas is accompanied at each stage by a corresponding reduction in the authorizations granted at bilateral level.

9. The Commission's proposal should therefore incorporate a rule obliging the Member States to reduce the number of bilateral authorizations in exact proportion to the increase in the number of Community authorizations.

10. However, there are no grounds for fearing that the Commission's proposal will have negative repercussions on other objectives of the common transport policy (e.g. reorganization of the railways, rational use of energy, road safety and environmental protection), especially if it is combined with a simultaneous reduction in bilateral authorizations. Indeed, experience has shown that when measures are introduced which restrict capacity in the haulage sector, the consignors switch to company transport and not the railways as a way out of their difficulties. Given a well-coordinated phasing-out of the quota system, therefore, it is to be anticipated that there will be no overloading on the roads nor any additional losses on the railways.

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1 See SEEFELD report, Doc. 1-843/82