## **European Communities**

## **EUROPEAN PARLIAMENT**

388.1

# Working Documents

1976 - 1977

11 October 1976

**DOCUMENT 348/76** 

## 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. 324/75/I) for a directive on the establishment of common rules for certain types of carriage of goods by road between Member States

Rapporteur: Mr P. GIRAUD

11

			•
			•
•			•
			•
			•
			•
			•
			4
			4
			_

By letter of 21 October 1975 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 directive on the establishment of common rules for certain types of carriage of goods by road between Member States.

The President of the European Parliament referred this proposal to the then Committee on Regional Policy and Transport as the committee responsible and to the Committee on Economic and Monetary Affairs for its opinion.

On 10 December 1975 the Committee on Regional Policy and Transport appointed Mr Giraud rapporteur.

The newly constituted Committee on Regional Policy, Regional Planning and Transport considered this proposal at its meeting of 1 October 1976.

At the same meeting the committee unanimously adopted the motion for a resolution and explanatory statement.

Present: Mr Evans, chairman; Mr Nyborg and Mr Meintz, vice-chairmen; Mr Giraud, rapporteur; Mr Albers, Mr Delmotte, Mr De Clercq, Mr Ellis, Mr Gerlach, Mrs Kellett-Bowman, Mr Mursch and Mr Noe'.

The opinion of the Committee on Economic and Monetary Affairs is attached.

#### CONTENTS

1		<u> </u>	Page
Α.	MOTIO	N FOR A RESOLUTION	5
В.	EXPLA	NATORY STATEMENT	7
	ı.	Introduction	7
	II.	Consideration of the proposal	7
	III.	Consideration in a more general context	8
		(a) The lack of a general concept	8
		(b) The total disregard for the opinions of the European Parliament	8
		(c) The need for the parallel harmonization of the conditions of competition	9
		(d) The need for safeguards in the event of surplus capacity	9
Onin	ion of	the Committee on Economic and Monotary Affaire	10

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 directive on the establishment of common rules for certain types of carriage of goods by road between Member States

#### The European Parliament,

- having regard to the proposal from the Commission of the European Communities to the Council<sup>1</sup>,
- having been consulted by the Council pursuant to Article 75 of the EEC Treaty (Doc. 324/75/I),
- having regard to the report of the Committee on Regional Policy, Regional Planning and Transport and to the opinion of the Committee on Economic and Monetary Affairs (Doc. 348/76),
- 1. Notes that the proposed directive merely makes a number of additions to the previous directives of 1962<sup>2</sup>, 1972<sup>3</sup> and 1974<sup>4</sup>;
- Notes also that the new measures to liberalize certain international transport operations concern exceptional cases;
- 3. Feels, however, that this relatively minor measure should be placed in a more general context;
- 4. Emphasizes in particular the need to maintain parallel progress in the liberalization of the markets and the harmonization of the conditions of competition (cost of infrastructures, social provisions, taxes, technical restrictions, etc.);
- 5. Also considers that a policy of liberalization should be accompanied by safeguards in case the market should be seriously disrupted;
- 6. Once again deplores the piecemeal policy involving minor measures, which conceal the lack of an overall concept and of major decisions;

<sup>&</sup>lt;sup>1</sup> OJ No. C 1, 5.1.1976, p.28

<sup>&</sup>lt;sup>2</sup> OJ No. 70, 6.8.1962, p.2005

<sup>&</sup>lt;sup>3</sup> OJ No. L 291, 28.12.1972, p.155

<sup>&</sup>lt;sup>4</sup> OJ No. L 84, 28.3.1974, p.8

- 7. Poses the question whether, in view of the failure to reach a general compromise on the priorities of the common transport policy (Council of Transport Ministers of 10 and 11 December 1975), the Council should continue to be 'burdened' with opinions which will not be taken into consideration, until the basic principles relating to transport, which Parliament has already approved, are adopted;
- 8. Is convinced that the rule that Council decisions on transport matters must be taken unanimously is likely to prevent a decision from being taken, even in areas not affecting the vital interests of the Member States, such as increases in Community quotas or the harmonization of the introduction of summer time within the Community;
- 9. Insists most strongly that the Council of Transport Ministers should take steps to resolve the situation and, subject to the reservations set out above, approves this proposal.

#### EXPLANATORY STATEMENT

#### I. Introduction

1. The proposal for a directive aims at complementing an initial Council directive of  $1962^1$  on the establishment of common rules for certain types of carriage of goods by road between Member States, which was amended by the directives of  $1972^2$  and  $1974^3$ .

These directives are to be replaced by the new one, which does no more than extend to a few additional cases, in particular short-distance transport, carriage on own account and carriage in transit the exemption from all quotas and authorizations applicable to certain types of carriage of goods by road between Member States.

2. The Commission's proposal can therefore be approved for taking up and extending other directives in the same field. However, it must also be considered in a more general context.

#### II. Consideration of the proposal

3. The proposed liberalization of certain international transport operations concerns exceptional cases and in particular, those types of international transport on own account which are still subject to quantitative restrictions.

It also concerns the extension of the liberalization measures already introduced for transport operations in frontier zones.

Carriage in transit is also mentioned.

It is also proposed to liberalize the international carriage by road of perishables and live animals, which require special vehicles and must be transported within certain deadlines.

All the other transport operations mentioned are already referred to in the previous directives. They are merely reiterated in a new form in which the measures already adopted are combined with the proposed provisions. In Annex I to the proposal, point 1 has been amended and only points 13 and 14 are new. In Annex II, points 1 and 8 have been amended and only point 6 is new.

4. This proposal is clearly of minor importance. We could therefore deliver a favourable opinion without further consideration, but we must not

<sup>&</sup>lt;sup>1</sup> OJ No. 70, 6.8.1962, p.2005

<sup>&</sup>lt;sup>2</sup> OJ No. L 291, 28.12.1972, p.155

<sup>&</sup>lt;sup>3</sup> OJ No. L 84, 28.3.1974, p.8

fall into the trap of seeing the proposal in isolation. It must be looked at in a more general perspective.

#### III. Consideration in a more general context

- (a) The lack of an overall concept
- 5. Following the failure of the Council of Transport Ministers to reach a general compromise on 10 and 11 December 1975 on the five main points of the common transport policy, further progress in this policy seems impossible.

On the basis of the communication from the Commission to the Council in October 1973 and of Mr Mursch's report, the European Parliament urged that comprehensive measures be taken in the transport sector, and it is debatable whether it is appropriate to pursue a piecemeal policy involving minor measures, which conceal the lack of major decisions.

At its meeting of 26 and 27 January 1976 the Committee on Regional Policy and Transport, faced with the obvious failure of the 'step-by-step' policy, emphasized the need to decide first on an overall concept and the aims of a common transport policy.

- (b) The total disregard for the opinions of the European Parliament
- 6. It is doubtful whether the Commission's proposals concerning the liberalization of the carriage of goods by road, and the introduction of a flexible tariff system and a means of supervising the market should be considered further.

The Council has not agreed to any increase, even across the board, in the Community quotas for the carriage of goods by road, a relatively minor proposal on which I was the rapporteur. The 1975 quota has been extended to 1976 without amendment.

As regards the harmonization of the date on which summer time begins in the Community, which has particularly attracted public attention, the Council has so far been unable to adopt the directive proposed by the Commission, even though it has been approved by the European Parliament on the basis of Mr Seefeld's report. This is an important decision for transport within the Community, yet it should not present any fundamental difficulties.

7. Following Mr Mursch's questions on the common transport policy during recent debates (on 11 February, 10 March and 7 April 1976), Mr Thorn, President-in-Office of the Council, recalled the need to bear in mind the rule of unanimity to which the Council is subject in transport matters. No solution can be found while procedures which are invoked when a state's vital interests are involved, are also applied to relatively minor decisions relating to day-to-day administration such as the harmonization of the date on which summer time begins in the Community.

It would therefore seem wiser not to deliver opinions on new proposals of limited importance until the earlier and much more important proposals have been discussed and adopted by the Council. In order to avoid dissipating our efforts by continuing to 'burden' the Council with opinions on various proposals which it will not consider, we should rather concentrate on the fundamental proposals which have already been on the Council's agenda for some considerable time.

- (c) The need for the parallel harmonization of the conditions of competition
- 8. Particular emphasis must be placed on the need to maintain parallel progress in the liberalization of the markets and the harmonization of the conditions of competition.

For example, the method of subsidizing the cost of the infrastructures varies according to the means of transport and from country to country.

Social provisions are also insufficiently harmonized, which leads to distortions of competition, depending on the means of transport and the country concerned.

Moreover, there are still wide discrepancies in taxation.

The technical restrictions resulting from the provisions relating to vehicle weights and dimensions and to the technical inspection of vehicles may also lead to distortions of competition if the markets are liberalized as proposed.

- (d) The need for safeguards in the event of surplus capacity
- 9. It should be remembered that too much freedom in this sector could also lead to surplus capacity, which might tend to lower transport rates.

This situation would naturally benefit the customer, but it would be detrimental to the Community at large. Any reduction in private transport rates would have repercussions on public transport, and deficits would have to be subsidized from the national budget.

A policy of liberalization should be accompanied by the establishment of safeguards to be applied by the Commission in the event of a serious disruption of the market or of surplus capacity, whether in one Member State or in the Community as a whole.

### OPINION OF THE COMMITTEE ON ECONOMIC AND MONETARY AFFAIRS

Letter from the chairman of the committee to Mr J. Evans, chairman of the Committee on Regional Policy, Regional Planning and Transport

24 June 1976

Dear Mr Evans,

At its meeting of 24 June 1976, the Committee on Economic and Monetary Affairs considered the second group of proposals contained in the series of eight proposals on the operation of the markets in surface goods transport within the Community (Doc. 324/75).

In the main, these proposals are designed to facilitate the progressive introduction of a common goods transport market based on a market economy.

Aware that the common transport policy can make a decisive contribution to the economic integration of the Community, the Committee on Economic and Monetary Affairs approved these initial progressive measures contemplated by the Commission as regards the establishment of through tariffs in international goods transport by rail and reference tariffs in international goods transport by road. It also recognized the need to set up a system for the observation of these markets at Community level.

 $<sup>^{1}</sup>$  Doc. 324/75 (I-V-VII and VIII)

However, the committee stressed that there is little point in envisaging a transport market organized as closely as possible on the principles of the market economy unless effective and parallel progress is made in coordinating infrastructure investments and the allocation of costs for the use of infrastructures and, in general, harmonizing the conditions of competition in the social, technical and fiscal fields.

With these reservations, the committee unanimously approved the proposals submitted to it.

Please accept this letter as the committee's opinion on the proposals mentioned above (Doc.324/75).

(sgd) Arie van der HEK

Present: Mr van der Hek, chairman, Mr Achenbach, Mr Albertsen,
Lord Ardwick, Mr Artzinger, Mr De Broglie, Mr Cifarelli,
Mr Cousté, Mr Dykes, Mr Guldberg, Mr Lange, Mr Mitchell
(deputizing for Lord Gordon Walker), Mr Mitterdorfer,
Mr Normanton, Mr Nyborg.

	,
	*
	·
	•
	3
	r •
	•
	٠.
	•
	•
	•
	,
·	
	•
	-
	•
	•
	•