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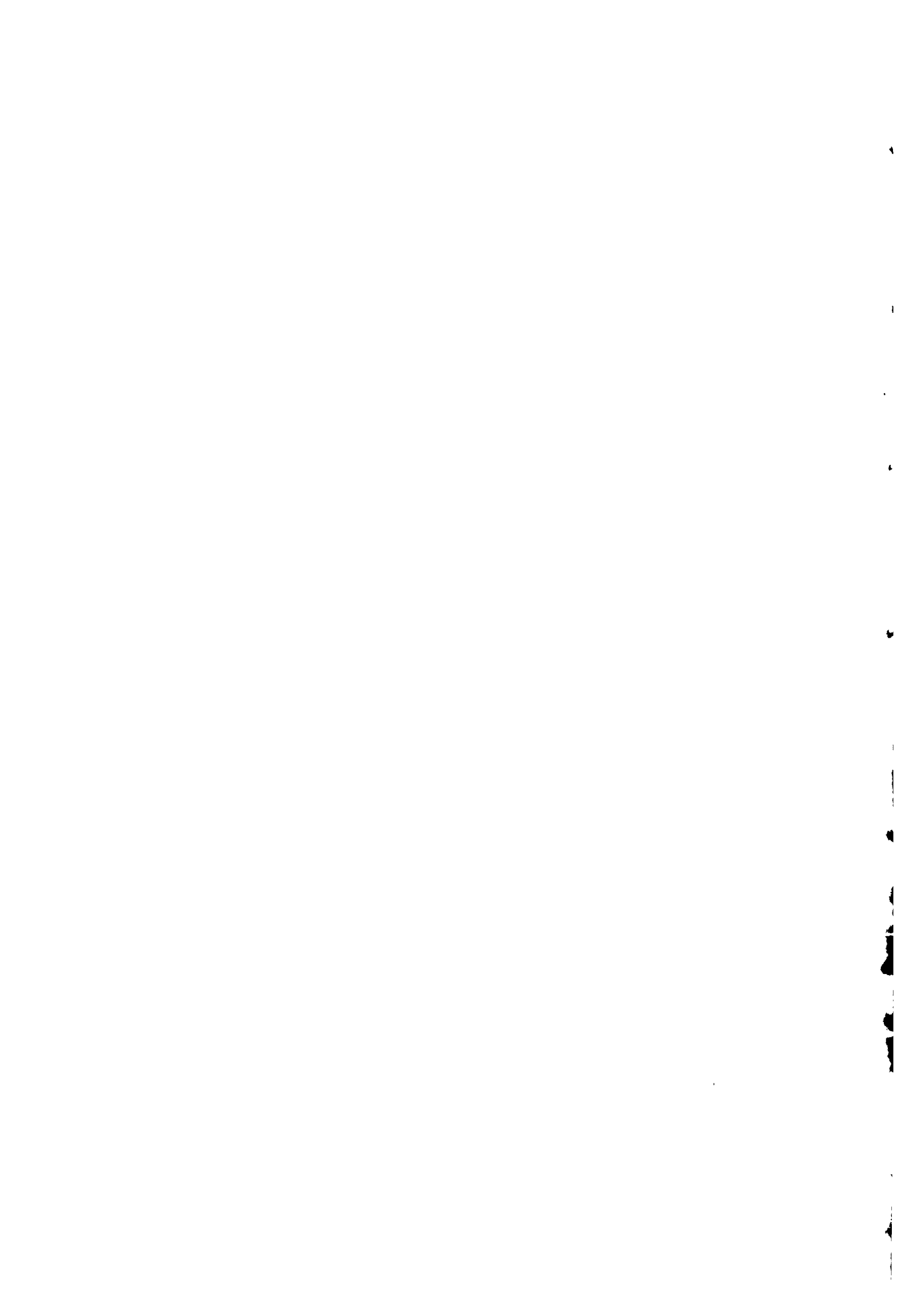
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Report

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

on the proposal from the Commission of the European Communities to the Council (Doc. 324/75/II) for a regulation on the Community quota for the carriage of goods by road between Member States

Rapporteur: Mr P. GIRAUD



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 regulation 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 and Transport as the committee responsible.

On 22 October 1975 the Committee on Regional Policy and Transport appointed Mr Giraud rapporteur.

It considered this proposal at its meeting of 29 October 1975.

At the same meeting the committee adopted the motion for a resolution and explanatory statement unanimously with 2 abstentions.

Present: Mr Nyborg, acting chairman; Mr Gerlach, vice-chairman; Mr Giraud, rapporteur; Mr Albers, Mr Ariosto, Mr Bourdellès, Mr Corrie, Mr Liogier, Mr Martens (deputizing for Mr Pêtre), Mr Mursch, Mr Noè and Mr Schwabe.

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The Committee on Regional Policy 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 on the Community quota for the carriage of goods by road between Member States

The European Parliament,

- having regard to the proposal from the Commission of the European Communities to the Council (COM (75) 490),
 - having been consulted by the Council pursuant to Article 75 of the Treaty establishing the EEC (Doc.324/75/II),
 - having regard to the report of the Committee on Regional Policy and Transport (Doc. 350/75),
1. Welcomes the fact that the Commission's objectives in the present proposal are conducive to the establishment of a definitive set of rules for the organization of the transport market;
 2. Notes with satisfaction that the number of Community authorizations proposed for 1976 is double the Community quota for 1975;
 3. Considers that the substantial increase in the Community quota is an important step towards the final stage of the programme for achieving free competition in the carriage of goods by road between Member States;
 4. Supports paragraph 4(b) of Article 3 of the proposal, which provides for an increase of 20% in the number of authorizations and current quotas if the Council does not reach a decision in good time;
 5. Agrees that carriers should no longer be required to keep record sheets for transport operations effected under Community authorizations;
 6. Nevertheless urges the Commission to keep a careful check on the use made of Community authorizations and also on supply and demand developments in the road haulage sector;
 7. Notes with satisfaction that the present proposal forms part of a set of measures designed to secure a significant improvement in the functioning of the transport market within the Community;

8. Accordingly approves the Commission's proposal;

EXPLANATORY STATEMENT

1. The Community quota system for the carriage of goods by road between Member States was introduced in 1968 for a three-year trial period by Council Regulation No. 1018/68. Since it proved impossible to establish a definitive system in time, the earlier regulation was extended by Council Regulation No. 2829/72 of 28 December 1972, which in turn was extended and amended by Regulations Nos. 2063/74 and 3256/74 of 1 April and 19 December 1974 respectively.
2. In its opinions¹, Parliament has consistently pressed for the introduction of a definitive system comprising a full range of coherent measures designed to eliminate all disequilibria and distortions of competition in the transport sector.
3. The solution advocated by your committee and incorporated in its last opinion (Giraud report, Doc. 157 of 26.6.74) 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.
4. Your committee notes with satisfaction that the Commission's current proposal takes the kind of approach which it has itself been recommending, since the number of Community authorizations for 1976 is double that fixed for 1975.

¹The reports drawn up by Mr Giraud (Doc. 156/72, 220/72, 81/73 and 157/74) and the earlier reports of Mr Bech (Doc. 43/71), Mr Jozeau-Marigné (Doc. 25/68) and Mr Riedel (Doc. 69/69).

5. The general development of the Community quota since its introduction is as follows:

Member State	1969-1972	1973	1974 ¹	1975	1976
Belgium	161	191	221	254	496
Denmark	-	68	141	169	298
Germany	286	321	356	409	994
France	286	313	341	392	826
Ireland	-	23	42	50	79
Italy	194	230	266	306	615
Luxembourg	33	45	58	67	142
Netherlands	240	279	318	366	835
United Kingdom	-	114	227	272	441
Community quota	1200	1584	1970	2285	4726

6. The quotas for the Member States were calculated in the earlier regulations on the basis of international road traffic in 1970 and total traffic (including all forms of land and sea transport) in 1969. In the case of the new Member States, the Commission proposed a 30% increase in their quotas in order to take into account the faster growth in their trade likely to follow enlargement of the Community.

7. The present proposal, however, no longer provides for the Community quota to be allocated among the Member States on the basis of their carriers' previous share of international traffic; it is rightly thought that such a criterion fails to take sufficient account of certain factors such as the difference between the regulations governing certain traffic links and, moreover, risks penalizing road hauliers hitherto subject to severe quantitative restrictions.

8. The Commission proposes that half the increase in the Community quota for 1976 should be allocated on an across-the-board basis and the other half allocated according to the rate of use of the Community authorizations issued in 1973.

9. Article 3 of the present proposal stipulates that if the Council has not fixed by 30 November of any one year the Community quota and the number of authorizations to be allocated to each Member State for the following year, the quota and number of authorizations are to be increased automatically by 20%.

¹ Since the Council did not act until 1 August 1974 (OJ No. L 215, 6 August 1974) on the proposed modifications for the new Member States, Denmark, Ireland and the United Kingdom had only 77, 26 and 129 Community authorizations respectively up to that date.

This provision is a new departure and has the advantage of ensuring that the Community quota system will not be prevented from functioning normally by a failure on the part of the Council to take a decision.

10. The present proposal dispenses with the provision of Article 5 of Regulation No. 2829/72 of December 1972 which imposes an obligation on carriers to ~~keep~~ record sheets for international transport operations effected under Community authorizations.

While conceding that the advantages of having record sheets are 'outweighed by the difficulties encountered by the national authorities and the Commission in maintaining and using them', the Committee on Regional Policy and Transport would nonetheless stress the importance of keeping a careful watch on the use made of Community authorizations and on the prevailing conditions and trends in the road transport sector.

11. In this connection, it is worth noting that the present proposal for a regulation forms part of a whole set of measures proposed by the Commission for the establishment of a common transport market conducive to the free provision of transport services in a sound competitive environment; these measures relate, inter alia, to the system of road transport reference charges and to the liberalization of all systems involving quota restrictions on, and licences for, certain types of road transport operations - short-haul, transit and own account transport operations, to mention but a few.

12. These proposals form part of the common transport policy action programme set out in the 'Communication from the Commission on the development of a common transport policy' of 24 October 1973 (Doc. 226/73).

The Committee on Regional Policy and Transport hopes that it will be possible for the present regulation to enter into force on 1 January 1976 and that it will be the first in a rapid succession of measures for implementing the common transport action programme.

