## **COMMISSION OF THE EUROPEAN COMMUNITIES**

COM(94)590 final Brussels, 13.12.1994 94/0325 (SYN)

# Proposal for a COUNCIL DIRECTIVE

on access to the groundhandling market at Community airports

(presented by the Commission)

## EXPLANATORY MEMORANDUM

#### Introduction I.

- The adoption of the third aviation package<sup>(1)</sup> by the Council on 23 July 1992 1. represents the final stage in the liberalization process of the air transport sector in the context of the completion of the Single Market. In order to ensure the full benefit of this liberalization it will be necessary, however, to define rules which seek to maintain fair competition between carriers for the activities ancillary to air transport as such. This is the case in particular of slot allocation<sup>(2)</sup> and computerized reservation systems<sup>(3)</sup>. Groundhandling services also fall into this category since they are essential to the activities of air carriers.
- The groundhandling situation at Community airports varies widely. However, at most 2. airports only the airport itself or the national carrier are entitled to supply groundhandling services. Also self-handling is not always allowed. The groundhandling market is therefore at present not in line with the rest of the air transport sector and does not meet the current requirements of the single market for air transport services as organized within the new legislative framework.
- This situation is the cause of the unease felt by carriers. The recent complaints received by the Commission are proof of this unease. Indeed, groundhandling services represent a considerable part of the operating costs of air carriers. These costs appear to be higher for European carriers than for their American competitors. It is therefore essential that European airlines should be able to control their costs better as well as tailor their services better to the needs of their customers. Also groundhandling is an important part of the airlines' strategy in differentiating their image vis-à-vis the customer.

At present the groundhandling situation does not make it possible to guarantee fair and equal treatment, for both the quality and the cost of the services, between the different carriers operating at the same airport and in particular between the dominant carrier and its competitors.

Although the general principles laid down in the Treaty, particularly the competition rules, apply directly to all situations covered by the Treaty, it is nevertheless necessary to introduce more specific rules for access to the groundhandling market, which will take account of the unique features of this market.

Council Regulations (EEC) Nos 2407/92, 2408/92 and 2409/92 of 23 July 1992 on the licensing of air carriers, access for Community air carriers to intra-Community air routes, and fares and rates for air services respectively (OJ No L 240, 24.8.1992).

<sup>(2)</sup> Council Regulation (EEC) No 95/93 of 18 January 1993. (3)

Council Regulation (EEC) No 2299/89 of 24 July 1989.

- 5. The importance of the current groundhandling situation was given particular emphasis by the "Comité des Sages" when it recently reported, at the Commission's request, on the problems facing the air transport sector in the Community<sup>(4)</sup>. The majority of the Committee recommended full and rapid liberalization of groundhandling services. However, some members of the Committee expressed dissenting views on this point and stressed the organizational problems and social consequences of such an initiative.
- 6. The complex nature of this issue led the Commission to consult the stakeholders formally on the basis of a Consultation Paper on groundhandling services<sup>(5)</sup> adopted at the end of 1993, which put forward a series of guidelines for future legislation.

This consultation paper was sent to all parties concerned - airports, groundhandlers, carriers, employers and workers, the Member States, the accession countries, the European Parliament and the Economic and Social Committee. It generated a wide range of responses. In general air carriers and groundhandlers favoured in varying degrees the guidelines put forward. Airports and trade unions expressed opposition to full and too abrupt a liberalization. Many replies stressed the need to bear in mind the social problems which reform of this sector could generate in the light of existing situations.

7. In its Communication of June 1994 "The Way Forward for Civil Aviation in Europe" (6) the Commission indicated its intention to take by the end of 1994 an initiative aimed at ensuring access to the groundhandling market at Community airports. Finally, the Council in its Resolution of October 1994 confirmed the need for such an initiative.

## The principle of subsidiarity

8. Air transport by its nature is an international activity and the supply of groundhandling services at Community airports is thus not restricted to national carriers. The quality and the cost of the supply of these services directly affect the management of airlines and any distortion of the conditions of competition may have financial repercussions as well as consequences for the image of the carrier. It is, therefore, essential to define the rules of market access for the whole of the Community.

However, the specific nature of the sector as well as the diversity of the situations make it necessary to allow Member States to ensure that access to the market is attained in an objective, transparent and non-discriminatory manner, while taking account of the constraints at individual airports.

6) COM(94) 218 final, 1 June 1994.

<sup>&</sup>quot;Expanding Horizons. A report by the Comité des Sages for Air Transport to the European Commission", January 1994.

<sup>(5)</sup> SEC(93) 1896 final, 14 December 1993.

## II. Current situation

## Groundhandling services

- Groundhandling covers the supply of a variety of airport services which are essential to carriers for performing their air transport activities. These services are directly related to air transport and range from passenger and baggage registration and handling to leading the aircraft on the ground as well as the cleaning and refuelling of the aircraft. Without these services flights would not be able to take off. These services must be distinguished from activities directly related to air traffic operations, such as the provision of installations to users, of navigational aids, of emergency, fire and meteorological services as well as from non-aviation activities, such as the letting, concession or use of business premises at the airport. (7)
- 10. The International Air Transport Association (IATA) has established a nomenclature, on the basis of which it is possible to group groundhandling services into eleven categories:
  - (1) ground administration and supervision (Sections 1, 2, 3 and 13 of the IATA Agreement)
  - (2) passenger handling (Section 4, except Section 4.4.4)
  - (3) baggage handling (Section 4.4)
  - (4) freight and mail handling (Section 5)
  - (5) ramp services (Section 6)
  - (6) cleaning and aircraft servicing (Section 7)
  - (7) fuelling (Section 8)
  - (8) aircraft maintenance (Section 9)
  - (9) flight operations and crew administration (Section 10)
  - (10) surface transport (Section 11)
  - (11) catering services (Section 12).
- 11. These different types of services vary widely:
  - firstly, they do not all require the same type or degree of technical skill,

<sup>(7)</sup> ICAO Airport Economics Manual, Montreal, 1991.

- some services, such as baggage sorting, require major equipment or sophisticated and costly systems which are difficult, if not impossible, to divide or duplicate; others, such as administrative services, only require staff and computer hardware or office equipment;
- some services, such as ramp handling, take up considerable space because of the need for permanent storage of large quantities of material at the airport itself or, as in the case of passenger services, require numerous customer service desks in the terminal; others, such as catering, can to a large extent take place off the airport premises;
- some services, in particular ramp handling, cleaning and catering, entail staff and vehicle movements in the restricted areas of the airport; others are performed solely in areas open to the public or in offices.

#### The market situation

- 12. A key characteristic of the groundhandling market is that often only the airport itself or the national carrier are entitled to supply groundhandling services. In addition self-handling is not always allowed or is reserved to certain carriers, often selected on the basis of criteria which are not transparent.
- In such a situation there is a risk that prices are fixed in a discretionary and not genuinely transparent manner. Also carriers may not always have the means to improve the quality of the services or have them tailored to the specific needs of their customers. In addition a groundhandler may favour certain carriers to the detriment of others. The risk is even greater where the monopoly is held by the national carrier in direct competition with the airlines which are compelled to use its services.
- 14. The role of airports is to manage and maintain as well as sometimes even build airport infrastructure. Airports must make this infrastructure available to users and ensure that it functions efficiently, in particular by organizing and coordinating all the activities that take place on the airport premises. Access to the groundhandling market for suppliers other than the airport would thus not affect the efficient operation of the airport.
- 15. The current organization of the groundhandling market no longer meets the needs of air transport nor does it comply with the principles of the Single Market.
- 16. The supply of groundhandling services is, however, subject to a number of practical constraints, which vary according to the type of service. These constraints concern in particular
  - available capacity and space: many European airports are coming up against problems of available capacity and space and, in some cases, are reaching saturation point. Some groundhandling services, however, require a considerable amount of space, either in the terminal buildings as is the case of services directly related to the passengers or in the restricted areas of the airport as in the case of services requiring direct access to the aircraft. Sometimes these services require the use of sophisticated and costly centralized

systems which cannot be duplicated, as in the case of baggage sorting. The level of constraint may vary according to the airport and in some instances even from one terminal to another;

security and safety: airports require high security and safety standards. Maintaining such standards is one of the fundamental tasks of the airport managing body. It is therefore essential for the airport management to retain, de jure and de facto, the power to regulate, coordinate and control access to all restricted areas as well as staff and vehicle movements in these areas. Similarly it must be possible to check the contents of baggage.

The categories of services directly related to the aircraft which are carried out in the restricted areas of the airport or so-called "air-side" services are most likely to be affected by capacity constraints since these areas cannot be extended indefinitely, by security constraints in view of the sensitive nature of the activities related to the aircraft as well as by safety constraints. Studies have shown that a large number of accidents are caused by groundhandlers in the immediate vicinity of the aircraft mainly for reasons of congestion and traffic.

Although these constraints can, in some cases, be overcome by adapting or expanding the existing infrastructure, such infrastructure developments can require considerable investments.

17. It is obvious that not all groundhandling services are suitable to the same degree of market access, particularly in the short term and even in the longer term. For each type of service it will be necessary to determine the access in a way which remains compatible with the efficient operation of the airport infrastructure. It will therefore be essential to adopt a differentiated approach which takes account of the technical features of the various types of services, of the varying degrees of the constraints and of the specific problems at certain airports. In this respect it is possible to distinguish "land-side" services, such as passenger or administrative services as well as services which affect the image of the airline or the operation of the aircraft such as catering or maintenance services, for which airlines should have the widest possible access from "air-side" services which are subject to greater constraints.

## III. The objectives and the means

18. On the basis of the guidelines set out in the consultation paper and the reactions of the stakeholders, the Commission feels that access to the groundhandling market should be such as to allow users to choose the supplier who comes closest to their quality and cost requirements. However, access should also be adapted to the features of the various types of services, taking account of existing constraints, of social repercussions as well as the need to keep the airports operating efficiently.

The Commission therefore favours the introduction of liberalization as well as accompanying measures.

#### The liberalization measures

19. The objective of the liberalization measures is to ensure access to the market. However, the heterogeneous nature of groundhandling services and the diverse nature of airport situations call for a differentiated approach as well as for the introduction of mechanisms which make it possible to take account of specific situations. The genuine liberalization of this sector should therefore take the form of free access for some services and a more limited access for others. It should also guarantee the right to self-handle. It should, however, not exclude the possibility to grant exemptions in certain cases in order to take account of the considerable capacity and space constraints at certain airports.

#### Access to the market

## Third party handling

- 20. Free access to the market implies in theory an unlimited number of suppliers, although in practice their number will be limited by the size of the market itself. In principle, free access should apply to all groundhandling services. In practice, however, free access will be applicable to those services which are not genuinely subject to safety, security, space and capacity constraints or for which these constraints can be overcome by the appropriate measures. These include passenger handling, ground administration and supervision, flight operations and crew administration, maintenance, catering services, cleaning as well as surface transport.
- 21. Limited access means that the airport authority is able to restrict the number of suppliers. However, effective competition requires a minimum of two suppliers, at least one of which must be independent of the airport and of any user carrying no less than 25% of the passengers or freight recorded at the airport concerned. This is the case of all national carriers at their airport of origin.

Limited access should apply to those categories of services which do not lend themselves to free access, either because they are subject to the above-mentioned constraints or because they require systems which are complex, centralized or cannot be duplicated. This is the case of baggage handling, freight and mail handling, ramp services and fuelling.

## Self-handling

22. Self-handling is a particular form of groundhandling whereby airport users perform one or more types of services for themselves. Its key feature is that it excludes a service contract with a third party.

Self-handling should for the same reasons as for third party handling be authorized without restrictions in the case of ground administration and supervision, flight operations and crew administration, catering, passenger handling, cleaning, aircraft maintenance and surface transport.

- 23. For the other types of groundhandling services, i.e. baggage handling, freight and mail handling, ramp services and fuelling, Member States should be able to reserve self-handling to a limited number of carriers chosen on the basis of relevant, objective, transparent and non-discriminatory criteria.
- 24. When carriers supply groundhandling services to third parties they are not considered to be self-handling and should therefore be treated as any other supplier of groundhandling services and should thus be subject to the same restrictions and selection procedures.

## **Exemptions**

25. In some instances the physical constraints may be such that they make access for new entrants difficult, if not impossible. It is therefore necessary to allow for the possibility of granting exemptions. Member States will be responsible for granting these exemptions subject to approval by the Commission in order to ensure consistency throughout the Community. The Commission may avail itself of the assistance of one or more independent experts in reaching its decision.

These exemptions would be granted solely for the service or services and for those parts of the airport or airport system, for which the alleged constraints are actually ascertained. It would be up to the airport requesting the exemption to prove the existence of such exceptional constraints. Exemptions would be granted for a limited period on presentation of a development plan designed to overcome these constraints. Any extension of the exemption would be subject to a review procedure.

26. Thus, an airport would be authorized to close or restrict access to the market for one or several categories of services.

An airport would also be authorized to reserve self-handling to a limited number of users, chosen on an objective and non-discriminatory basis, for those services for which self-handling should not be limited in principle. Member States would when justified and with the approval of the Commission be able to authorize an airport to limit market access for a particular service in relation to the access originally intended for that particular service. This flexible approach should provide a means of overcoming specific problems without unduly restricting access to the market.

## b. The accompanying measures

27. To ensure fair and sustainable competition and at the same time allow for efficient management of airport installations, it is necessary to supplement access to the market with accompanying measures.

These accompanying measures cover the unbundling of the different activities of the managing body of the airport, consultations between the airport, users and groundhandlers, the approval and selection of suppliers, the rules of conduct required to ensure the efficient operation of the airport, access to the installations and the recognition of a right of appeal.

## Unbundling of activities

28. A large number of airports provide groundhandling services themselves. In order to ensure that suppliers are treated on an equal basis, the decisions of the airport authority must be genuinely and completely transparent, particularly if the airport authority supplies groundhandling services and at the same time is responsible for approval and coordination of groundhandlers. To guarantee transparent and impartial decision-making by the airport authority, the Commission, drawing inter alia on the legislation established in the railway sector, advocates strict unbundling of groundhandling services from other airport activities by requiring separate accounts and management for these activities. Fair competition also implies the absence of cross-subsidization of groundhandling services by other airport activities. A body independent of the parties concerned and in particular of the airport should check that the unbundling is effectively carried out.

Airports would thus, if they so wished, be able to continue to supply groundhandling services and compete with other suppliers, provided their groundhandling activity is kept separate from their regulatory and infrastructure management functions.

On similar grounds the same obligations can justifiably be imposed on users who have a considerable volume of traffic, if they do not wish to restrict themselves to self-handling and wish to offer groundhandling services to third parties. The obligation to unbundle groundhandling services should provide a clearer insight into the terms on which these services are offered and reduce the risk of unfair practices, such as dumping and cross-subsidization.

### Approval of suppliers

- 30. Member States should be able, if they believe it is necessary, to subject the supply of groundhandling services to approval. The primary objective is to ensure the efficient operation of the airport as well as the protection of the environment by making it possible to reject a priori groundhandling candidates for which there are valid and sufficient grounds, such as past performance, to presume that their behaviour could significantly affect the security and safety of the airport installations as well as of the staff or the environment. The supplier should upon request be given the reasons for refusal so that he can appeal if appropriate.
- 31. This approval procedure for suppliers should not be extended to users who wish to self-handle. Wherever the self-handling is freely allowed and in any other instances where the managing body of the airport authorizes self-handling, users are directly entitled to provide such services for themselves. There is therefore no need for an additional approval procedure.

#### Selection of suppliers

32. The number of authorized suppliers may be limited either in the case of a service for which access is limited or by way of exemption. In both cases it is essential in order to avoid discrimination to provide for a neutral, objective and transparent selection procedure at Community level.

- 33. Although the selection of the suppliers authorized to provide groundhandling services entails similar problems to those of public procurement, certain features nevertheless justify a specific selection procedure. Thus, in the case of public procurement the awarding authority selects an applicant with which it will conclude a contract, whereas in the case of groundhandling services the selected suppliers will conclude contracts with the users of the air services and not with the airport. As the future customers of the selected suppliers the carriers should therefore be able to participate in drawing up the technical or any other specifications required for the selection procedure. A Committee representing all the users of the airport or airport system in question would allow for such participation. This Committee would be consulted by the managing body of the airport prior to the selection of the suppliers.
- 34. However, since some airports also supply groundhandling services, either directly or through a subsidiary, it is essential to maintain fair competition and ensure objective, transparent and non-discriminatory control by the managing body. This can be achieved by delegating the power to select the suppliers to the Users' Committee.
- 35. The selection procedure should apply to all potential suppliers. It is essential that there should be no discrimination to the detriment of independent suppliers and to the benefit of suppliers who are carriers themselves or are controlled by carriers. Many carriers with a large volume of traffic at a particular airport often resort to self-handling. Since they have the required staff and equipment, they can offer their services to other carriers at favourable rates. This advantage must not be exacerbated by the selection procedure, which should not result in replacing existing monopolies by market structures dominated by large air carriers. Such a situation could effectively deprive smaller carriers, for which self-handling is not usually economic because of their low volume of traffic, of a genuine choice.
- 36. However, an exception to this rule should be made for the airport or its groundhandling subsidiary. Although the specific obligations incumbent upon operators controlling essential infrastructure are sufficient reason to compel airports to accept the presence of competitors on their own premises, it is not conceivable that they should be barred from providing groundhandling services themselves, directly or indirectly, if they so wish. However, if airports were subjected to the same selection procedure as other potential suppliers, they would run the risk of not being selected. Consequently, airports should be able to either provide groundhandling services themselves or authorize a supplier to provide them without undergoing the selection procedure, provided the airport directly or indirectly controls the supplier in question. This would also be valid if the supplier controls the airport authority.
- 37. This reasoning, however, does not apply to the dominant carrier which in general is neither the managing body nor the owner of the airport infrastructures. Consequently, the dominant carrier should enjoy no special status, but should be subject to the same selection procedure as other potential suppliers.

## Consultation procedure between the airport, the users and the supplier(s)

38. Should practical constraints make access to the market, even if restricted, impossible, the airport could, subject to approval by the Commission, obtain an exemption from the Member State whereby it is authorized not to open up one or more types of groundhandling services to competition. It is essential that the services for which such an exemption is granted are supplied under genuinely transparent conditions, particularly in respect of pricing. A statutory consultation and conciliation procedure between the airport, supplier and users would offer users in such a case guarantees similar to those they could expect from normal free competition. Users should be consulted through the Users' Committee, particularly in the event of any major change of situation and in any event at least once a year.

#### Rules of conduct

39. The primary task entrusted by Member States to the managing bodies of airports is to ensure proper operation of the airport infrastructure. It should therefore be possible to apply the rules necessary to attain this objective to suppliers of groundhandling services and self-handling carriers.

These rules could include the obligation to bear a fair share of any public service obligation imposed on the managing body, particularly the obligation to provide permanent services. This would make it possible to ensure fair competition between suppliers by preventing some suppliers from leaving the less profitable segments of the market such as night, rerouted or delayed flights to others, in particular the airport or its subsidiary. This specific obligation should be imposed on suppliers only and not on users, unless they offer groundhandling services to third parties.

- 40. However, these regulatory powers should not be left to the discretion of the Member States. The rules which they impose should in turn comply with a series of principles. They should in particular
  - apply without discrimination to all suppliers and users;
  - contribute to achieving the proposed objective;
  - impose no constraints on suppliers and users which are out of proportion to their real benefits;
  - comply with the spirit of the proposed measures, that is not reduce market access or the right to self-handle to a lesser degree than intended by the measures.

In the event of non-compliance with such rules of conduct, Member States could withdraw approval from the supplier or prohibit the carrier from self-handling.

## Right of access to the installations

41. Groundhandling services are by definition at least in part provided on the airport. In a number of cases, such as catering or fuelling, the supplier can operate installations off the airport premises, but still require access to the airport. Consequently, groundhandling suppliers and self-handling users should be entitled to have access to the airport installations insofar as is necessary to exercise their right to supply groundhandling services or to self-handle.

A corollary to this right of access for users and suppliers is the right of the managing body to regulate such access. However, access to the installations should only be refused where it has been decided to withdraw approval or to prohibit self-handling. The conditions which the managing body should attach to this right of access are an example of the above-mentioned rules of conduct and should comply with the same principles of relevance, objectivity, transparency and non-discrimination.

- 42. The right of access of suppliers and self-handlers to the installations must be distinguished from the access authorization given to each individual member of their staff, which may inter alia be subject to a security check or a training course if required by the national legislation.
- 43. In many instances access to the installations and self-handling will entail extra costs for the airport, caused for example by the need to check identities or to organize and monitor vehicle movements, even if such access does not involve permanent occupation of part of the airport installations. It should be possible for the managing body to charge suppliers and self-handling users a fee to cover these costs. Such fees should in turn be based on objective, transparent and non-discriminatory criteria.

## Right of appeal

44. Many decisions of the managing body or the public authorities of the Member States, such as the granting or refusal of approval, the rules of conduct, the penalties for non-compliance with the rules, the space allocation, etc., will have far-reaching consequences for the interests of the suppliers and users. In accordance with the general legal principles recognized by all Member States, anyone who feels his interests have been affected by such a decision must have an effective right of appeal before a public authority independent of the managing body of the airport and of any public authority controlling it. In most Member States such appeal procedures already exist.

## Scope of the measures

45. Effective competition requires a market large enough for several and at least two suppliers to operate on it profitably. The heavy fixed cost of investments in buildings and equipment for many categories of groundhandling services make it difficult to maintain lasting competition on such a limited market. Consequently, the measures for third party handling should only apply to airports with an annual traffic volume of no less than two million passenger movements or 50 000 tonnes of freight or to so-called "seasonal" airports which on a seasonal basis present the same characteristics. Problems related to the price and quality of groundhandling services arise at many

of these airports. On the other hand, the measures concerning self-handling should apply to all airports which are open to commercial traffic and located on the territory of a Member State.

- 46. The implementation of these measures will in many cases give rise to considerable reorganization problems. It could also have a considerable social impact. Hence, it is necessary to allow for a reasonable transition period which should enable airports to adapt to the new situation and users to benefit from it as soon as possible.
- 47. The organization of access to the groundhandling market and the liberalization of self-handling will bring considerable advantages for both suppliers and users. If these advantages are extended to users and suppliers from third countries, they should be matched by comparable treatment, de jure and de facto, for Community suppliers and users in the countries concerned. If no such reciprocity exists, whether because of legal or regulatory measures or simple discriminatory practices, the Commission feels that it is necessary to be able to suspend all or some of the rights which the Directive recognizes for users and suppliers from any country which fails to recognize similar rights for Community suppliers and users. This suspension may be applicable to all or some Member States.

## IV. Conclusions

48. The liberalization of the air transport sector implies free access to the groundhandling market. Such access will make it possible to meet the current needs of air transport. However, the present situation at many airports, the diversity of the services and the constraints to which the supply of some services are subject make it necessary to introduce accompanying measures.

The Commission therefore considers that market access must be based on a balanced approach which takes account of the different situations, the requirements of air transport and the interests of airports, carriers, suppliers and workers throughout the industry.

#### CONTENTS OF THE DIRECTIVE

#### Article 1

This Article gives the definitions needed for the application of the Directive.

#### Article 2

This Article defines the scope of the measures: for self-handling the measures apply to all Community airports open to commercial traffic; for third-party handling their application is restricted to airports with an annual traffic volume of no less than 2 million passenger movements or 50 000 tonnes of freight or to airports with a traffic volume of no less than one million passenger movements or 25 000 tonnes of freight during a period of six consecutive months.

#### Article 3

This Article specifies the manner in which the measures apply to the managing bodies of airports, irrespective of their practical or legal organization in the different Member States. If the different management functions of an airport are shared between several separate bodies, they are all considered as part of the managing body of the airport concerned. If on the other hand one and the same body is in charge of the management of several airports, each of these airports is considered individually. Finally, if the managing body of an airport is controlled by a public authority, the obligations imposed by the Directive on the managing body also apply to the authority.

## **Article 4**

This Article lays down the principle of unbundling the activities of the managing bodies of airports: if the managing body of an airport wishes to supply groundhandling services, it must separate this activity from its role of infrastructure management and regulation by unbundling the management and the accounting of these activities. The purpose of this measure is to ensure fair competition between groundhandlers by preventing the airport from subsidizing its groundhandling activities through activities which by their very nature are not open to competition. For similar reasons the same accounting and management unbundling is imposed on any carrier with a dominant position at the airport.

### Article 5

This Article provides that at every airport a Users' Committee must be set up which represents the users and consists of their representatives. Any user has the right to be a member of this Committee or to be represented on it.

This Article lays down the conditions of market access for third party handling. It identifies the services for which access to the market will be entirely free and those for which the Member State for technical reasons will be allowed to limit access. In such cases, the number of groundhandlers will not be less than two, one of which will be independent both of the airport and of any carrier enjoying a dominant position at the airport.

#### Article 7

This Article lays down the conditions for self-handling. It identifies the services for which the right to self-handle is guaranteed without restrictions and those for which, because of technical constraints, the Member State may reserve this right to a limited number of users, who are to be chosen on the basis of relevant, objective, transparent and non-discriminatory criteria. The services for which self-handling is to be allowed fully are the same as those for which access to third party handling is free. Similarly, those for which self-handling may be limited are the same as those for which access may be limited in the case of third party handling.

#### Article 8

This Article allows Member States to reserve to a single body the management of centralized infrastructures which cannot be divided or which because of their cost cannot be duplicated. However, access to these infrastructures must be granted to suppliers of groundhandling services and their centralized management may not limit market access to a lesser degree than provided for by the Directive.

#### Article 9

This Article gives Member States the right to grant exemptions to those airports whose specific situation does not allow access to the market or self-handling to the degree provided for by the Directive. In order to guarantee the consistency and uniformity of these exemptions throughout the Community, the Commission will have the power to suspend the exemptions granted by the national authorities.

#### Article 10

This Article provides for the organization of a procedure for the selection of authorized suppliers, when their number is limited by a Member State and provides that users are to be consulted prior to the choice of the managing body. Also, when the managing body itself provides groundhandling services directly or through a third party, equal treatment of suppliers requires that it should not be in a position to choose its own competitors. In such a case, the selection of authorized suppliers will be made by the Users' Committee. This Article also gives to the airport itself, the undertakings controlled by it or the undertaking that controls it the right to supply groundhandling services without having to undergo the selection procedure.

This Article provides for the organization of consultation and arbitration procedures between the users, the suppliers and the managing body when one or several services are not open to competition by virtue of an exemption.

#### Article 12

This Article allows Member States to subject the activity of groundhandlers to obtaining a licence delivered by a public authority independent of the airport, in order to guarantee safety, security and environmental protection standards.

## Article 13

This Article gives Member States the right to impose on suppliers of groundhandling services and users wishing to self-handle the rules required for the proper functioning of the airport. These rules may include the obligation to comply with public service obligations. This Article also lays down the basic principles with which these rules should comply. They should be non-discriminatory, related to the objective and comply with the degree of access provided for by the Directive.

#### Article 14

This Article gives suppliers and users the right to have access to the airport infrastructures to the extent required for the supply of groundhandling services or to self-handle. It also lays down the conditions to which this right may be subjected by Member States and the principles with which these conditions must comply: they must be relevant, objective, transparent and non-discriminatory.

#### Article 15

This Article recognizes the rights and obligations of the Member States as far as safety and security at airports are concerned.

#### Article 16

This Article states the principle of reciprocity between the Community and third countries and provides that in the absence of reciprocity the obligations created by the Directive may be supended with respect to undertakings from the third country in question.

#### Article 17

This Article makes it obligatory for the Member States, where such a procedure does not yet exist, to provide an appeal procedure before an independent public authority against the decisions of their public authorities in the area covered by the Directive.

#### Article 18

This Article provides that the Commission shall establish an information report on the implementation of the Directive.

This Article lays down the principle of cooperation between the Commission and the Member States for the implementation of the Directive.

## Article 20

This Article provides that all measures taken by the Member States within the scope of this Directive must be notified to the Commission in order to allow it to check that the measures comply with Community law.

## Proposal for a COUNCIL DIRECTIVE

## on access to the groundhandling market at Community airports

## THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Article 84(2) thereof,

Having regard to the proposal from the Commission,

In cooperation with the European Parliament,

Having regard to the opinion of the Economic and Social Committee,

Whereas the Community has gradually introduced a common air transport policy with the aim of completing the internal market in accordance with Article 7a of the Treaty;

Whereas the internal market comprises an area free of internal frontiers in which the free movement of goods, persons, services and capital is assured;

Whereas the objective of Article 59 of the Treaty is to eliminate the restrictions on the freedom to provide services in the Community and that, in accordance with Article 61<sup>(1)</sup> of the Treaty, this objective must be achieved within the framework of the common transport policy,

Whereas through Council Regulations (EEC) Nos 2407/92<sup>(1)</sup>, 2408/92<sup>(2)</sup> and 2409/92<sup>(3)</sup> that objective has been attained with regard to air transport services as such,

Whereas groundhandling services form an integral part of the air transport system, whereas such services are essential to the proper functioning of this mode of transport and whereas they make an essential contribution to the efficient use of air transport infrastructure;

Whereas groundhandling services are essential to the supply of air transport services, which by their nature extend beyond national frontiers and fall directly within the framework of intra-Community trade;

Whereas with respect to the principle of subsidiarity it is essential that access to the groundhandling market should take place within a common framework, while allowing Member States the possibility of taking into consideration the specific nature of the sector,

<sup>&</sup>lt;sup>(1)</sup> OJ No L 240, 24.8.1992, p. 1.

<sup>&</sup>lt;sup>(2)</sup> OJ No L 240, 24.8.1992, p. 8.

<sup>&</sup>lt;sup>(3)</sup> OJ No L 240, 24.8.1992, p. 15.

Whereas in its Communication of 1 June 1994 "The Way Forward for Civil Aviation in Europe" the Commission indicated its intention to take an initiative before the end of 1994 in order to achieve market access for groundhandling services at Community airports and whereas the Council in its Resolution of 24 October 1994 has confirmed the need to take account of the imperatives linked to the situation of airports when effecting the opening of the market;

Whereas access to the groundhandling market would not affect the efficient operation of Community airports;

Whereas it is, therefore, necessary to establish the arrangements for access to the groundhandling market at Community airports and whereas it is essential to take account of the existing situation at airports;

Whereas, for certain categories of services, however, access to the market and self-handling may come up against safety, security, available capacity and space constraints; whereas it is, therefore, necessary to be able to limit the number of suppliers of such categories of services; whereas it should also be possible to limit self-handling and whereas the criteria for such limitation must be relevant, objective, transparent and non-discriminatory;

Whereas, if the number of suppliers is limited, the maintenance of effective competition will require that at least one of the suppliers should be independent of both the managing body of the airport and the dominant carrier;

Whereas the proper functioning of airports requires them to be able to reserve for themselves the management of certain infrastructures, which for technical reasons as well as for reasons of profitability and safety are difficult to divide or duplicate; whereas the centralized management of such infrastructures may not, however, constitute an obstacle to their use by groundhandlers or by self-handling users;

Whereas in certain cases, these constraints can be such that they may justify restrictions on market access or self-handling to the extent that these restrictions are adapted, transparent and non-discriminatory;

Whereas the purpose of such exemptions must be to enable airports to overcome or at least to reduce these constraints; whereas these exemptions must be approved by the Commission and must be granted for a specific period,

Whereas if fair and effective competition is to be maintained where the number of suppliers of services is limited, the latter need to be chosen according to a transparent and impartial procedure; whereas users should be involved in the selection since they have a major interest in the quality and price of the services which they require;

Whereas it is therefore important to organize the representation of users and their participation in the selection of authorized suppliers by setting up a committee composed of their representatives;

Whereas the managing body of the airport may also supply groundhandling services and, through its decisions, may exercise considerable influence on competition between suppliers of groundhandling services; whereas it is therefore essential, in order to maintain fair competition, that airports establish a clear separation between their infrastructure management and regulatory activities on the one hand and the supply of groundhandling services on the other.

Whereas the same transparency requirements must apply to users who have attained a significant volume of traffic at an airport and wish to provide groundhandling services to third parties;

Whereas in order to enable airports to fulfil their management functions and to guarantee safety and security on the airport premises as well as to protect the environment, Member States must be able to make the supply of groundhandling services subject to approval; whereas the criteria for granting such approval must be objective, transparent and non-discriminatory;

Whereas, for the same reasons, Member States must retain the power to lay down and apply the necessary rules for the proper functioning of the airport infrastructure; whereas these rules must, however, comply with the principles of objectivity, transparence and non-discrimination;

Whereas access to airport installations must be guaranteed to suppliers wishing to provide groundhandling services and to carriers wishing to self-handle to the extent necessary for them to exercise their rights;

Whereas it is justified that the rights recognized by this Directive should only apply to third country suppliers and carriers subject to strict reciprocity; whereas where there is no such reciprocity the Commission should be able to suspend these rights with regard to those suppliers and carriers;

Whereas this Directive does not affect the application of the rules of the Treaty and whereas in particular the Commission will continue to ensure compliance with these rules by exercising, when necessary, the powers granted to it by Article 90 of the Treaty,

## HAS ADOPTED THIS DIRECTIVE:

#### Article 1

## Definitions -

For the purposes of this Directive:

- 1. "airport user" means any physical or legal person responsible for the carriage of passengers, mail and/or freight by air from or to the airport in question;
- 2. "groundhandling" means the services provided to users at airports as described in the Annex;

- 3. "self-handling" means a groundhandling arrangement, whereby a user directly provides for himself one or more categories of groundhandling services and concludes no contract of any description with a third party for the provision of such services;
- 4. "supplier of groundhandling services" means any natural or legal person supplying third parties with one or more categories of groundhandling services;
- 5. "airport system" means any set of airports grouped together to serve the same city or conurbation, as defined in Annex 2 to Council Regulation (EEC) No 2408/92;
- 6. "managing body of the airport" means body which by national law or regulation has as its objective the management of the airport infrastructures, the coordination and control of the activities of the different operators present in the airport or airport system concerned.

## Scope

1. This Directive applies to any airport located on the territory of a Member State open to commercial traffic.

However, the provisions of Articles 4, 5, 6, 10, 11 and 12 shall apply only to airports

- whose annual traffic is not less than 2 million passenger movements or 50 000 tonnes of freight or
- whose traffic over the preceding 18 months is not less than one million passenger movements or 25 000 tonnes of freight during any period of six consecutive months.
- 2. The Commission shall publish, for information, in the Official Journal of the European Communities a list of the airports referred to in the second subparagraph of paragraph 1. The list shall first be published within three months following the entry into force of this Directive, and then annually.

Member States shall, before 1 July of each year, forward to the Commission the data required to compile the list.

#### Article 3

## Managing body of the airport

- 1. Where an airport or airport system is managed and operated not by a single body but by several separate bodies, each of these shall be considered part of the managing body of the airport for the purposes of this Directive.
- 2. Where a single managing body is set up for several airports or airport systems, each of these shall be considered separately for the purposes of this Directive.

3. If the legislation of a Member State places the managing bodies of one or more airports or airport systems under the supervision or control of a public authority, the obligations imposed by this Directive on those managing bodies shall also be imposed on the public authorities which control them.

#### Article 4

## Unbundling

- 1. Where the managing body of an airport provides groundhandling services it must unbundle the management and accounts of its groundhandling activities from its other activities.
- 2. A user who in the previous year has carried in excess of 25% of the freight or passengers recorded at an airport may not itself provide groundhandling services to third parties at that airport without unbundling the management and accounts of the transport activity from the supply of groundhandling services to third parties.
- 3. An independent examiner must check that the unbundling is carried out as required under paragraphs 1 and 2.

The examiner shall, in particular, check the absence of any financial flow from other activities to those of groundhandling.

He shall at all times have access to the accounts of the undertaking. He shall report to the Commission at least once a year and each time he ascertains a failure to maintain the mandatory unbundling.

#### Article 5

#### The Users' Committee

- 1. Twelve months at the latest following the entry into force of this Directive, Member States shall introduce the measures necessary to set up a committee of users' representatives for each of the airports referred to in the second subparagraph of Article 2(1).
- 2. All users shall have the right to be on the committee or, if they so wish, to be represented on it by an organization appointed to that effect. The decision-making procedure of the committee may take account of the volume of activity of the various users of the airport in question, while still ensuring that each of them is represented.

#### Article 6

## Groundhandling for third parties

1. Member States shall, no later than two years after the entry into force of this Directive, take the necessary measures in order to ensure free access to the market for the provision of groundhandling services to third parties.

- 2. Member States may limit the number of suppliers authorized to provide the following categories of groundhandling services:
  - baggage handling,
  - ramp handling,
  - fuelling,
  - freight and mail handling.

They may not, however, limit this number to less than two for each category of service. Moreover, at least one of the suppliers may not, directly or indirectly, be controlled by

- the managing body of the airport,
- any user who has carried more than 25% of the passengers or freight recorded at the airport during the year preceding that in which the suppliers are selected,
- a body controlling or controlled directly or indirectly by that managing body or any such user.
- 3. Without prejudice to paragraph 2, Member States shall ensure that any airport user can call upon the groundhandling services of the supplier of his choice, whatever parts of the airport are allocated to them.

## Article 7

## Self-handling

- 1. Member States shall, no later than two years following the entry into force of this Directive, take the necessary measures to ensure the freedom to self-handle.
- 2. For the following categories of groundhandling services:
  - baggage handling,
  - ramp handling,
  - fuelling,
  - freight and mail handling.

Member States may reserve the right to self-handle to a limited number of users, provided they are chosen on the basis of relevant, objective, transparent and non-discriminatory criteria.

#### Centralized infrastructures

- Without prejudice to the application of Articles 6 and 7, Member States may reserve the technical management of the centralized baggage sorting, de-icing, water purification and fuel distribution infrastructures either for the managing body of the airport or for another body. They may make it obligatory for suppliers of groundhandling services and self-handling users to use these infrastructures.
- 2. Member States shall ensure that the management of the infrastructures referred to in paragraph 1 is transparent, objective and non-discriminatory and, in particular, that it does not hinder its use by suppliers of groundhandling services or self-handling users within the limits laid down by this Directive.

## Article 9

## Exemptions

- 1. Where specific constraints of available space or capacity so warrant, the Member State in question may decide:
  - (a) to limit the number of suppliers of all categories of groundhandling services other than those referred to in Article 6(2); in this case the provisions of the second subparagraph of Article 6(2) shall apply,
  - (b) to reserve to a single supplier the categories of groundhandling services referred to in Article 6(2);
  - (c) to reserve self-handling to a limited number of users for the categories of groundhandling services other than those referred to in Article 7(2), provided they are chosen on the basis of relevant, objective, transparent and non-discriminatory criteria.
- 2. All exemptions decided pursuant to paragraph 1 must:
  - (a) specify the category or categories of services for which the exemption is granted and the technical constraints which justify it;
  - (b) be accompanied by an airport development plan to overcome the constraints.
- 3. Member States shall notify the Commission, at least three months before they enter into force, of any exemptions they grant on the basis of paragraph 1 and of the grounds which justify them.

The Commission shall publish a summary of the decisions of which it is notified in the Official Journal of the European Communities and shall invite interested parties to submit comments. 4. Exemptions may enter into force at the end of the three-month period following their notification to the Commission unless during the same period the latter informs the Member State concerned either that it is opposed to the decision or that it intends to carry out a further examination, which, however, may not take longer than three months. Within the context of the examination the Commission may authorize the provisional application, in full or in part, of the decision in question, taking account, inter alia, of the possibility of irreversible effects.

The Commission may seek assistance from one or more experts.

- 5. The Commission may also restrict the exemptions provided for in this Article to those parts of an airport or airport system where the constraints referred to have been proven to exist.
- 6. Exemptions granted by Member States pursuant to paragraph 1 may not exceed a duration of three years. At the end of that period the Member State must take a new decision on the request for an exemption and this, too, will be subject to the procedure laid down in this Article.

## Article 10

## Selection of suppliers

- 1. Member States shall take the necessary measures to organize a selection procedure for suppliers authorized to provide groundhandling services at an airport where their number is limited in the cases laid down in Article 6(2) or Article 9. This procedure must comply with the following principles:
  - (a) in cases where Member States require the establishment of standard conditions or technical specifications to be met by the suppliers, these conditions or specifications shall be established by the managing body of the airport and the Users' Committee. The selection criteria laid down in the standard conditions or technical specifications must be relevant, objective, transparent and nondiscriminatory;
  - (b) an invitation to tender must be launched and published in the Official Journal of the European Communities, to which any interested supplier may reply, subject to the provisions of Article 16;
  - (c) the suppliers shall be chosen
    - (i) following consultation of the Users' Committee by the managing body of the airport, provided the latter
      - does not provide groundhandling services,
      - has no control, direct or indirect, over any undertaking which provides such services, and
      - has no involvement in any such undertaking;

- (ii) by the Users' Committee, in all other cases. Each user may then vote for only one supplier for each category of service;
- (d) suppliers shall be selected for a maximum period of seven years;
- (e) where a supplier ceases his activity before the end of the period for which he was selected, he shall be replaced on the basis of the same procedure. However, users who provide groundhandling services at the airport in question or have direct or indirect control over an undertaking which provides such services may in that case not take part in the vote.
- Where the number of suppliers is limited in accordance with Article 6(2) or Article 9, the managing body of the airport may itself provide groundhandling services without being subject to the selection procedure laid down in paragraph 1. Also, it may, without submitting it to the said procedure, authorize an undertaking to provide groundhandling services at the airport in question
  - if it controls that undertaking directly or indirectly, or
  - if the undertaking controls it directly or indirectly.

#### Consultations

Member States shall take the necessary measures to organize a compulsory consultation procedure between the managing body of the airport, the Users' Committee and the undertakings providing services. This consultation shall cover, inter alia, the price of those services which have been exempted by the Commission pursuant to Article 9 as well as the organization of the provision of the services. Such consultation shall be organized at least once every year.

#### Article 12

## Approval

1. Member States may make the activity of a supplier of groundhandling services conditional upon obtaining the approval of a public authority independent of the managing body of the airport.

The approval criteria must relate to the security and safety of the installations, of the aircraft, of the equipment and of persons, as well as to the protection of the environment

The criteria must be published and the supplier must be informed beforehand of the approval procedure.

 Approval may be withheld only if the supplier does not meet, for reasons of his doing, the criteria referred to in paragraph 1. The grounds for withholding approval must be communicated to the supplier concerned.

## Article 13

#### Rules of conduct

1. A Member State may withdraw its approval of a supplier or prohibit a user from self-handling if that supplier or user fails to comply with the rules imposed upon him to ensure the proper functioning of the airport.

The rules must embody the following principles:

- (a) they must be applied in a non-discriminatory manner to the various suppliers and users;
- (b) they must relate to the intended objective;
- (c) they may not in practice reduce market access or the freedom to self-handle to a lesser degree than that provided for in this Directive.
- A Member State may, in particular, require suppliers of groundhandling services at an
  airport to participate in a fair and non-discriminatory manner in carrying out public
  service obligations laid down in national laws or rules, including the obligation to
  ensure continuous service.

#### Article 14

#### Access to installations

- Member States shall take the necessary measures to ensure that suppliers of
  groundhandling services and users wishing to self-handle have access to airport
  installations to the extent necessary for them to exercise their rights. If the managing
  body of the airport or, where appropriate, the public authority which controls it places
  conditions upon such access, those conditions must be relevant, objective, transparent
  and non-discriminatory.
- 2. The space available at an airport must be divided among the various suppliers of groundhandling services and self-handling users on the basis of relevant, objective, transparent and non-discriminatory rules and criteria. These rules and criteria may not give suppliers already operating at an airport or users already self-handling an advantage over new entrants.
- 3. Access to airport installations for suppliers of groundhandling services and users wishing to self-handle may give rise to the collection of a fee intended to cover the costs which this access occasions for the airport and reflecting the level of the costs. This fee must be determined according to objective, transparent and non-discriminatory criteria.

## Safety and security

The provisions of this Directive in no way affect the rights and obligations of Member States in respect of safety and security at airports.

#### Article 16

## Reciprocity

- 1. Without prejudice to the international commitments of the Community, when it appears that, in terms of access to the groundhandling or self-handling market, a third country:
  - (a) is not, <u>de jure</u> or <u>de facto</u>, granting Community suppliers and users treatment equivalent to that reserved by Member States for the suppliers and users of that third country, or
  - (b) is not, <u>de jure</u> or <u>de facto</u>, granting Community suppliers and users treatment equivalent to that granted to national suppliers and users, or
  - (c) is, <u>de jure</u> or <u>de facto</u>, granting suppliers and users from one or more other third countries a more favourable treatment than that reserved for Community suppliers and users,

the Commission may suspend, in full or in part, the obligations arising from this Directive with regard to suppliers and users from that third country.

2. Member States shall inform the Commission of any serious difficulty, <u>de jure</u> or <u>de facto</u>, encountered in third countries by Community suppliers in providing groundhandling services or by Community users in self-handling.

#### Article 17

## Right of appeal

Member States shall ensure that any party with a legitimate interest has the right to appeal against the decisions taken pursuant to Articles 7(2) and 10-14.

It must be possible to bring the appeal before a national court or another public authority independent of the managing body of the airport concerned and, where appropriate, of the public authority controlling it.

#### Article 18

## Information report

Member States shall communicate to the Commission the information required by it to draw up a report on the application of this Directive.

The report shall be drawn up in the two years following the date referred to in Articles 6(1) and 7(1).

## Article 19

## Implementation

Member States shall bring into force the laws, regulations and administrative provisions necessary to comply with this Directive by 30 June 1996. They shall immediately inform the Commission thereof.

When Member States adopt these provisions, these shall contain a reference to this Directive or shall be accompanied by such reference at the time of their official publication. The procedure for such reference shall be adopted by Member States.

## Article 20

## Entry into force

This Directive shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Communities.

Article 21

Addressees

This Directive is addressed to the Member States.

Done at Brussels,

For the Council The President

## List of groundhandling services

1. Ground administration and supervision comprise

representation and liaison services with local authorities or any other entity, disbursements on behalf of the carrier and provision of office space for its representatives

load control and communication

handling, storage and administration of unit load devices any other supervision services before, during or after the flight and any other administrative service requested by the user.

- 2. Passenger handling comprises any kind of assistance to arriving, departing, transfer or transit passengers, in or outside the airport, including checking tickets and travel documents, registering baggage and carrying it to the sorting area.
- 3. Baggage handling comprises handling baggage in the sorting area, sorting it, preparing it for departure, loading it onto and unloading it from devices aimed at carrying it from the aircraft to the sorting area and conversely.
- 4. Freight and mail handling comprises

for freight: physical handling of export, transit and import freight, handling of related documents, customs procedures and implementation of any security procedure agreed with the carrier or imposed by the circumstances

for mail: handling of incoming and outgoing mail, of related documents and implementation of any security procedure agreed with the carrier or imposed by the circumstances.

- 5. Ramp handling comprises
  - the leading of the aircraft on the ground at arrival and departure
  - the assistance to aircraft parking and provision of suitable devices
  - the organization of communication between the aircraft and the ground
  - the loading and unloading of the aircraft, including the provision and operation of suitable means as well as the transport of crew and passengers between the aircraft and the terminal
  - the provision and operation of appropriate units for engine starting

- the organization of safety measures against fire and other risks, as well as the provision and operation of appropriate devices
- the moving of the aircraft at arrival and departure, as well as the provision and operation of suitable devices.

## 6. Aircraft servicing comprises

the external and internal cleaning of the aircraft, the toilet and water services

the cooling and heating of the cabin, the removal of snow and ice, the de-icing of the aircraft, the rearrangement of the cabin with suitable cabin equipment, the storage of this equipment.

## 7. Fuel and oil handling comprises

the organization and execution of fueling and defueling operations, including the storage of fuel and the control of the quality and quantity of fuel deliveries

the replenishing of oil and other fluids.

## 8. Aircraft maintenance comprises

routine services performed before flight

non-routine services requested by the carrier

the provision and administration of spare parts and suitable equipment

the provision of or arrangment for a suitable parking and/or hangar space.

## 9. Flight operations and crew administration comprise

the preparation of the flight at the departure airport or at any other point

the in-flight assistance, including redespatching if needed

the post-flight activities the crew administration.

## 10. Surface transport comprises

the organization and execution of crew, passenger, baggage, cargo and mail transport between the airport and any other point or between different terminals of the same airport, but excluding the same transport between the aircraft and any other point

any special transport requested by the carrier.

## 11. Catering services comprise

the liaison with suppliers and administrative management
the transport, loading unto and unloading from the plane of food and beverages
the storage of food, beverages and equipment needed for their preparation
the cleaning of this equipment
the preparation and delivery of
equipment as well as of bar and food supplies.

## ASSESSMENT FORM FOR THE IMPACT ON COMPETITIVITY AND EMPLOYMENT

## Proposal for a Council Directive on access to the groundhandling market at Community airports

1.	What is the main justification for this measure?
	opening to competition of groundhandling services by third parties and of self-handling
	opening adapted to the specificity of the market and to constraints of security, safety, capacity and available space.
2.	Characteristics of the entreprises concerned:
	In particular:
	■ are a great number of SME's concerned? No
	are there concentrations in certain regions? No
	eligibility for regional aids in Member States?
	eligible for ERDF? No
3.	What constraints are imposed on the entreprises?
4.	What constraints are likely to be imposed indirectly on the entreprises by way of local authorities?  None
5.	Are there special measures for SMEs? No
	■ Which?
<b>6</b> .	What is the foreseeable impact on :
	• the competitivity of the entreprises?
	opening to certain entreprises of a market which is reserved at present.
*	■ employment?
	no foreseeable impact.
<b>7</b> .	Have the social partners been consulted? Yes

Opinion of the social partners?

COM(94) 590 final

# **DOCUMENTS**

EN 08 07

Catalogue number: CB-CO-94-695-EN-C

ISBN 92-77-84296-2

Office for Official Publications of the European Communities
L-2985 Luxembourg