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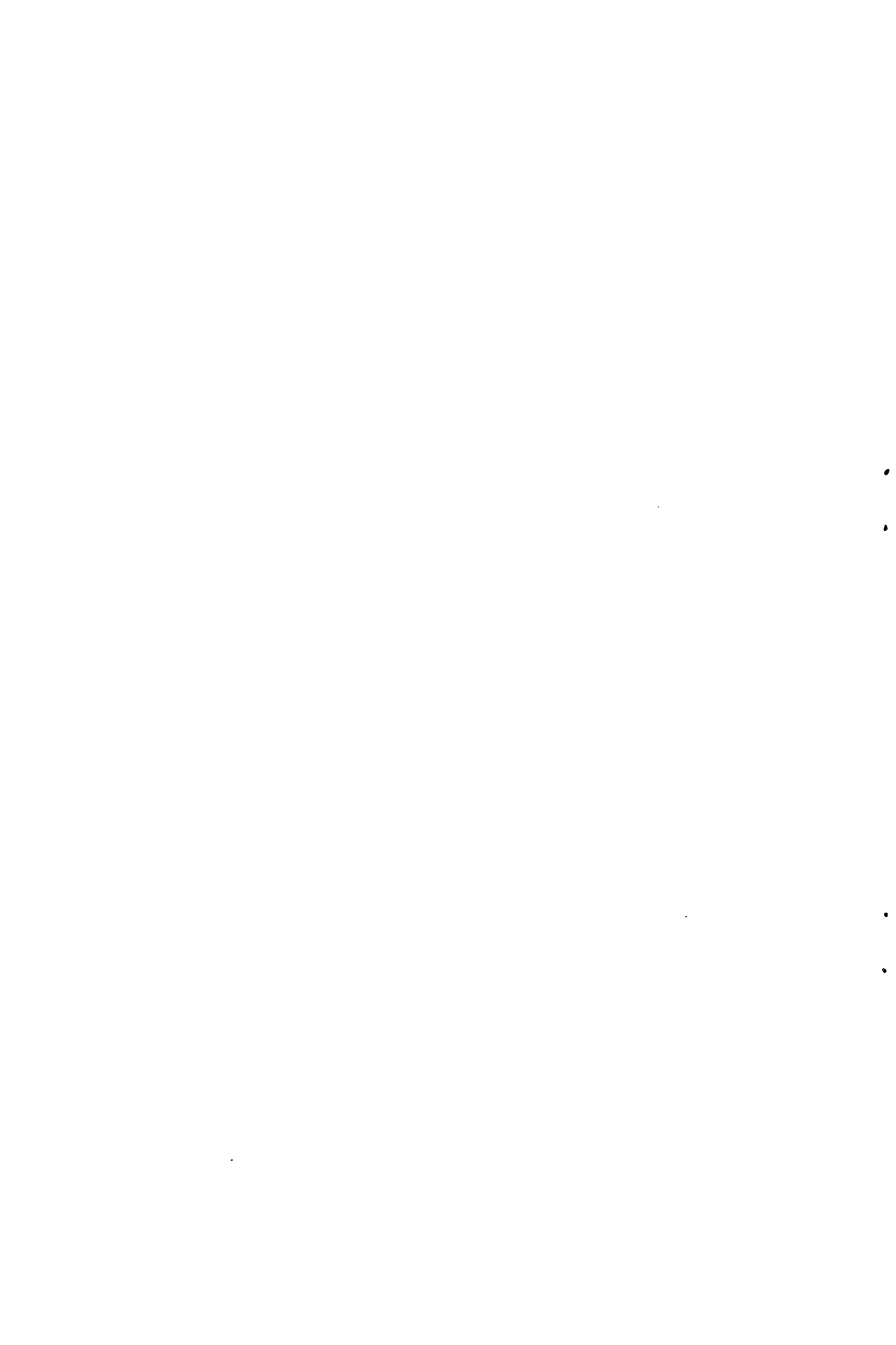
REPORT

drawn up on behalf of the Committee on Transport

on the proposal from the Commission of the European Communities to the Council (Doc. 1-563/82) for a regulation on limited financial support in the field of transport infrastructure

Rapporteur: Dame Shelagh ROBERTS

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Or. De.



By letter of 13 August 1982 the President of the Council of the European Communities consulted the European Parliament on the proposal from the Commission of the European Communities to the Council for a regulation on limited financial support in the field of transport infrastructure.

On 17 August 1982 the President of the European Parliament referred this proposal to the Committee on Transport as the committee responsible and to the Committee on Budgets for an opinion.

On 16 September 1982 the Committee on Transport appointed Dame Shelagh ROBERTS rapporteur.

It considered the proposal at its meetings of 16 and 23 September 1982.

The committee adopted the amendment and the motion for a resolution on 23 September 1982 by 18 votes to 5.

The following took part in the vote: Mr Seefeld (chairman), Mr Carossino and Mr Kaloyannis (vice-chairmen), Mr Kellett-Bowman (deputizing for the rapporteur, Dame Shelagh Roberts), Mr Konstantinos Nikolaou (deputizing for Mr Albers), Mrs von Alemann, Mr Janssen van Raay (deputizing for Mr Baudis), Mr Buttafuoco, Mr Gouthier (deputizing for Mr Cardia), Mr Simpson (deputizing for Mr Cottrell), Mr Gabert, Mr Moreland (deputizing for Lord Harmar-Nicholls), Mr K.-H. Hoffman, Mr Junot, Mr Key, Mr Klinkenborg, Mr Lagakos, Mr Marshall, Mr Majonica (deputizing for Mr Modiano), Mr Moorhouse, Mr Habsburg (deputizing for Mr O'Donnell), Mr Arndt (deputizing for Mr Ripa di Meana) and Mr Vandewiele.

The opinion of the Committee on Budgets will be published separately.

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

Proposal for a
COUNCIL REGULATION (EEC)
on the granting of limited financial support
in the field of transport infrastructure

Amendment proposed by the
Committee on Transport

Text proposed by the Commission
of the European Communities

Preamble
(unchanged)

Article 1

The Community may grant financial support for transport infrastructure projects by contributing towards the cost of:

- modernizing sections of, or stations on, transalpine rail links provided that the work in question is compatible with the long-term development alternatives for these links;
- work on infrastructure projects which are ready for implementation and affect traffic between the Member States.
- preparatory work which will speed up the transition to the construction phase of projects affecting traffic between Member States.

Articles 2 and 3
(unchanged)

A

Motion for a resolution

closing the procedure for the consultation of the European Parliament on the proposal from the Commission of the European Communities to the Council on limited financial support in the field of transport infrastructure

The European Parliament,

- A. having regard to the proposal from the Commission to the Council (COM(82) 225 final)¹,
- B. having been consulted by the Council (Doc.1-563/82),
- C. recalling its resolutions of 18 November 1976² and 4 July 1977³ based on the reports by Mr NYBORG (Docs. 377/76 and 185/77) and its resolution of 11 July 1980⁴ based on the report by Mr BUTTAFUOCO (Doc. 1-218/80) on the Commission proposal for a Council regulation on support for projects of Community interest in the field of transport infrastructure⁵;
- D. whereas although the Council at its meeting of 10 June 1982 requested the Commission to submit to it an experimental programme, it has not adopted the proposal for a regulation on financial support for transport infrastructure projects of Community interest despite repeated requests by the European Parliament;
- E. whereas 10 million ECU have been entered in the 1982 budget for financial support for projects in the field of transport infrastructure and whereas the Council has still not created a specific legal basis for the use of these appropriations;

¹ OJ C 226 of 31.8.1982, p.14

² OJ C 293 of 13.12.1976, p. 57

³ OJ C 182 of 1.8.1977, p. 15

⁴ OJ C 197 of 4.8.1980, p. 74

⁵ OJ C 207 of 2.9.1976, p. 9, amended by OJ C 294 of 18.10.1977, p. 4 and OJ C 89 of 10.4.1980, p. 4

F. having regard to the Joint Declaration by the European Parliament, the Council and the Commission of 30 June 1982 on various measures to improve the operation of the budgetary procedure¹;

G. having regard to the report of the Committee on Transport (Doc. 1-651/82) and the opinion of the Committee on Budgets;

1. Considers it now unlikely that the proposal for a regulation on financial support for projects of Community interest in the field of transport infrastructure will be adopted by the Council in 1982;
2. Notes nevertheless that, in view of the pressure repeatedly brought to bear by the European Parliament, the Council is now more open to the idea of Community support for transport infrastructure projects;
3. Believes that, since appropriations for this sector have already been entered in the 1982 budget, and having regard to the tenor of the Joint Declaration of 30 June 1982 on the budgetary procedure, it would be useful if the Council adopted a regulation to create the legal basis for Community action in this field, notwithstanding that it be limited initially to the appropriations entered in the 1982 budget;
4. Emphasizes, however, that the adoption of a regulation on limited financial support in transport infrastructure is no substitute for the adoption of the basic regulation on support for transport infrastructure projects of Community interest repeatedly called for by the European Parliament;
5. Expresses its astonishment at the fact that the proposal for limited financial support in transport infrastructure does not contain an article spelling out this limitation, and at the fact that the proposal has not incorporated the procedure expressly advocated by the European Parliament in its resolution of 4 July 1977² concerning the selection of projects to be promoted, and points out that Parliament has called for the initiation of the conciliation procedure should the Council intend to depart from this procedure when adopting the basic regulation;
6. Endorses the Commission's intention, in the event of the Council having failed to adopt this proposal for a regulation by 31 October 1982, to submit proposals for transfers of appropriations, but points out to the Commission right away that it will only agree to such transfers of

¹ OJ C 194 of 28.7.1982, p. 1

² OJ C 183 of 18.8.1977, p. 5

appropriations from Chapter 100 to Chapter 781 (Financial support for transport infrastructure projects);

7. Stresses that no support should be given under this limited action for planning or preparatory measures but only to projects which are ready for implementation;
8. Voices its disapproval of the list of projects earmarked for Community support, which the Commission has submitted to the Council in annex to its proposal for a regulation, since little account, if any, has been taken of the projects for which the European Parliament has requested support from Community funds in its various resolutions;
9. Calls therefore on the Commission to withdraw this political declaration of intent and to concentrate Community support within the framework of the limited action in the field of transport infrastructure in particular on the following projects:
 - modernization of the marshalling yard at Domodossola,
 - construction of the Eidomeni-Volos motorway
 - construction of the Pyhrn motorway;
10. Approves the Commission proposal with the exception of the second indent of Article 1;
11. Instructs its President to forward to the Commission and the Council of the European Communities the proposal from the Commission as voted by Parliament and the corresponding resolution as Parliament's opinion.

EXPLANATORY STATEMENT

I. Background

1. On 5 July 1976 the Commission of the European Communities forwarded to the Council an initial proposal for a regulation on support for projects of Community interest in transport infrastructure ¹.
2. The European Parliament gave its approval in principle to this proposal in its resolution of 18 November 1976². based on the interim report by Mr NYBORG³. In its resolution of 4 July 1977⁴ based on the report by Mr NYBORG⁵ it recommended a series of amendments to the Commission report and called for the initiation of the conciliation procedure⁶ in case the Council should intend to apply a different procedure for the selection of projects from that set out in the Commission report.
3. On 3 October 1977⁷ the Commission submitted to the Council a number of amendments to its proposal for a regulation of 5 July 1976, which, in some respects, took account of the views of the European Parliament. On 18 February 1980⁸ the Commission amended its proposal once more in order to extend the field of application of the proposed system of financial aid to cover transport routes in third countries.

¹ OJ C 207 of 2.9.1976, p. 9; at the same time the Commission submitted a proposal for a decision establishing a consultation procedure and creating a committee for transport infrastructure - same OJ, p. 7

² OJ C 293 of 13.12.1976, p. 57

³ Doc. 377/76

⁴ OJ C 183 of 1.8.1977, p. 15

⁵ Doc. 185/77

⁶ In accordance with the joint declaration of the European Parliament, the Council and the Commission of 4 March 1975, OJ C 89 of 22.4.1975, p. 2

⁷ OJ C 294 of 18.10.1977, p. 4

⁸ OJ C 89 of 10.4.1980, p. 4

4. The European Parliament welcomed this proposal in its resolution of 11 July 1980⁹ based on the report by Mr BUTTAFUOCO¹⁰ and repeated the call already made in its resolution of 4 July 1977 for the inclusion of maritime and air transport infrastructure.
5. The Council did not consider the proposal for a regulation of 5 July 1976 immediately (i.e. at its meetings of 4 November 1976, 16 December 1976, 28/29 June 1977 or 27 October 1977). At its meeting of 20/21 December 1977, during which it gave its approval to the establishment of a consultation procedure and the creation of a committee for transport infrastructure¹¹ it instructed the Committee of Permanent Representatives to undertake a further examination of the proposal for a regulation. After failing to give its attention to this matter at its meeting of 12 June 1978, the Council instructed the Commission at its meeting of 23 November 1978 to draw up a report on bottlenecks. The proposal was not considered at the Council meetings of 20 February 1979 or 6 December 1979 and at its meetings of 24 June 1980 and 4 December 1980 - during which the Commission report on bottlenecks stood on the agenda¹² - the Committee of Permanent Representatives was instructed to examine the proposal further. At its meeting of 26 March 1981 the Council noted that it was unable to reach a decision on this proposal. Finally, at its meeting of 15 December 1981 it adopted a resolution in which it called on the Commission to apply its proposed procedure for the assessment of the Community interest of projects, by way of experiment, to a limited number of specific projects and to submit the results by 1 October 1982. At its recent meeting of 10 June 1982 the Council requested the Commission to submit to it within three months a balanced experimental programme of clearly defined infrastructure projects covering a period of three to five years.

⁹ OJ C 197 of 4.8.1980, p. 74

¹⁰ Doc. 1-218/80

¹¹ Decision 78/174/EEC of 20.2.1978, OJ L 54 of 25.2.1978, p. 16;
- the proposal for this decision was submitted by the Commission on 5 July 1976 together with the proposal for a regulation referred to above -
OJ C 207 of 2.9.1976, p. 7

¹² COM(80) 323 final.

6. In its resolution on transport policy the European Parliament has repeatedly drawn the attention of the Council ¹³ to the need to adopt the proposal for a regulation as soon as possible. At their regular talks with the respective Presidents-in-Office of the Council, the members of the Committee on Transport have emphasized that the adoption of the proposal for a regulation is an indispensable step towards a common transport policy. Many committee members have written personal letters to the transport ministers of their own countries calling on them to press for the adoption of this proposal.
7. From developments at the last two Council meetings it would appear that all these efforts have not been entirely in vain and that the Council is now giving serious consideration to this proposal in the realization that Community financing of certain transport infrastructure projects can make a major contribution towards a balanced European transport system. However the consultations have not yet reached a point where it would be realistic to expect the regulation on financial support for transport infrastructure projects to be adopted at the next Council meeting in December 1982.

II. Budgetary aspects

8. Under the Commission's proposal for a regulation of 1976 the financial support for transport infrastructure projects of Community interest would be covered by the Community budget. A new chapter 781 ¹⁴ 'Financial support for transport infrastructure projects' was accordingly inserted in the budget but until 1981 only contained p.m. entries.
9. However in the budget for 1982 the European Parliament entered an actual amount for the first time, i.e. 10 million ECU, for financial support for transport infrastructure projects. These appropriations were entered under chapter 100 because the regulation intended as the legal basis for their use had not yet been adopted by the Council (see par. 6). Once the legal basis had been adopted these appropriations were to be transferred to chapter 781.

¹³

On the last occasion in the resolutions of 9 July 1982 on the internal waterways in the Community, OJ C 238 of 13.9.1982, p. , and of 9 March 1982 on the future of the Community rail network, OJ C 87 of 5 April 1982, p. 43.

¹⁴

Originally chapter 383.

10. In the past the European Parliament has taken the view that in the absence of a specific legal basis budgetary appropriations can be also used on the sole basis of authorization in the general budget of the Communities. In the Joint Declaration of the European Parliament, the Council and the Commission of 30 June 1982 on various measures to improve the operation of the budgetary procedure ¹⁵, which Parliament ratified in its resolution of 8 July 1982 ¹⁶ the following was agreed between the institutions under paragraph IV 3 c:

'The implementation of appropriations entered for significant new Community action shall require a basic regulation. If such appropriations are entered the Commission is invited, where no draft regulation exists, to present one by the end of January at the latest.

The Council and the Parliament undertake to use their best endeavours to adopt the regulation by the end of May at the latest.

If by this time the regulation has not been adopted, the Commission shall present alternative proposals (transfers) for the use during the financial year of the appropriations in question.'

III. The Commission proposal for limited financial support (COM(82) 225 final)

11. It is against this background that the Commission's proposal of 26 July 1982 to the Council for a regulation on limited financial support in the field of transport infrastructure must be assessed. By means of this proposal it is the Commission's intention to create, within the framework of the goals set out in the proposal for a regulation of 5 July 1976 and in accordance with the joint declaration referred to above, a legal basis, albeit belated, for the use of appropriations approved by the European Parliament in the 1982 budget for financial support for transport infrastructure projects.

¹⁵ OJ C 194 of 28.7.1982, p.1

¹⁶ OJ C 238 of 13.9.1982, p. 64

12. Given that the European Parliament has already adopted a positive opinion on the proposal for a basic regulation and that it is in its interest that the Community budget which it has adopted should actually be put into effect, the aims set out in this new proposal can in principle be approved. It merely remains to be ascertained whether a regulation on limited action such as that proposed here is the right way to attain this goal and whether its detailed provisions correspond to the views of the European Parliament. It must be stressed moreover that such limited action by no means obviates the need to adopt the basic regulation on financial support for transport infrastructure projects of Community interest.
13. However, since it is now unlikely that this regulation will be adopted this year, it would appear expedient in order to avoid dispute first to give the Council an opportunity, in accordance with the procedure laid down in the joint declaration of 30 June 1982, to create a limited legal basis for the use of the appropriations entered in chapter 781 of the 1982 budget.
14. Although, as its title indicates, the proposal for a regulation of 22 July 1982 concerns limited action and, according to its explanatory statement, is intended to facilitate the use of the appropriations entered in the 1982 budget, none of the three articles of the proposal refers to any such limitation. Admittedly it is in no way in Parliament's interest that the legal basis for Community support for transport infrastructure projects should only have limited validity but the danger exists that the lack of such a limitation in the text of the proposal for a regulation could provide the Council with a pretext for further delay.
15. Even if it is to be hoped that in view of the joint declaration of 30 June 1982 the Council will show its good faith when considering the proposal for a regulation of 22 July 1982, the Commission is not harbouring any illusions. It has pointed out that if the Council fails to adopt this proposal by 31 October 1982 it will submit alternative proposals (transfers of appropriations). This calls forth the comment that only transfers of appropriations to chapter 781 (support for transport infrastructure projects) are acceptable, because the Joint Declaration of 30 June 1982 - at least as regards the 1982 budgetary year - does not exclude the use of the 10 million ECU concerned without a specific legal basis, since what is involved here is

first and foremost only experimental support for transport infrastructure projects limited in time and does not yet amount to a 'significant new Community action'.

16. Further problems are posed by the fact that, for the purposes of its limited action, the Commission has not adopted the procedure for selecting projects set out in the proposal for a regulation of 5 July 1976 and specifically advocated by the European Parliament in its resolution of 4 July 1977¹⁷. Under the terms of this procedure the Commission was to have consulted the Committee for Transport Infrastructure on the applications received and draw up a report on the basis of which the budgetary authority (Council and Parliament) would have taken the final decision on the projects to be promoted. At all events, in view of the fact that the limited financial support proposed by the Commission must be allocated within the 1982 budgetary year it can be accepted that the simplified decision-making procedure provided for in Article 2 of the proposal of 22 July 1982 will be applied in respect of this action. It should be borne in mind moreover that in its resolution of 4 July 1977 the European Parliament, in accordance with the Joint Declaration of 4 March 1975, called for the initiation of the conciliation procedure in the event that the Council should try to adopt a procedure for the selection of projects to be promoted other than that laid down in the proposal for a regulation of 5 July 1976.
17. The Commission has attached a list of projects to be promoted to its proposal for limited financial support. However no legal connection exists between the proposal for a regulation and the list because, according to the terms of the proposal, responsibility for the selection of projects to be promoted lies solely with the Commission. The list of projects therefore has the character of a political declaration of intent by the Commission. It is therefore conceivable for example that the European Parliament will approve, subject to amendment, the proposal for a regulation but reject the list of projects. Parliament might feel impelled to take this course on the ground that insufficient account, if any, has been taken in the Commission's list of those projects for which the European Parliament called for Community support in a number of its resolutions¹⁸.

¹⁷ OJ C 183 of 1.8.1977, p. 15

18

Resolution of 8 May 1981, OJ C 144 of 15.6.1981, page 98
on the construction of a Channel Tunnel
Resolution of 19 June 1981, OJ C 172 of 13.7.1981, page 133
on the building of the Innkreis-Pyrhn motorway
Resolution of 17 April 1980, OJ C 117 of 12.5.1980, page 41
on an integrated transport system for the
Northern Adriatic

18. The Committee on Transport proposes that only projects which are ready for implementation should receive support. The majority of the committee take the view that the Commission should support the following projects as part of this limited action:

- modernization of the marshalling yard at Domodossola (Italy),
- construction of the Eidomeni-Volos motorway (Greece),
- construction of the Pyhrn motorway (Austria).

19. A minority of the committee by contrast take the following view:

The purpose of this resolution is to give the Parliament's advice as to the best use of the 10 million ECU for transport infrastructure established in the Budget for 1982.

As the funds allocated are, strictly speaking, for commitments in 1982, they can be used only, as the resolution itself says, for projects which are ready for construction. Consequently, the Parliament must suggest projects and/or criteria for the selection of projects that can be started now. There is no advantage in proposing projects that cannot be started in 1982, which still face some political obstacles or which remain the subject of considerable discussion between some or all Member States and even third countries.

Therefore, the members of the European Democratic Group decided that there was no advantage in putting forward projects such as the Channel link or the Pyhrn motorway, even though we believe that such projects will be of considerable value to the Community.

As is known, the European Parliament has wholeheartedly supported the project for the Pyhrn motorway - and as the European Democratic Group we have ourselves given our full support - but in view of the lack of agreement between the Community and Austria, we believe there is no legal basis for committing monies in 1982. Our Group will continue to press for the introduction of a common transport infrastructure fund and for the inclusion of the Pyhrn motorway as a high priority.

