

European Communities

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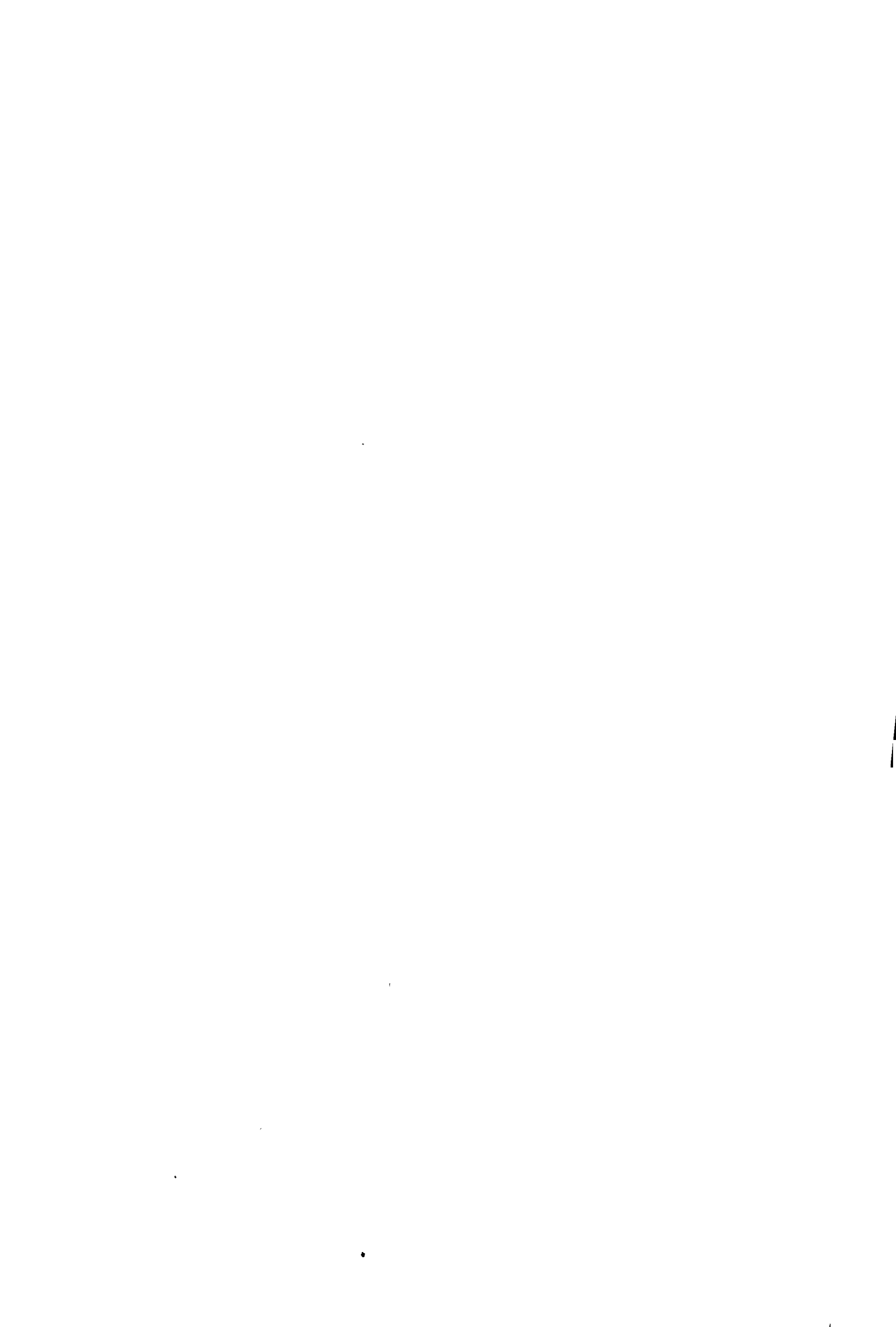
DOCUMENT 1-555/80

## Report

drawn up on behalf of the Committee on Transport

**on the proposal from the Commission of the European Communities to the Council (Doc. 1-356/80) 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 R. MORELAND**



By letter of 7 August 1980 the Council of the European Communities requested the European Parliament, pursuant to Article 75 of the EEC Treaty, to deliver an opinion on the proposal from the Commission to the Council for a regulation amending Regulation (EEC) No 3164/76 on the Committee quota for the carriage of goods by road between Member States.

The President of the European Parliament referred this proposal to the Committee on Transport.

On 26 September 1980 the Committee appointed Mr MORELAND Rapporteur.

It considered this proposal at its meeting of 28 and 29 October and adopted the motion for a resolution and explanatory statement by 10 votes to 2 with 5 abstentions.

Present : Mr Seefeld, Chairman; Miss Roberts, Mr Carossino, Vice-Chairmen; Mr Moreland, Rapporteur; Mr Albers, Mr Buttafuoco, Mr Cottrell, Mr Gabert, Mr Helms, Mr Hutton (deputizing for Lord Harmar-Nicholls), Mr Janssen van Raay, Mr Josselin (deputizing for Mr Ripa di Meana), Mr Key, Mr Klinkenborg, Mr Loo, Mr Moorhouse, Mr Travaglini and Mr Veronesi (deputizing for Mr Cardia) .

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

MOTION FOR A RESOLUTION

embodying the opinion 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 proposal from the Commission of the European Communities to the Council<sup>1</sup>,
  - having been consulted by the Council pursuant to Article 75 of the EEC Treaty (Doc. 1-356/80),
  - having regard to the report of the Committee on Transport (Doc. 1-555/80),
1. Recalls that since 1964 it has repeatedly drawn attention to the distorting effect of the existing authorization system on the rational use of the various modes of transport and on fair competition between the Community's transport undertakings;
  2. Points out, while welcoming the freedom of movement now formally recognized by the Council in respect of the carriage of goods on 'own account', that this decision<sup>2</sup> highlights the discriminatory nature of the restrictions on carriage by third parties;
  3. Emphasizes that the failure by the Council to harmonize conditions of competition in the transport sector makes it more difficult to achieve further progress towards a liberalization of the market;
  4. Calls on the Commission to produce during 1981 proposals for a more effective instrument for monitoring and controlling capacity in the transfrontier carriage of goods by road which takes account of the need to encourage fair competition and, as far as practical, the increased utilization of modes of transport which do least damage to the environment and minimize the use of energy;
  5. Notes that the Commission again felt obliged to limit the increase in the Community quota for 1981, despite the value of the Community quota in reducing the number of unladen journeys and despite the minute proportion of road transport affected by the quota;

<sup>1</sup> OJ No. C 220, 28.8.1980, p.3

<sup>2</sup> OJ No. L 18, 24.1.1980

6. Notes the difficulties encountered by the Commission in allocating the quota between Member States, points out that these difficulties highlight the arbitrary nature of the allocation and, in particular, regards the criteria used for allocating authorizations to Greece as unsatisfactory;
7. Notes that the calculation of the formula for 1981 will cost 300,000 EUA less than the calculation for last year and demands that this money be used to meet other important needs in the transport sector;
8. Requests the Commission to examine further the procedure referred to under point 7 of Annex II A (b) to the proposal in order to avoid delays at frontier stations;
9. Believes that liberalization of the carriage of goods by road between Member States should be accompanied by progress on Community policy for road transport; consequently approves the Commission's proposals for the quota for 1981 on the understanding that the Council will increase the pace of progress in such areas as social harmonization, speed and safety standards, uniform weights and dimensions, uniform vehicle and gasoline taxation, and Community driving licences and tests.

EXPLANATORY STATEMENT

I. INTRODUCTION

1. This document is the thirteenth report drawn up by the European Parliament's Committee on Transport on the control of capacity and the Community authorization system for the carriage of goods by road between Member States<sup>1</sup>.

2. As will become apparent in subsequent sections, Parliament has hitherto consistently advocated an increase in the Community quota on the grounds that such an increase would be conducive to the liberalization of the transfrontier carriage of goods by road within the Community. Nonetheless, the Council has restricted to a minimum the number of supplementary Community transport authorizations granted.

3. Your rapporteur has aimed at presenting a report which is consistent with previous reports of the Parliament taking also into account more recent developments .

II. ORIGIN AND DEVELOPMENT OF THE COMMUNITY QUOTA<sup>2</sup>

4. In mid-1963 the Commission submitted a proposal to the Council for a regulation on the introduction and implementation of a Community quota for the carriage of goods by road. It was proposed that within the framework of a Community quota, transport authorizations should be granted which would enable the holders to undertake the carriage of goods by road for third parties via all traffic routes between the Member States of the Community. By gradually replacing bilateral authorizations with Community transport authorizations, this draft regulation aimed principally at the attainment of the following objectives:

- (i) the participation of carriers from all the Member States in intra-Community transport on an equal footing and without any discrimination on the basis of nationality;
- (ii) a more rational use of the various modes of transport;

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<sup>1</sup> See the reports drawn up by Mr BECH (Doc. 43/64), Mr RIEDEL (Doc. 69/69), Mr GIRAUD (Doc. 56/72, 220/72, 81/73, 157/74, 350/75 and 380/77) and Mr ALBERS (Doc. 321/78, 604/78, 605/78 and 1-381/79)

<sup>2</sup> This section is largely based on the summary contained in Mr ALBERS' report on the Community quota for 1980. See Doc. 1-381/79, points points 3-22.

- (iii) the possibility of permanently monitoring capacity and, where necessary, controlling it.

In June 1964 the European Parliament adopted a qualified opinion. In the report drawn up by Mr Bech (Doc. 43/64), on behalf of the then Committee on Transport, the Commission's proposal was welcomed as a first step towards the liberalization of the carriage of goods, but the allocation system for the Community quota - drawn up on the basis of nationality - was rejected as discriminatory.

5. Four years later the Council adopted Regulation (EEC) No. 1018/68 introducing a Community quota for the carriage of goods by road between Member States<sup>1</sup>. This was a temporary and experimental arrangement to be valid for no more than three years, from 1 January 1969 to 31 December 1971. However, the Council Regulation of 19 July 1968 contained no reference to any reduction in bilateral transport authorizations.

Pursuant to Article 7(3) of Regulation (EEC) No. 1018/68, the validity of the regulation could be extended for one year if the Council had taken no decision on the matter before the end of 1971. Since no decision was taken, the validity of the 1968 regulation was extended unchanged until 31 December 1972.

6. On 28 December 1972 the Council adopted a new regulation on the Community quota<sup>2</sup>. The imminent enlargement of the Community on 1 January 1973 made it impossible for a definitive system to be adopted which would come into force on that date. In its opinions (see the reports drawn up by Mr Giraud, Doc. 156/72 and Doc. 220/72) the European Parliament had pointed out that a definitive system would have to take account of a number of new factors consequent on the accession of three new Member States.

Regulation (EEC) No. 2829/72 was therefore virtually nothing more than an extension of Regulation (EEC) No. 1018/68, the only exception being the size of the Community quota. The new regulation expired on 31 December 1974.

7. Article 4(3) of Regulation (EEC) No. 2829/72 provided for the number of authorizations to be adapted for the benefit of the new Member States. Although under the provisions of this Article this was to be done before 31 March 1973, and although the Commission has submitted the appropriate proposal on 13 March 1973 - which the European Parliament had approved on 4 June 1973 (see the Giraud report, Doc. 81/73) - the Council did not adopt a regulation to this effect until 1 August 1974<sup>3</sup>. In this regulation, the number of authorizations for Denmark, Ireland and the United Kingdom was increased for the second half of 1974.

<sup>1</sup> OJ No. L 175, 23.7.1968, p. 13

<sup>2</sup> OJ No. L 298, 31.12.1972, p. 16

<sup>3</sup> Regulation (EEC) No. 2063/74, OJ No. L 215, 6.8.1974, p.1



8. The regulation of 28 December 1972, like the 1968 regulation, was extended for one year, but the number of Community authorizations and their allocation for 1975 were adjusted in Regulation (EEC) No. 3256/74<sup>1</sup>. On 18 December 1975 the Council once again extended its validity for one year but this time without increasing the Community quota<sup>2</sup>. Subsequently the Council took no account at all of the Commission's proposal that the Community quota should be doubled, the Commission taking the view that the time had come for the trial period to be ended, or of the European Parliament's opinions (see the reports by Mr Giraud, Doc. 154/74 and Doc. 350/75). On 16 December 1976 the Council decided yet again to extend for one year the temporary 1972 arrangement without increasing the Community quota for 1977<sup>3</sup>.

9. In its draft regulation of 25 August 1977 the Commission proposed once more that the Community quota should be doubled. In its opinion thereon (see Giraud report, Doc. 380/77), the European Parliament welcomed this proposal. However, this served no purpose since in Regulation (EEC) No. 3024/77<sup>4</sup> the Council confined itself to making no more than a 20% increase in the Community quota for 1978.

10. With respect to the Community quota for 1979 the Commission considered it prudent not to submit a further proposal that the number of authorizations be doubled<sup>5</sup>. In this connection, the then rapporteur for the Committee on Transport made the following comments in his report (Doc. 321/78, point 18): 'Although your rapporteur can understand the attitude of the Commission which, after two unsuccessful attempts - in 1975 and 1977 - to have the Community quota doubled, now considers it prudent to propose an increase of no more than 20%, he by no means agrees with this recommendation. He feels that a consistent rather than a 'realistic' approach must be chosen and that the Members of the European Parliament must assess which of the two measures is politically more desirable'. Once again, the Council simply disregarded the views of Parliament and the Commission, and on 23 November 1978 it adopted a 10% increase<sup>6</sup>.

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<sup>1</sup> OJ No. L 349, 28.12.1974, p.5

<sup>2</sup> Regulation No. 3331/75, OJ No. L 329, 23.12.1975, p.9

<sup>3</sup> Regulation (EEC) No. 3164/76, OJ No. L 357, 29.12.1976, p.1

<sup>4</sup> OJ No. L 358, 31.12.1977, p.4

<sup>5</sup> Doc. 321/78, OJ No. C 186, 4.8.1978, p.6

<sup>6</sup> Regulation (EEC) No. 3062/78, OJ No. L 366, 28.12.1978, p.5

11. On 20 December 1979, however, the Council endorsed the Commission's proposal for a 20% increase in the quota for 1980<sup>1</sup>.

12. The trend in the number of Community authorizations and their allocations to the various Member States since 1969 is as follows:

Member State	1969-1972	1973	1974	1975-1977	1978	1979	1980
Belgium	161	191	221	265	318	348	413
Denmark	-	68	141	169	203	229	286
Germany	286	321	356	427	512	567	689
Greece	-	-	-	-	-	-	-
France	286	313	341	409	491	533	627
Ireland	-	23	42	50	60	65	76
Italy	194	230	266	319	383	432	539
Luxembourg	33	45	58	70	84	91	106
Netherlands	240	279	318	382	458	502	597
United Kingdom	-	114	227	272	326	355	418
Community quota	1,200	1,584	1,970	2,363	2,835	3,122	3,751

### III. EFFECT AND SIGNIFICANCE OF THE COMMUNITY AUTHORIZATION SYSTEM

13. In point 4 your rapporteur referred to the fact that the introduction of a Community authorization system was intended to lead principally to a better control of capacity, a more rational use of the various modes of transport and the abolition of discrimination on the basis of nationality. In this way the system would contribute towards liberalization of the carriage of goods by road and to the attainment of a common transport market as provided for in Article 75 of the EEC Treaty.

14. The numerous restrictive provisions and protective laws relating to the carriage of goods by road in force in the various Member States when the EEC was established made it impossible to introduce free competition from the word go. In the initial stages, therefore, the Community had recourse to a number of temporary measures designed to liberalize the carriage of goods. One such measure was the introduction of a Community quota. In reply to a written question by Mr Albers, the Commission admitted that any form of quota arrangement implied the imposition of artificial restrictions and tended to produce an authoritarian distribution of traffic<sup>2</sup>. In making this statement the Commission was expressly adopting the European Parliament's attitude which had reservations from the very beginning about any kind of quota system and agreed to such a system only as a transitional measure. Parliament was and remains aware that the radical abolition of any quota system or transport

<sup>1</sup> OJ No. L 336/79, 29.12.1979, p.11

<sup>2</sup> OJ No. C 294, 13.12.1976, p.41

restriction cannot be brought about overnight, but that on the contrary a number of conditions must first be met if the road transport market is not to descend into chaos.

15. In his earlier report on behalf of your committee, Mr Giraud described the solution which the European Parliament advocates for the problems in this sector as follows: in a transitional period, a systematic increase in the Community quota would go hand in hand with a reduction in bilateral transport authorizations; when the latter had been totally eliminated, the Community quota would be increased in a final stage to a point where the number of Community authorizations exceeded demand and free competition was actually attained<sup>1</sup>.

16. This solution has the great advantage that it would facilitate an effective capacity policy by enabling the Commission to monitor closely trends in supply and demand on the transport market in the final stage; should serious disturbances arise or a crisis occur, the number of authorizations could be reduced. Community intervention of this nature would also mean that unilateral measures or bilateral arrangements could be avoided in a crisis situation or when there was a threat of surplus capacity developing.

It goes without saying that unilateral measures and bilateral arrangements are incompatible with the spirit and the letter of the Treaty of Rome and that protectionist measures taken in one country will almost certainly result in other countries taking similar measures; and this would jeopardise the few successes achieved by the common transport policy.

17. This final stage, however, is still a long way off. In the first place, the number of Community authorizations is still ludicrously small, and secondly, the gradual reduction in bilateral authorizations is no longer mentioned in the Commission's proposals.

Although at its meeting of 4 November 1976 the Council described the Community quota system as 'permanent'<sup>2</sup>, such a declaration of principle is meaningless if it does not result in practical measures being taken along the lines of the solutions set out above. Whether or not this system should be regarded as permanent - as is explicitly stated in the second recital of Council Regulation No. 3164/76 of 16 December 1976<sup>3</sup> - is of course neither here nor there if year after year the European Parliament is obliged to note with regret that in dealing with this subject the Council has confined itself to juggling with the number of additional authorizations for the following calendar year. In short, your rapporteur considers that this system is temporary until the declaration referred to leads to constructive results.

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<sup>1</sup> See the Giraud report, Doc. 380/77, p. 8, point 7

<sup>2</sup> Council press release, PE 46.661, p. 7

<sup>3</sup> OJ No. L 357, 29.12.1976, p.1

18. Your rapporteur wishes to make the following comment on the objections to the multilateral authorization system<sup>1</sup>.

19. The authorization system encounters most opposition in the Federal Republic of Germany and, to a lesser extent, in Italy. In the past, the Federal Association of Road Hauliers (Bundesverband des Deutschen Güterfernverkehrs - BDF), the Bundesrat and the Bundestag have formally opposed any increase in the Community quota. The official reason given is that the number of Community authorizations should only be increased as progress is made in a number of other aspects of the common transport policy, especially the harmonization of taxes on commercial vehicles and fuel, the system of levies on the use of trunk roads, the harmonization of the dimensions and weights of commercial vehicles and compliance with the social provisions in road transport. These arguments were put forward at the Council meeting of 20 and 21 December 1977 by Mr Ruhman, the Federal German State Secretary for Transport.

It is, of course, quite true that these factors, like the Community quota, affect competition in road transport. However, it is also true that the European Parliament has consistently called for an overall approach to the common transport policy and repeatedly pointed out that the implementation of such a policy cannot be attained by taking measures in vacuo. Moreover, in numerous reports, resolutions and opinions, your committee has deplored the lack of progress in the common transport policy and in particular has protested to the Council at the continued absence of a decision on the subjects raised by the German Government. And three years ago, on the basis of a motion for a resolution tabled by Mr Mursch and other signatories (Doc. 202/76), your committee discussed the appropriateness of bringing an action before the Court of Justice - under Article 175 of the EEC Treaty - against the Council because of its failure to act in respect of the implementation of Article 75 of the EEC Treaty concerning a common transport policy.

Although the argument of distortion of competition is justified, your rapporteur would point out the danger that too inflexible an attitude could result in a complete breakdown of progress in the transport sector. If each aspect is made dependent on the others, then there is more than a slight chance that nothing at all will be done. Without wishing to resume the old debate of a global versus a piecemeal policy, your rapporteur feels in this specific instance that the attitude that 'half a loaf is better than no bread' is fully justified, especially if we bear in mind the threat of unilateral measures being taken.

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<sup>1</sup> In this context it should be noted that transfrontier transport authorizations are also granted within the framework of the ECMT (European Conference of Ministers of Transport). The ECMT quota for 1981 totals 560 authorizations.

20. Bonn's opposition to any increase in the Community quota is, of course, linked to the financial difficulties facing the German Railways (Deutsche Bundesbahnen). In 1977 when the Assembly debated Mr Giraud's report on the quota for the year, Mr Albers quoted the opinion of the German Industrial and Trade Association (DIHT) which rightly pointed out that a policy against roads was of no benefit to the railways<sup>1</sup>. It is the rapporteur's view that it is desirable to encourage the carriage of goods by rail as much as is practically possible but he feels that this argument may sometimes have been used as an excuse rather than a justification.

Your committee has always viewed with caution a policy which benefits one particular transport sector through the pursuit of restrictive measures which adversely affect another transport sector. It would be wrong to try to cover the huge deficits of the national railway undertakings by adopting restrictive measures in another transport sector, in this instance road transport. Attempts must be made to take appropriate measures which will benefit the particular sector and all transport sectors.

21. Two years ago, the Commission tried to break the deadlock over Community transport authorizations by submitting two supplementary proposals to the Council. The first concerned capacity, the second the introduction of short-term Community authorizations.

22. The draft regulation on the adjustment of capacity for the carriage of goods by road for hire or reward between Member States<sup>2</sup> was designed to adjust supply to demand by fixing common standards for the issue of bilateral authorizations. This draft regulation also provided for the complete liberalization of transit, the establishment of an arbitration procedure to settle disputes and the opening of negotiations with third countries.

The European Parliament approved this proposal on 16 February 1979 on the basis of a report by Mr Albers (Doc. 604/78)<sup>3</sup>. The report states nonetheless that: 'the introduction of common criteria for determining the annual bilateral quotas must not, however, lead to an extension of the Community quota being blocked' (see point 20).

At its meeting in December 1979, the Council agreed on an arrangement whereby the granting of bilateral authorizations must comply with Community criteria.

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<sup>1</sup> See Debates of the European Parliament, 17.11.1977, p. 222 and the relevant article in the 'Deutsche Verkehrszeitung' of 12.4.1977

<sup>2</sup> Doc. 392/78, OJ No. C 247, 18.10.1978, p.6

<sup>3</sup> OJ No. C 67, 12.3.1979 p.51

23. On 16 February 1979 the European Parliament also approved the proposal for a regulation on the introduction of short-term Community authorizations. The proposal<sup>1</sup>, which was aimed principally at achieving maximum utilization of Community authorizations, laid down that each Member State could annually convert up to 10% of its quota of Community authorizations into short-term authorizations which would be valid for a maximum of ten days.

In his report (Doc. 605/78), the rapporteur welcomed the introduction of short-term authorizations since it offered the dual advantage that on the one hand occasional but urgent transport requirements could be met and that on the other, more transport undertakings (especially smaller undertakings) could become involved<sup>2</sup>.

24. This last proposal was finally adopted by the Council in the form of Regulation 2964/79 of 20 December 1979<sup>3</sup>.

#### IV COMMENTS ON THE COMMISSION'S LATEST PROPOSAL

25. The Commission is now proposing a 25% increase in the Community quota. The Commission justifies this increase on the grounds of:

- (a) the intensive use of Community authorizations;
- (b) multilateral transport operations reducing the number of unladen journeys.

To be more precise, this means that the average utilization of an authorization stands at 1,627,000 t/km in respect of 1978.

26. The Commission emphasizes that the Community quota affects only 3-4% of the overall volume of goods carried by road between Member States. As a proportion of the total volume of goods carried by road (i.e. both within Member States and across the boundaries of Member States), the Community quota can affect only a fraction of 1%. Despite these modest figures your rapporteur notes that the Commission has proposed no more than a 25% increase for the coming year. There may be a temptation to argue that because of the current economic recession trade and the movement of goods by road will not increase in 1981. Nevertheless, if we also take account of the fact that the number of Community authorizations remained unchanged for a number of years (for example in 1975, 1976 and 1977) - while international trade increased - there may be some doubt as to whether the Commission's proposal does not meet the requirements of the real market situation.

27. Last year the Commission proposed that additional authorizations be allocated, half on a linear basis and half on the basis of the use actually made of Community authorizations in any given year.

<sup>1</sup> Doc. 553/78, OJ No. C 309, 28.12.1978, p.3

<sup>2</sup> OJ No. C 67, 12.3.1979, p.51

<sup>3</sup> OJ No. L 336, 29.12.1979

28. The Committee and Parliament rejected this and favoured a 100% linear increase. This year the Commission appears to have accepted part of the Parliament's argument and has made the allocation on a linear basis. The Commission has made the surprising revelation that the former method of calculation lost 300,000 EUA.

29. The following table shows consecutively the number of authorizations for 1980 and the number proposed by the Commission for 1981. The difference is also shown in this table.

Member State	1980	Comm. proposal 1981	Difference
Belgium	413	517	+ 104
Denmark	286	358	+ 72
Germany	689	862	+ 173
Greece	-	95	-
France	627	784	+ 157
Ireland	76	95	+ 19
Italy	539	674	+ 135
Luxembourg	106	133	+ 27
Netherlands	597	747	+ 150
United Kingdom	418	523	+ 105

30. In view of the entry on 1 January 1981 of Greece into the Community the Commission has proposed that a number of authorizations be allocated to Greece for 1981. The Commission rejects the allocation of Community authorizations on the basis of existing operations within the Community by Greek-based transport operators (the number of which would be low, for the obvious reason, that Greece has not hitherto been a member of the Community). Instead the Commission has arbitrarily allocated to Greece the same quota as the Member State with the lowest quota (i.e. Ireland). Your rapporteur regards this method of allocation as giving further emphasis to the arbitrary nature of the allocation of the quota.

31. If the number of Community transport authorizations should prove excessive, a Member State would still have the opportunity of cutting down on its bilateral transport authorizations. In this connection it should be recalled that after the Council meeting of 20 and 21 December 1977, the Federal German State Secretary for Transport pointed out that the increase then proposed by the Commission 'would influence the forthcoming bilateral negotiations on this matter'<sup>1</sup>.

32. On 14 February 1979, Mr Seefeld tabled an oral question to the Council (Doc. 591/78) concerning its decision of 23 November 1978 to increase the 1979 quota by a mere 10%. In reply to the question why the Council had departed from Parliament's resolution on this matter, Mr Bernard-Reymond, on behalf of the Council, rehearsed the well-known arguments of 'the economic situation', 'insufficient progress in harmonizing conditions for competition in this area' and 'overloading the road network' and added that consequently the 10% increase was 'the only compromise on which the Council could agree'<sup>2</sup>.

33. Your rapporteur believes that the above statement indicates deplorable ignorance on the part of the Council of the negligible effect of the quota on the road network and is concerned at the extent to which the Council is well-informed on this issue.

He therefore urges the Council to review the ~~Community~~ quota and in so doing to take greater account than in the past of the arguments put forward by the European Parliament.

34. At the same time, your rapporteur emphasizes that the Council's decision formally to recognize freedom of movement in respect of the 'own account' carriage of goods would appear to constitute serious discrimination.

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<sup>1</sup> See the 'Deutsche Verkehrszeitung' (DVZ) of 22.12.1977

<sup>2</sup> Debates of the European Parliament, February 1979, p. 117



V. CONCLUSIONS

35. The Committee on Transport supports the latest Commission proposal for the Community quota, on the understanding that the Council will speed up progress towards harmonization in a number of important areas in the transport sector;

36. Furthermore, the committee emphasizes that the failure by the Council to harmonize conditions of competition in the transport sector makes it more difficult to achieve progress towards a liberalization of the market;

37. Your rapporteur believes that the Council should pursue more vigorously a policy of replacing bilateral quotas by the Community quota.

38. He is concerned at the arbitrary method of allocating the quota between Member States and, in particular, regards the method of allocation to Greece as unsatisfactory.

39. Your rapporteur regards it as a gross distortion of competition that carriage on 'own account' is now unrestricted between Member States but carriage by third parties is still subject to permits and quotas.

40. The Committee on Transport urges the Commission to undertake a thorough review of the transfrontier carriage of goods by road with a view to encouraging fair competition and also the increased utilization of modes of transport which do least damage to the environment and minimise the use of energy.

