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DOCUMENT 1-381/79

Report

drawn up on behalf of the Committee on Transport

on the proposal from the Commission of the European Communities to the Council (Doc. 1-255/79) 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 W. ALBERS

By letter of 1 August 1979 the President of 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 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 President of the European Parliament referred this proposal to the Committee on Transport.

On 24 September 1979 the Committee on Transport appointed Mr Albers rapporteur.

It considered this proposal at its meeting of 5 October 1979 and adopted the motion for a resolution and explanatory statement by 8 votes with 6 abstentions.

Present: Mr Seefeld, chairman; Mr De Keersmaeker, vice-chairman; Mr Albers, rapporteur; Mr Buttafuoco, Mr Cottrell, Mr Gabert, Mr Gendebien, Mr Harris (deputizing for Mr Jakobsen), Mr Helms (deputizing for Mr Hoffmann), Mr Hutton (deputizing for Lord Harman-Nicholls), Mr Key, Mr Klinkenborg, Mr Moorhouse and Mr Moreland.

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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 Council¹,
 - having been consulted by the Council pursuant to Article 75 of the EEC Treaty (Doc. 1-255/79),
 - having regard to the report of the Committee on Transport (Doc. 1-381/79),
1. Objects strongly to the fact that for the fourth consecutive time² the Council has taken no account whatever of the Commission's proposals and Parliament's resolutions concerning an increase in the Community quota for the carriage of goods by road between Member States;
 2. Recalls once again that since 1964 it has repeatedly emphasized the significance of the Community authorization system as an instrument for the effective monitoring and control of capacity in the transfrontier carriage of goods by road, a more rational use of the various modes of transport and fair competition between the Community's transport undertakings;
 3. Regrets that the Commission, just as it did last year, felt obliged to limit the increase in the Community quota for 1980 to 20%, whereas in 1975 and 1977 it had proposed that the quota be doubled;
 4. Takes the view that the increase in the number of transport authorizations proposed by the Commission is inadequate and by no means meets the increased transport requirements arising from the growth in intra-Community trade;
 5. Notes further that transport undertakings in the Member States have made steadily more use of Community transport authorizations in recent years;

¹ OJ No. C 193, 31.7.1979, p. 10

² OJ No. L 366, 28.12.1978, p. 5

6. Considers it essential, therefore, that the Community quota for 1980 should be doubled;
7. Emphasizes also the need in future to prevent the Community quota from being extended unchanged for one or more years as a result of the Council's failure to reach agreement and proposes, therefore, that where the Council has not taken a decision before the end of the November of the preceding year, the number of authorizations should be automatically increased by 25%;
8. Urges the Council further to adopt at the earliest opportunity the proposals submitted last year by the Commission for regulations on the adjustment of capacity for the carriage of goods by road for hire or reward¹ and on the introduction of short-term Community transport authorizations².
9. Requests the Commission of the European Communities to incorporate the following amendments in its proposal, pursuant to the second paragraph of Article 149 of the EEC Treaty;

¹ OJ No. C 247, 18.10.1978, p. 6

² OJ No. C 309, 28.12.1978, p. 3

Amended proposal for a Council Regulation
on the
Community quota for the carriage of goods by road between Member States

Preamble and recitals unchanged

Article 1

Regulation (EEC) No. 3164/76
is amended as follows:
Article 3(1) and (2) shall read as
follows:

1. The Community quota shall consist of 3750 authorizations.
2. The number of Community authorizations allocated to each Member State shall be as follows:

| | |
|-----------------------------|-------|
| BELGIUM | : 413 |
| DENMARK | : 286 |
| FEDERAL REPUBLIC OF GERMANY | : 687 |
| FRANCE | : 625 |
| IRELAND | : 76 |
| ITALY | : 540 |
| LUXEMBOURG | : 107 |
| NETHERLANDS | : 597 |
| UNITED KINGDOM | : 419 |
3. The Council, acting on a proposal from the Commission, shall decide, by 30 November of each year, on any increase in the Community quota and on the allocation to the Member States of the extra authorizations resulting therefrom.
4. Paragraphs 1 and 2 shall remain applicable until the Council has taken a decision on a proposal for a regulation reviewing the amount and/or the allocation of the quota.

Article 1

Regulation (EEC) No. 3164/76
is amended as follows:
Article 3(1), (2) and (4) shall
read as follows:

1. The Community quota shall consist of 6244 authorizations.
2. The number of Community authorizations allocated to each Member State shall be as follows:

| | |
|-----------------------------|---------------|
| BELGIUM | : <u>696</u> |
| DENMARK | : <u>458</u> |
| FEDERAL REPUBLIC OF GERMANY | : <u>1134</u> |
| FRANCE | : <u>1066</u> |
| IRELAND | : <u>130</u> |
| ITALY | : <u>864</u> |
| LUXEMBOURG | : <u>182</u> |
| NETHERLANDS | : <u>1004</u> |
| UNITED KINGDOM | : <u>710</u> |
3. Unchanged
4. If, by the date fixed in paragraph 3 above, the Council has reached no decision in respect of any later year, the current quota and numbers of authorizations shall be increased by 25%.

Article 2 unchanged

¹ For complete text see OJ No. C 193, 31.7.1979, p. 10

EXPLANATORY STATEMENTI. INTRODUCTION

1. This document is the twelfth report drawn up by the European Parliament's transport committee on the control of capacity and the Community authorization system for the carriage of goods by road between Member States¹.

2. Your rapporteur would begin by pointing out that the Council has taken little or no account of the European Parliament's opinions. As will become apparent in subsequent sections, Parliament has consistently advocated a substantial 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 opposed any increase in the Community quota, or it has restricted to a minimum the number of supplementary Community transport authorizations granted.

The Council's attitude is so distressing and unacceptable that your rapporteur has serious doubts whether there is any point in drawing up a new opinion on a matter in which the Council systematically ignores the European Parliament's views.

3. For the benefit of the new members of your committee, the origin and development of the Community quota and the effect and significance of the Community authorization system will now be discussed². The latest proposal for a regulation will then be considered in greater detail.

II. ORIGIN AND DEVELOPMENT OF THE COMMUNITY QUOTA

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

¹ 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 and 605/78)

² This section is largely based on the summary contained in your rapporteur's report on the Community quota for 1979. See Doc. 321/78, points 3-17

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;
- (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 States¹. 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 quota². 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.

¹ OJ No. L 175, 23.7.1968, p. 13

² OJ No. L 298, 31.12.1972, p. 16

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 had 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 1974¹. In this regulation, the number of authorizations for Denmark, Ireland and the United Kingdom was increased for the second half of 1974.

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. 3256/74². On 18 December 1975 the Council once again extended its validity for one year but this time without increasing the Community quota³. 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 1977⁴.

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 the Giraud report, Doc. 380/77), the European Parliament welcomed this proposal. However, this served no purpose since in Regulation (EEC) No. 3024/77⁵ the Council confined itself to making no more than a 20% increase in the Community quota for 1978.

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

² OJ No. L 349, 28.12.1974, p. 5

³ Regulation No. 3331/75, OJ No. L 329, 23.12.1975, p.9

⁴ Regulation (EEC) No. 3164/76, OJ No. L 357, 29.12.1976, p.1

⁵ OJ No. L 358, 31.12.1977, p.4

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 doubled¹. In this connection, the rapporteur for your committee 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 has simply disregarded the views of Parliament and the Commission, and on 23 November 1978 it adopted a 10% increase².

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

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

III. EFFECT AND SIGNIFICANCE OF THE COMMUNITY AUTHORIZATION SYSTEM

12. In point 4 your rapporteur referred to the fact that the introduction of a Community authorization system would 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.

¹ Doc. 321/78, OJ No. C 186, 4.8.1978, p.6

² Regulation (EEC) No. 3062/78, OJ No. L 366, 28.12.1978, p. 5

13. 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 traffic¹. 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 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.

14. 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 attained².

15. 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.

¹ OJ No. C 294, 13.12.1976, p. 41

² See the Giraud report, Doc. 380/77, p. 8, point 7

16. 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'¹, 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 1976² - 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.

17. Before concluding this section, your rapporteur wishes to make one final comment on the objections to the multilateral authorization system³.

18. 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

¹ Council press release, PE 46.661, p. 7

² OJ No. L 357, 29.12.1976, p.1

³ 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 1979 amounts to 464 authorizations, allocated to 18 countries; of these, Belgium receives 30, Denmark 22, the Federal Republic of Germany 65, France 52, Ireland 16, Italy 30, Luxembourg 16, the Netherlands 42 and the United Kingdom 24.

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 Germans. And three years ago, on the basis of a motion for a resolution tabled by Mr Mursch, your rapporteur and 15 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.

19. 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, your rapporteur 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 railways¹.

Your committee has always supported the view that a policy to benefit one particular transport sector must not be pursued if it involves 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.

20. Late last year, 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.

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

21. The draft regulation on the adjustment of capacity for the carriage of goods by road for hire or reward between Member States¹ 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 your rapporteur's report (Doc. 604/78)². In his report on behalf of the Committee on Regional Policy, Regional Planning and Transport, the rapporteur did nonetheless state 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).

22. On 16 February 1979 the European Parliament also approved the proposal for a regulation on the introduction of short-term Community authorizations. The proposal³, 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 10 days.

In his report (Doc. 605/78), your 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 involved².

23. At present both proposals for a regulation are before the Council. In the meantime, the Bundesrat and Bundestag have come out against the second proposal. The Bundestag takes the view that the introduction of short-term authorizations will result in an undesirable increase in capacity without a corresponding increase in the number of undertakings participating in transfrontier transport.

¹ Doc. 392/78, OJ No. C 247, 18.10.1978, p. 6

² OJ No. C 67, 12.3.1979, p. 51

³ Doc. 553/78, OJ No. C 309, 28.12.1978, p. 3

IV COMMENTS ON THE COMMISSION'S LATEST PROPOSAL

24. The Commission is now once again proposing a 20% increase in the Community quota. The Commission justifies this increase on the grounds of: (a) the widespread use of Community authorizations; (b) the probable increase in international trade, and (c) a relative increase in the road haulage sector's share in the total volume of transport.

To be more precise, this means that: (a) the average utilization of an authorization has increased to 1,649,700 t/km in 1977 (as compared with 1,614,300 t/km in the previous year); (b) trade between the Member States is expected to increase by 6% in 1980, and (c) the share taken by road haulage will also increase by 6% in the same year¹.

25. In the light of these figures your rapporteur is surprised that the Commission has proposed no more than a 20% increase for the coming year. 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 - and bear in mind that barely 4% of all international transport of goods by road was carried out on the basis of a Community authorization, it becomes quite clear that the Commission's proposal does not meet the requirements of the real market situation.

26. During the debate on 13 October 1978 on the abovementioned Albers report (Doc. 321/78), Mr Fuchs said that 'a 20% increase does not even keep pace with development'².

27. Your rapporteur therefore considers it desirable for the Community quota for 1980 to be doubled and requests the Commission to incorporate this amendment into its proposal.

28. As he did last year, your rapporteur has asked the Commission's relevant departments to calculate the number of authorizations which would be allocated to each country if the quota were doubled.

¹ A table recently published by the Commission in answer to a written question by Mr Yeats shows that the road haulage sector's share in the total volume of transport has increased each year. Taking the rail index as 100, the road index for road haulage between the six original Member States was 53.4 in 1965 compared with 83.1 in 1970, 161.0 in 1975 and 178.7 in 1976 (see OJ No. C 164, 2.7.1979, p. 9).

² See Debates of the European Parliament, October 1978, p. 243

In the case of additional authorizations, half are allocated on a linear basis and half on the basis of the use actually made of Community authorizations in any given year.

However, at the committee meeting of 5 October 1979, a narrow majority came out in favour of a 100% linear increase.

29. The following table shows consecutively the number of authorizations for 1979, the number proposed by the Commission and the number proposed by the European Parliament for 1980. The respective differences are also shown in this table.

| Member State | 1979 | Comm. proposal 1980 | Difference | EP proposal 1980 | Difference 78-79 EP | Diff. between Comm. & EP proposals |
|----------------|--------------------|---------------------------|------------|------------------------|---------------------------|---|
| Belgium | 348 | 413 | + 65 | 696 | + 348 | 283 |
| Denmark | 229 | 286 | + 57 | 458 | + 229 | 172 |
| Germany | 567 | 687 | + 120 | 1,134 | + 567 | 447 |
| France | 533 | 625 | + 92 | 1,066 | + 533 | 441 |
| Ireland | 65 | 76 | + 11 | 130 | + 65 | 54 |
| Italy | 432 | 540 | + 108 | 864 | + 232 | 324 |
| Luxembourg | 91 | 107 | + 16 | 182 | + 91 | 75 |
| Netherlands | 502 | 597 | + 95 | 1,004 | + 502 | 407 |
| United Kingdom | 355 | 419 | + 64 | 710 | + 355 | 291 |
| Total | 3,122 ¹ | 3,750 | + 628 | 6,244 | + 2,922 | 2,494 |

30. As last year, your rapporteur would like to see a clause incorporated in the appropriate regulation laying down that the current quota and numbers of authorizations are to be automatically increased by 25% for the following calendar year if the Council has not reached a decision by 30 November of the preceding year. The Commission did in fact incorporate a clause of this nature in an earlier proposal².

Your rapporteur therefore proposes that Article 1(4) of the proposal for a regulation should be amended to prevent a situation where the Council's failure to reach agreement would result in the freezing of the number of Community transport authorizations for an unlimited period.

¹ It should be noted that for 1976 the Commission had already proposed a Community quota of 4,726 authorizations

² Article 3(4)(b) of the proposal for a regulation of 1.10.1975, Doc. 324/75 II, p. 4

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'¹.

32. On 14 February 1977, 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'².

33. Your rapporteur has already stated that he cannot share this opinion, nor is he convinced of the validity of the Council's arguments.

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.

V. CONCLUSIONS

34. The Committee on Transport takes the view that a considerable increase in the Community quota for 1980 is essential to the attainment of an effective capacity policy for the carriage of goods by road, a more rational use of the various modes of transport, the creation of fair conditions of competition and the elimination of any discrimination on the basis of nationality.

35. In view of the increase in transport requirements consequent on the growth in intra-Community trade and a steady increase in the share taken by road haulage in the total volume of traffic, the committee also feels that the number of Community transport authorizations must be doubled for the following calendar year.

¹ See the 'Deutsche Verkehrszeitung' (DVZ) of 22.12.1977

² Debates of the European Parliament, February 1979, p. 117

36. The Committee on Transport also urges the Council to incorporate in its regulation a clause whereby the Community quota would be automatically increased by 25% for the following year should the Council be unable to reach agreement.

37. Finally, your rapporteur wishes once again to protest strongly against the Council's systematic disregard of the opinions adopted by the European Parliament on this subject.

