



COMMISSION OF THE EUROPEAN COMMUNITIES

**Brussels, 21.04.1997
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96/ 0125 (SYN)

**COMMUNICATION FROM THE COMMISSION
TO THE EUROPEAN PARLIAMENT**

pursuant to the first subparagraph of Article 189 c (b) of the EC-Treaty

Common position adopted by the Council on 14 April 1997 with a view to adopting the following proposal:

A Council Regulation (EC) amending Council Regulation (EEC) No 684/92 on common rules for the international carriage of passengers by coach and bus

1. BACKGROUND

On 16 March 1992 the Council adopted Regulation (EEC) No 684/92 on common rules for the international carriage of passengers by coach and bus.¹ Pursuant to Article 20 of this Regulation the Commission had to report to the Council on the application of this Regulation. Subsequently it had to submit a proposal for a regulation on the simplification of procedures including - in the light of the report's conclusions - the abolition of authorizations.

In accordance with these provisions the Commission transmitted to the Council on 10 May 1996 a report on the application of the Regulation and also the above mentioned proposal.²

The Economic and Social Committee delivered its opinion on 27 November 1996.³

The European Parliament delivered its opinion on first reading on 28 November 1996.⁴

The amended proposal was transmitted to the Council on 27 February 1997.⁵

The Council adopted its common position on 14 April 1997.

2. SUBJECT OF THE COMMISSION'S PROPOSAL

The proposal is intended to continue the liberalization process in the international carriage of passengers by coach and bus and the simplification of procedures as provided for in Article 20 of Regulation 684/92. The proposal also introduces a Community licence.

The main amendments proposed are as follows:

- deletion of the category of international shuttle transport services
- abolition of the category of residual occasional transport services
- liberalization of all occasional transport services
- liberalization of all special regular services and own-account transport operations
- improved wording of the definition of occasional transport services
- introduction of the "Community licence"
- reestablishment of competition between regular coach and bus services and regular railway services by deleting Article 7(4)(b)(ii)
- extension of certain deadlines.

¹ OJ L 74, 20.3.1992, p. 1.

² OJ C 203, 13.7.1996, p. 11.

³ OJ C 66, 3.3.1997, p. 23.

⁴ OJ C 380, 16.12.1996, p. 40.

⁵ OJ C 107, 5.4.1997, p.3

3. COMMENTS ON THE COMMON POSITION

3.1 General remarks

The European Parliament has accepted the Commission's proposal in full on first reading, but with a number of amendments. The Parliament is in favour of simplifying procedures and extending the liberalization of certain transport services, including measures improving competition with the railways. It has also accepted the principle of a Community licence for coaches.

3.2 The European Parliament's amendments on first reading

The Commission has accepted nine of the 26 amendments proposed by the European Parliament:

- Amendment 1 to recital 1a (new) concerning the general principle of the liberalization and the phased harmonization of the conditions of competition, subject to the replacement of the word "Union" by "Community";
- Amendment 5 to recital 7 but only the part referring to administrative simplification for the grant of the Community licence;
- Amendments 6 and 11 to recital 9a (new) and Article 1(1) concerning the exclusion of urban and suburban transport services from the scope of the Regulation on international transport. The exclusion of regional international services cannot be accepted as it would run counter to the objectives attained by the establishment of the internal market and be regarded as a retrograde step compared with the previous situation established by Regulation 684/92;
- Amendment 7 to recital 9b (new) concerning the accessibility of transport systems;
- Amendments 12 and 13 to Article 1(5) and (7) concerning the definition of occasional services and own-account services, respectively;
- Amendment 17 to Article 3(1), supplementing the definition of Community licence;
- Amendment 18 to Article 6(5) concerning the use of additional vehicles.

On the other hand, the Commission has not accepted the following amendments:

- Amendments 2, 3, 4, 12 (paragraph 1), 22 and 23 designed to introduce new definitions and new principles for transport policy;
- amendment 5, paragraph 1 on the introduction of a Community licence for own-account operations;
- amendment 6, paragraph 1 and amendment 11 seeking to exclude regional services from the scope of the Regulation;
- amendments 8 and 9 seeking to extend the scope of the Regulation to cover taxis or third countries;

-amendment 14 restricting access to occasional international services and special regular international services;

-amendment 15 intended to establish social standards whose introduction in this Regulation is not justified.

-The Commission has not accepted amendment 19 which would introduce a discriminatory authorization system.

-Nor has the Commission taken over the dates for reporting or implementation proposed by Parliament in amendment 24 because the periods are too short, e.g. the submission of a report on 1 December 1998 seems too short a deadline to know the effects of the Regulation, nor amendment 25 which sets too short a deadline for adoption of implementing measures.

-The Commission has also rejected amendments 10 and 26 on consolidation of the Regulations.

3.3 Common position of the Council and the Commission's position

The Council has favourably received the Commission's report and the proposal to simplify procedures and definitions, as well as the principle of a Community licence. However, it has made a number of changes to the Commission's proposal.

1. Definition of various services

(a) The Council has seen fit to delete the category of urban carriage in frontier areas (Article 2(1)(2)(d) of Regulation 684/92), hitherto considered as special regular services. The Member States have preferred deleting the reference to this service from the Regulation and thus considering it as regular services requiring authorization. The Commission can accept this amendment in view of its extremely limited impact.

(b) Occasional services (Article 2(3)(1) of Regulation 684/92); the Council has simplified the definition proposed by the Commission by retaining only an *a contrario* definition but at the same time maintaining the protection clause for existing regular services. This new definition is largely based on amendment 12 of the European Parliament and on the Commission's amended proposal.⁶

(c) Additional vehicles (Article 13 of Regulation 684/92): the Council, following the opinion of the European Parliament, as taken over in the Commission's amended proposal, has deleted the obligation incumbent on additional vehicle providers to hold a Community licence; only transporters operating the service must hold one. This amendment is justified as vehicle rental firms are not subject to the Community licence provisions.

(d) Own-account carriers (Article 2(4) of Regulation 684/92): here, too, the Council has followed the European Parliament's opinion and added to the definition proposed by the Commission the additional qualifier "non-profit-making" next to "non-commercial", which has likewise been taken over in the Commission's amended proposal.

⁶ COM(97) 73 final, OJ C 107, 5.4.1997, p.3 .

2. Operating conditions for regular services

The Council recommends making the conditions applicable to the introduction of greater frequencies (Article 2(1)(3) of Regulation 684/92) more flexible so that they are no longer subject to authorization and they are regarded as an amendment of lesser importance, subject to the notification procedure provided for by Article 8(3) of Regulation 684/92. The aim of this provision is to make the operating conditions for regular services somewhat more flexible so as to take account of any fluctuations in demand. The Commission shares this view since the requirement for a new authorization each time the frequency of service is changed could be considered an excessive formality incompatible with Parliament's concern for simplification.

3. The setting-up of an advisory committee

The Council has made provision for such a committee to assist the Commission when it adopts implementing measures concerning transport documents in particular. To prevent the proliferation of committees, the Council refers to the Committee provided for in Article 10 of the forthcoming Council regulation laying down the conditions for the admission of non-resident carriers of road passengers in a Member State.

4. Local excursions

The Council deems it necessary to maintain Article 12 of Regulation 684/92 on local excursions, as they are considered services accessory to international transport. Bearing in mind that this point is not an essential component of the Regulation, the Commission can accept the Council's position.

5. Competition with railways

A majority in the Council is in favour of removing the provision concerning rail services laid down in Article 7(4)(b)(ii) of Regulation 684/92 under which an application for the authorization of an international regular bus and coach service may be rejected "if it is shown that the said service would seriously affect the viability of a comparable rail service on the direct sections concerned". A compromise has had to be found to retain the rail services protection clause as such until 31 December 1999 and then, from 1 January 2000, to introduce a safeguard clause which makes provision for the possibility of withdrawing or suspending authorization only if an international coach and bus service seriously affects the viability of a comparable railway service on the routes directly concerned.

6. Date of entry into force of the Regulation

The Council makes provision for a period of entry into force of 12 months for the Regulation and 18 months for the Community licence (Article 22 of Regulation 684/92). The latter period is justified because the national authorities need sufficient time to adopt the measures necessary for the introduction of such a licence, in particular drafting and printing licences and disseminating them to the operators concerned.

4. **CONCLUSIONS**

The Commission notes that the text of the common position takes account of most of the simplifications recommended by the Commission and Parliament, specifically with regard to the definitions of the various services. The Council has also accepted the introduction of a Community licence for coaches. With regard to the deletion of the rail services protection clause, it has not been possible to find a majority in the Council in favour, and under the compromise on which the Member States have reached consensus the protection clause will be superseded by a safeguard clause from 2000.

Under these circumstances, the Commission delivers a favourable opinion on the full text of the Council's common position.