

COMMISSION OF THE EUROPEAN COMMUNITIES

COM(78) 515 final.

Brussels, 12 October 1978.

DRAFT

COUNCIL DECISION

amending Decision 78/774/EEC concerning the activities of certain third countries in the field of cargo shipping

DRAFT

COUNCIL DECISION

on the implementation of Article 2 of Decision 78/774/EEC concerning the activities of certain third countries in the field of cargo shipping

(submitted to the Council by the Commission)

EXPLANATORY MEMORANDUM

1. Council Decision 78/774/EEC of 19 September 1978 provides for each Member State to institute a system allowing it to collect information on the activities of the merchant fleets of third countries whose practices are harmful to the shipping interests of the Member States. The Decision also provides inter alia for the Council to decide to which third countries' fleets the information system shall be jointly applied.

2. It is desirable for the terms of that Decision to be modified so as to allow information to be collected not only on the activities of the fleets of third countries whose practices are harmful to the shipping interests of the Member States, but also on the activities of carriers from Member States and from third countries whose shipping practices are not harmful. This would allow a more complete picture to be built up of the situation in particular trading areas, and would permit the scale and nature of the activities of those fleets which cause difficulties to be compared with those of other operators and with the overall situation. Such a comparison would help the Council in its subsequent consideration whether to decide on the joint application of Member States' counter-measure powers in relation to those fleets.

3. The present Decision makes the necessary amendments to the Decision of 19 September 1978.

COUNCIL DECISION

amending Decision 78/774/EEC concerning the activities of certain third countries in the field of cargo shipping

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community, and in particular Article 84(2) thereof,

Having regard to the draft Decision submitted by the Commission,

Having regard to the Opinion of the European Parliament¹,

Whereas on 19 September 1978 the Council adopted Decision 78/774/EEC concerning the activities of certain third countries in the field of cargo shipping²;

Whereas Article 1 of that Decision requires each Member State to institute a system allowing it to collect information on the activities of the fleets of third countries whose practices are harmful to the shipping interests of the Member States;

Whereas Article 2 of that Decision further provides for the Council to decide to which third countries' fleets the information system shall be jointly applied;

Whereas it is desirable to amend that Decision so as to allow the activities of all carriers serving particular trading areas to be monitored;

HAS ADOPTED THIS DECISION :

Article 1

Decision 78/774/EEC is hereby amended as follows :

1. Article 2(1) is amended to read as follows: "The Council, acting unanimously, shall decide to which third countries' fleets or to which areas of operation the information system shall be jointly applied".
2. In Article 4, the words "regarding which a Decision referred to in Article 2 has been adopted" shall be deleted.

Article 2

This Decision is addressed to the Member States.

Done at Brussels,
For the Council
The President

¹
² OJ L 258, 21.9.1978, p. 35.

EXPLANATORY MEMORANDUM

Council Decision 78/774/EEC of 19 September 1978 provides inter alia for each Member State to institute a system allowing it to collect information on the activities of the merchant fleets of third countries whose practices are harmful to the shipping interests of Member States. Article 2, paragraphs 1 and 2 of the Decision provide for the Council to decide to which third countries' fleets the information system shall be jointly applied, and what kind of information shall be collected.

2. The Council of Ministers of 12 June 1978 instructed the Committee of Permanent Representatives and the Commission to prepare, for adoption by the Council planned for November 1978, measures for the implementation of Article 2, paragraphs 1 and 2 of the Decision.

3. Subsequent discussions which the Commission's services have had with Member State Government and shipowner representatives have suggested that the monitoring system would best achieve its objectives if, in the first instance, the activities of all shipping companies present in specific trades where non-commercial competition is a problem were monitored. In order to allow this, Council Decision 78/774/EEC of 19 September requires some amendment. The Commission is proposing the necessary amendments in a separate proposal.

4. The present draft Decision, based on the 19 September Decision as so amended, is for the Member States to employ their information systems so as to gather information, over an initial period of two years, on all cargo liner service operators active on certain sensitive trade routes. The four routes concerned are those from the Community to the United States (excluding the Pacific coast); East Africa; Central America; and the Far East. The information would be collected as from 1 January 1979 and forwarded to the Commission every six months. On the basis inter alia of the information assembled, the Member States and the Commission would examine the developing situation regularly with a view to deciding whether, as provided for in the Council's Decision of 19 September 1978, the concerted use of national counter-measures powers was justified.

Draft

Council Decision

on the implementation of Article 2 of Decision 78/774/EEC concerning
the activities of certain third countries in the field of cargo shipping

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Economic Community,
and in particular Article 84 (2) thereof,

Having regard to Council Decisions 78/774/EEC of 19 September 1978 concerning
the activities of certain third countries in the field of cargo shipping (1),
as amended by Decision 78/ 7EEC (2),

Having regard to the draft Decision submitted by the Commission,

Having regard to the Opinion of the European Parliament (3);

Whereas it is desirable to monitor the activities of all shipping companies
participating in certain liner trades to and from the Community where there
is reason to think that certain operators are not competing in accordance
with market economy principles and are adversely affecting the competitive
participation of Member State fleets in international maritime trade;

(1) OJ No L 258, 21. 9.1978, p. 35.

(2)

(3)

HAS ADOPTED THIS DECISION

Article 1

From 1 January 1979 to 31 December 1980 each Member State shall collect ^{the} information specified at Annex I to this Decision for all carriers participating in cargo liner traffic in the areas of operation specified in Annex II to this Decision, in so far as these carriers serve its ports. The information for each half year shall be forwarded to the Commission as soon as possible and in any case not later than two months after the end of the period concerned.

Article 2

This Decision is addressed to the Member States.

Done at Brussels

For the Council

The President

INFORMATION TO BE COLLECTED

1. Liner Services Operated (*)

- a) Name of line and company
- b) Area of operation (see Annex II)
- c) Date of establishment, modification or termination of liner service
- d) Vessels employed (name, flag, ship type (e.g. container, roll-on roll-off, lighter carrier), dwt, grt and TEU)
- e) Sailings per period per vessel
- f) Conference membership; if yes, which conference?

2. Liner Cargo carried

- a) Flag of carrier
- b) Area of operation
- c) Total liner cargo loaded from country of loading in incoming traffic, total liner cargo carried to country of unloading in outgoing traffic, in weight and freight tonnes (containerized cargo to be specified separately in weight and freight tonnes and number of TEU's)
- d) Specification of types of commodities.

3. Value of liner cargo carried and information about freight rates

- a) Imports (CIF basis; separate entries for freight and insurance)
- b) Exports (FOB basis; add freight and insurance separately)

(*) The first six-monthly return should describe the situation at the start of the six months concerned, changes which occurred during the period and the situation at the end of the period. Subsequent returns should describe changes occurring during the period and the situation at the end of it.

LIST OF AREAS OF OPERATION

1. Between Member States and the United States of America
(excluding Pacific Coast)
2. Between Member States and East Africa (Somalia, Kenya, Uganda, Zambia, Tanzania, Mozambique)
3. Between Member States and Central America (East and West Coast - from South Mexican border to and including Panama; excluding Caribbean islands)
4. Between Member States and Far East (Malaysia, Singapore, Thailand, Hong Kong, Taiwan, Korea, the Philippines and Japan).

