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Report

drawn up on behalf of the Committee on Regional Policy, Regional Planning and
Transport

on the proposal from the Commission of the European Communities to the
Council (Doc. 283/77) 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 P. GIRAUD

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By letter of 13 September 1977, 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 Regional Policy, Regional Planning and Transport as the committee responsible and to the Committee on Budgets for its opinion.

On 27 September 1977, the Committee on Regional Policy, Regional Planning and Transport appointed Mr Giraud rapporteur.

It considered the proposal and unanimously adopted the motion for a resolution and explanatory statement at its meeting of 27 September 1977.

Present: Mr Evans, chairman; Mr Giraud, rapporteur; Mr Brown (deputizing for Mr Kavanagh), Mr Ellis, Mr Fuchs, Mr Hamilton, Mrs Kellett-Bowman, Mr Lezzi (deputizing for Mr Zagari), Mr Muller-Hermann (deputizing for Mr Haase), Mr Pistillo and Mr Seefeld.

The opinion of the Committee on Budgets is attached.

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The Committee on Regional Policy, Regional Planning and 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. 283/77),
 - having regard to the report of the Committee on Regional Policy, Regional Planning and Transport and the opinion of the Committee on Budgets (Doc. 380/77),
1. Deplores the fact that on two previous occasions² the Council has taken no account at all of the proposal submitted by the Commission in 1975³, which provided for the Community quota to be doubled and which Parliament had approved⁴;
 2. Cannot understand the attitude of the Council which completely disregards its opinion in the matter;
 3. Welcomes the fact that the Commission again proposes that the number of Community transport authorizations should be doubled to meet the substantial demand for transport resulting from the increase in intra-Community trade;
 4. Considers that increasing the Community quota in this way is a step towards the final stage of free competition in the carriage of goods by road between the Member States;
 5. Urges the Commission nevertheless to keep a very careful check on the use made of Community transport authorizations and on the trend in supply and demand on the transport market;
 6. Agrees with the proposed simplification of the record sheets for transport operations effected under the system of Community authorizations;
 7. Approves the Commission's proposal.

¹ OJ No. C 220, 15.9.1977, p.3

² OJ No. L 329, 23.12.1975, p.9 and OJ No. L 357, 29.12.1976, p.1

³ OJ No. C 1, 5.1.1976, p.28

⁴ OJ No. C 280, 8.12.1975, p.47

EXPLANATORY STATEMENT

1. Before considering more closely the details of this proposal for a regulation, your rapporteur wishes to express his dissatisfaction at the way the Council has treated the matter of Community quotas. Not only have almost ten years elapsed since the Community quota system was introduced 'for a three-year trial period', without any prospect of a definitive system - which the European Parliament has repeatedly advocated¹ - but in 1975 and 1976 the Council took not the slightest account of the Commission's proposal and the European Parliament's opinion on this matter.

2. In October 1975 the Commission submitted to the Council a proposal for a regulation (Doc. 324/75/II) for doubling the number of Community authorizations in 1976. Despite the favourable opinion expressed by the European Parliament in its Resolution of 13 November 1975 on the basis of Mr GIRAUD's report (Doc. 350/75), the Council decided, by adopting the Regulation of 18 December 1975², to extend the validity of the 1972 regulation without any changes. This was published one year later as Regulation (EEC) No. 3164/76³.

Your rapporteur considers this attitude totally unacceptable. The fact that the Council 'agreed in principle' with the Commission's proposal, described the system as 'permanent' and 'instructed the Permanent Representatives Committee to finalize the text of the Regulation so that it might act on it as soon as possible', as it stated in the press release issued after the Council meeting of 4 November 1976⁴, means very little if this declaration of intent consists of nothing more than pious hopes.

3. The Community quota for the carriage of goods by road between the Member States was introduced by a regulation in 1968 with a view to maintaining a permanent check on the increase in transport capacity so that this could be adjusted to trends in demand. On 19 July 1968 the Council decided to grant 1,200 Community transport authorizations for a trial period of three years starting on 1 January 1969 to supplement the bilateral authorizations which they were to replace at a later date.

¹See reports by Mr Bech (43/64), Mr Riedel (69/69) and Mr Giraud (156/72, 220/72, 81/73, 157/74, 350/75)

²Regulation (EEC) No. 3331/75, OJ No. L 329, 23.12.1975, p.9

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

⁴PE 46.661, p. 7

There is little point in recounting the long and unfortunate history of the Community quota, it being sufficient to note that hitherto the Community quota has covered only 3.8% of all goods transported by road between the Member States of the Community.

4. The trend in the number of Community transport authorizations granted since the introduction of a Community quota has been as follows:

Member State	1969-1972	1973	1974	1975-1977
Belgium	161	191	221	265
Denmark	-	68	141	169
Germany	286	321	356	427
France	286	313	341	409
Ireland	-	23	42	50
Italy	194	230	266	319
Luxembourg	33	45	58	70
Netherlands	240	279	318	382
United Kingdom	-	114	227	272
Community quota	1,200	1,584	1,970	2,363

5. In its proposal of October 1975, referred to in point 2 above, the Commission provided for the number of Community transport authorizations to be doubled. It now proposes the same increase in the Community quota for the next calendar year: i.e. from 2,363 to 4,726 authorizations.

However, these authorizations will be allocated differently among the Member States, as the following table shows:

Member State	Proposal 1978	Proposal 1976	Difference	1977	Difference 1978-1977
Belgium	515	496	+19	265	+250
Denmark	372	298	+74	169	+203
Germany	880	994	-114	427	+453
France	772	826	-54	409	+363
Ireland	85	79	+6	50	+35
Italy	710	615	+95	319	+391
Luxembourg	126	142	-16	70	+56
Netherlands	766	835	-69	382	+384
United Kingdom	500	441	+59	272	+228
Total	4,726	4,726	0	2,363	2,363

6. These differences are the logical outcome of the criteria drawn up by the Commission for the calculation of the number of Community transport authorizations to be granted. In fact the Commission has retained the pragmatic solution it advocated in 1975: half the quota increase is based on the use actually made of Community authorizations, the remaining 50% being distributed on a linear basis with reference to the quotas fixed in the Regulation of 16 December 1976.

7. Doubling the number of Community transport authorizations granted complies with the requests made by the Committee of the European Parliament responsible for transport matters since this increase is a step towards the solution it advocates. In the last report he drew up on behalf of the the Committee on Regional Policy, Regional Planning and Transport (Doc. 50/75) your rapporteur described the solution proposed by this committee on previous occasions as follows: '(it)' involves two stages: a transitional period in which a systematic increase in the Community quota will go hand in hand with the reduction in bilateral quotas, and a final stage involving the complete elimination of bilateral and Community quotas, strict supervision of transport capacity and the adoption of intervention measures only in the event of serious market disturbances. In practical terms, this solution would entail increasing the Community quota to a point where the total number of authorizations exceeded demand, which means that the Community would, ipso facto, create a situation of free competition; in a crisis situation, however, it would be possible to reduce the overall number of Community authorizations and so effectively to counteract cut-throat competition without the need for unilateral or bilateral measures'¹.

8. If the solution set out above should be rejected, some Member States might well resort to protectionist measures either by issuing discriminatory government provisions or by concluding bilateral agreements. Both unilateral measures and bilateral agreements create administrative hindrances to international road transport and also run counter to the spirit of the EEC Treaty, as Mr Nyborg rightly points out in his report on behalf of the Committee on Economic and Monetary Affairs on the free movement of goods². There is also the distinct possibility that protectionist measures taken in one country might be followed by restrictive measures in another, which would jeopardize the few successes achieved by the Community transport policy.

¹Doc. 350/75, p. 7, point 3

²Nyborg report, Doc. 132/77, p. 5 para. 2

9. The Committee on Regional Policy, Regional Planning and Transport welcomes the Commission's defence of the same policy option. In its answer to a Written Question by Mr Albers, it states its view that the present system of licences, granted for a certain period of time or number of journeys under bilateral quota arrangements, neither meets trading requirements, nor fulfils the spirit of the EEC Treaty and that any form of quota arrangement implies the imposition of artificial restrictions and tends to produce an authoritarian distribution of traffic¹. It adds that it intends to present to the Council a number of proposals designed to lead gradually to freedom to provide services and the abolition of discrimination on the basis of the nationality of the transport operator as regards access to the market, subject to any corrective measures which might be required should serious disturbances arise on the market.

10. Your rapporteur urges the Commission once more to keep a careful check on the use made of Community authorizations and on the general trend in supply and demand on the goods transport market.

11. The Commission also proposes simplifying the record sheets in which transport operators must enter details of operations effected under the Community authorization system. Since, according to the Commission, this simplification will facilitate and accelerate the collection and analysis of statistical information, your committee agrees with the Commission's proposal.

¹ OJ No. C 294, 13.12.1976, p. 41

OPINION OF THE COMMITTEE ON BUDGETS

Letter from the acting chairman to Mr EVANS, chairman of the Committee on Regional Policy, Regional Planning and Transport

Luxembourg, 8 November 1977

Subject: Opinion of the Committee on Budgets 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 (Doc. 283/77)

Dear Mr Chairman,

The Committee on Budgets examined the above proposal at its meeting of 2/3 November 1977. According to the financial statement, the only expenditure which this proposal entails is that required to cover the cost of statistical surveys. The relatively small amount of 157,518 EUA is to be met, as far as the 1978 budget is concerned, from the contingency reserve set up under Chapter 101.

The Committee on Budgets approves the above proposal since it considers statistical surveys indispensable for the implementation and development of the measures envisaged.

However, the Committee on Budgets wishes to remind the Commission of the need to implement the changes proposed by it to the existing regulations in order to adapt them to new circumstances and make them easier to understand.

Yours sincerely,

H. AIGNER

(acting chairman)

Present: Mr Aigner, acting chairman; Lord Bessborough, Mr Calewaert (deputizing for Lord Bruce of Donington), Mrs Dahlerup, Mr Dalyell, Mr Dankert, Mr H.-W. Müller, Mr Schreiber, Mr Shaw, Mr Terrenoire and Mr Würtz.