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PROGRESS TOWARDS A COMMON TRANSPORT POLICY - INLAND TRANSPORT -

(Communication from the Commission to the Council)

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CORRIGENDUM

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PROGRESS TOWARDS A COMMON TRANSPORT POLICY
- INLAND TRANSPORT -

(Communication from the Commission to the Council)

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Corrigendum to Document COM(83) 58 FINAL

Progress towards a common transport policy - inland transport

Annex B

At the end of the title "Draft work programme for the period 1983-1985"
add footnote (1)

The following list only include the main proposals. As regards the proposals on the Council's table which remain unchanged (see Annex C) they should be adopted as soon as possible.

At the end of the subjects mentioned under 1st semester 1983 add one indent:

- Facilitation of formalities and inspections in respect of the carriage of goods between Member States

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Annex C

Modify the titles of the following proposals:

No 13: replace "Proposal for an amendment" by "Modification"

No 23: change the title as follows:

"Proposal for a Council Directive amending Directive 65/269/EEC concerning the standardization of certain rules relating to authorizations for the carriage of goods by road between Member States"

Delete in the fourth column:

"New proposal made"

No 24: Delete in the second column:

"No formal Council Decision"

Add at the end of Annex C a page containing the reference to the proposals enumerated in that annex.

Footnotes

I. Infrastructure

1. OJ No C 207 of 2.9.1976, p.7
OJ No C 249 of 18.10.1977, p.5
OJ No C 89 of 10.4.1980, P.4

II. More than one mode of transport

2. OJ No C 228 of 8.9.1980, P.43
3. COM(72) 1516 final of 7.12.1972
4. OJ No C 268 of 20.10.1981, p. 11
COM(82) 106 final of 11.3.1982
5. OJ No C 1 of 5.1.1976, p. 37
COM(80) 785 final of 5.12.1980
6. OJ No C 127 of 18.5.1982, p. 6

III. Railways

7. OJ No C 307 of 21.12.1977, p. 5
8. OJ No C 37 of 20.2.1981, p. 7
9. OJ No C 37 of 20.2.1981, p. 7

IV. Inland waterways

10. OJ No C 259 of 12.11.1975, p. 2
OJ No C 206 of 16.8.1979, P. 3
11. OJ No C 54 of 8.3.1976, p. 30
OJ No C 185 of 3.8.1977, p. 10
12. OJ No C 95 of 21.9.1968, p. 1
13. COM(69) 311 final of 25.4.1969

V. Road transport

14. OJ No C 103 of 6.5.1976, p. 2
OJ No C 249 of 18.10.1977, p. 6
15. OJ No C 95 of 21.9.1968, p. 44
16. OJ No C 104 of 13.9.1974, p. 96

PROGRESS TOWARDS A COMMON TRANSPORT POLICY - INLAND TRANSPORT

C O N T E N T S

<u>Resume</u>	i - ii
<u>Chapter</u>	
Introduction	0.
1. The first phase of the common transport policy (1958-1972): ----- the integrated transport market -----	1.1.-1.5.
2. The second phase of the common transport policy(1973-1981): ----- the Community transport system -----	2.1.-2.8.
3. The results so far -----	
3.1. Measures affecting more than one mode of transport.	3.1.-3.6.
3.2. Rail transport.	3.2.1.-3.2.3.
3.3. Road transport.	3.3.1.-3.3.2.
3.4. Inland navigation.	3.4.1.-3.4.2.
3.5. Infrastructure.	3.5.1.-3.5.3.
3.6. Conclusions on the results achieved so far.	
4. The reasons for slow progress -----	4.1.-4.6.
5. Future formulation and implementation ----- of the common transport policy -----	5.1.-5.5.
5.1. Guidelines for a common transport policy.	5.1.1.-5.1.5.
5.2. Railways.	5.2.1.-5.2.8.
5.3. Road transport.	5.3.1.-5.3.10.
5.4. Inland navigation.	5.4.1.-5.4.6.
5.5. Infrastructure.	5.5.1.-5.5.9.
6. Energy and environmental considerations	

7. Transport research

8. Relations with non-Member States and international

organisations

8.1.-8.3.

8.1. Introduction

8.2. Relations with non-Member States

8.2.1.-8.2.3.

8.3. Relations with international organizations

8.3.1.-8.3.4.

9. Detailed application of these policies

SUMMARY AND CONCLUSIONS

FOOTNOTES

ANNEXES A, B, C

DRAFT PROPOSAL FOR A COUNCIL RESOLUTION

PROGRESS TOWARDS A COMMON TRANSPORT POLICY
- INLAND TRANSPORT -

R E S U M E

1. The proposals hitherto submitted to the Council for the development of a common transport policy were made in the framework of the Commission's communications of 1961 and 1973. It is now necessary to develop the framework in the light of the circumstances of the 1980's. This paper provides such a framework and thus seeks to stimulate further progress towards the achievement of the policy. It maintains the objectives of previous communications and seeks to achieve them by concentrating on measures designed to increase the productivity and cost effectiveness of each mode and thus to make a contribution towards the strengthening of the internal market.
2. It is designed also to meet Parliament's request that the Commission revise its existing work programme and extend it to 1984/85. The revised work programme is contained in Annexes A and B to the communication.
3. In formulating its proposals the paper bases itself on the following guidelines :
 - (a) any proposals should take account of the economic and geographical diversity of the Community;
 - (b) they should concentrate on measures which can most effectively be dealt with at Community level. This means a concentration on traffic between Member States with as little encroachment as possible on issues that are predominantly local or national in effect.
4. It is vital that the policy should make a contribution towards solving the problem of the railways and in particular towards reducing their deficits. The concern of those Member States whose transport policies are railways oriented must be taken into account by those whose economies depend more on road transport. At the same time those who seek to protect their railways cannot expect to disadvantage the intra-Community trade of the peripheral states by imposing on them unduly restrictive road transport arrangements.

5. The railways are likely to be helped more by improving the efficiency and attractiveness of their services than by attempts to stifle other modes of transport. Thus, the Commission will :

- (a) press on with the programme of railway co-operation; it will in this context concentrate on the removal of obstacles (whether physical, legislative or commercial) which at present inhibit the railways from benefitting from the longer distances and greater scale of a Community market. It will propose further measures to stimulate combined transport;
- (b) it will propose to remove distortions in the field of infrastructure costs by proposing that the railways infrastructural costs be specifically assumed by the state and the railways charged for their use in the same way as the other modes.

6. On road transport the Commission's objective will be to improve the system of capacity controls and ultimately to abolish it. This will involve proposals to increase the percentage of traffic moving under Community (multi-lateral) licences; to institute a longer-term method of calculating increases in the community quota; to produce a system of compensation for transit countries without creating new obstacles to frontier traffic; and a series of measures designed to increase the productivity of the industry.

7. On inland navigation the principal problem lies in the current serious excess of capacity. The Commission will propose a harmonisation and enhancement of the national scrapping schemes that exist at present; and will propose measures to implement the supplementary protocol to the Mannheim Convention to control the access to the Rhine of barges of non-EEC non riparian states.

8. On infrastructure, the Commission will put forward proposals (to replace those put forward in 1971 and subsequently withdrawn) to institute a Community system for the imputation of infrastructure costs. It will pursue its aim to contribute towards the cost of projects of Community interest.

9. In international transport policy the Commission will concentrate on the extension of its policies to the states bordering on the Community; and on playing a role in the Economic Commission for Europe, the European Conference of Ministers of Transport and the Central Rhine Commission.

Introduction

The European Parliament has invited the Commission in its Resolution of 9 March 1982 on the common transport policy (*) to revise, complete and extend to 1984/5 the priority programme already submitted by the Commission in October 1980 for the period 1981-1983 (**). The Commission was further invited to elaborate this programme taking into account the diversity of circumstances prevailing in the 10 Member States, but also to make every effort to do whatever is necessary to develop the Community, maintain the common market and to implement the common transport policy provided for under the Treaty. Over the years the Commission has put forward a wide-ranging programme of proposals designed to establish a common transport policy. Disappointingly few have been passed. Some of them, put forward by the Commission, have been under consideration for so long that it has become necessary to revise them in the light of today's circumstances. As will become clear from the paper, however, there remain a significant number of proposals which in the Commission's view are still valid and on which the Commission expects to see Council decisions in the near future (Annex C).

The purpose of this paper is to assess the progress made so far towards a common transport policy and to suggest a Work Programme through which further progress can be made. It concentrates on inland goods transport since it is here that the main points of controversy have arisen. Shipping, port and aviation policies are more recent in their provenance and will be the subject of subsequent papers.

The Commission hopes that this paper will revive and stimulate discussion in the Council, the European Parliament and the Economic and Social Committee, and, indeed, Community-wide, of some of the central transport issues with which the Community and the Member States are confronted today.

In the Commission's view the ideas developed in the paper and the attached work programme constitute the basis for a political discussion in the Council on the general approach of the Commission. The Commission hopes that the Council - as well as the other Community institutions - will indicate their general support for that approach.

It is the Commission's intention to consult the transport industries, unions and users as well and it will, as far as possible, take their comments into account in the detailed proposals which it submits to the Council in furtherance of the ideas outlined in the paper.

(*) European Parliament, Report on the common transport policy by Mr. A. CAROSSINO, P.E. 68.325, and O.J. No. C 87/42 of 5 April 1982.

(**) COM(80) 582 final of 21 October 1980.

1. The first phase of the common transport policy (1958-1972): the integrated transport market.
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- 1.1. The first phase of the common transport policy coincided with the Community of the Six. The activities of the Commission during that period were focused on the establishment of a common transport market for all inland transport modes organized in accordance with market economy principles and inspired by the liberal approach adopted in the Treaty of Rome towards visible trade. This concept was spelled out in more detail in the Commission's 1961 Memorandum and followed up by a 1962 Action Programme that proposed comprehensive legislative action. The Community transport policy was to gradually replace national transport policies so that ultimately a single integrated transport system would emerge, which would

- ensure fair competition between and within modes of transport;
- eliminate all transport measures which could lead to distortions in the conditions of competition in other sectors of the economy such as trade or agriculture.

- 1.2. The 1961 Memorandum (1) also spelled out a number of basic principles of a common transport policy:

- equality of treatment of transport modes and transport enterprises;
- financial responsibility of transport enterprises
- freedom of action of transport operators;
- free choice by users of the transport mode and enterprise
- coordination of infrastructure investment by public authorities.

- 1.3. The 1962 Action Programme contained a series of specific legislative proposals designed to implement the policy objectives set out in the Commission's 1961 Memorandum : gradual elimination of bilateral quotas and establishment of a Community quota to be adapted to the growth in the volume of international goods traffic by road; introduction of bracket tariffs for all modes of transport as a compromise solution between obligatory tariffs as practised in some Member States and free price formation; harmonization of conditions of competition as regards state intervention, taxation, state aid and social regulations; setting of technical standards such as weights and dimensions; and the allocation of infrastructure costs to the users. A consultation procedure was proposed to bring about the coordination of transport infrastructure investments.
- 1.4. The measures proposed under these headings were to be executed in accordance with a set timetable covering the whole transitional period of the Common Market (i.e. up to 1970) in order to ensure a smooth transition from national transport markets to the Community transport market. Furthermore, the Commission emphasized the mutual interdependence of the measures proposed for inland transport and the risks inherent in their piecemeal implementation.
- 1.5. The Commission thus envisaged a common transport policy of the Six by the end of the transitional period, i.e. 1970. Even if it was not possible to achieve this objective some substantial measures had been adopted.
2. The second phase of the common transport policy (1973-1981) : the Community transport system.

- 2.1. Two events provided the impetus for a review of the approach followed so far : firstly, the Paris Summit Conference of October 1972, which aimed at early economic and monetary union through the implementation of appropriate regional, social, environmental and economic policies; secondly, the enlargement, in 1973, of the Community with the admission of three new Member States whose geographical position, transport policy approaches and perception of transport problems as well as their trade links were quite different from those of the Six.

- 2.2. The 1973 Communication was not conceived as a radical departure from the concept of 1961. The valid objectives were still considered to be:
- free circulation of transport services;
 - the harmonization of the conditions of competition within and between transport modes;
 - the development of a common transport market based on the principle of the free interplay of market forces subject to correction only in exceptional circumstances.
- 2.3. However, these objectives were to be complemented by structural measures and measures taking into account the interdependence between transport and other Community policies for the attainment of better living and working conditions, as well as by a recognition of the role of public authorities in the transport sector. It was the task of the Community institutions to harmonize national interventions to the extent required in the interest of a smooth functioning of a Community transport network.
- 2.4. The most important ingredient in this modified approach was the *emphasis on the integration of the national transport systems into a Community system which required Community action in the planning and financing of the transport network and in the organization of the transport market with the ultimate aim of achieving the optimal use of resources employed in the transport sector.*
- 2.5. Although this approach seemed to imply the desire to go substantially beyond the scope of activities set out in the 1961 Communication, the Commission emphasized that in many instances it would suffice that the Community institutions only defined the framework, or limited themselves to a harmonization of national measures, while the public authorities of the Member States were given the responsibility of implementing in their particular national contexts the principles laid down by the Community institutions.

2.6. The programme of action accompanying the 1973 Communication, and several updated versions which followed (2), emphasized the urgent need to come to grips with:

- the development of an optimal transport network in accordance with an agreed master plan. In this context, the questions of Community infrastructure planning and financing were to be dealt with;
- the imputation of the costs of using the transport infrastructure;
- defining the role of the railways in the future transport system and solving their financial problems;
- progress in the development of inland transport markets.

2.7. The Commission held that, as long as no satisfactory solution had been found to these problems, continued involvement by public authorities in the organization of the market in relation to capacity and transport rates and conditions was justified, but that this intervention could be reduced once the basic conditions for the functioning of the market had been created. This approach was further developed in 1975 in a specific communication on market organization (3).

Additionally, a number of measures concerning road, rail and inland waterways dating back to the 1961 period were to be pursued or modified. It was also proposed to initiate a number of studies in such areas as infrastructure and traffic development in preparation for possible future action.

2.8. The Commission invited the Community institutions to a dialogue about its ideas and proposals, first within the Council and then through an exchange of views with the European Parliament and the Economic and Social Committee (ESC). But apart from some preliminary exchanges of views, no substantial dialogue was held in the Council, while the European Parliament and the ESC supported the Commission's transport policy concept.

3. The results so far

3.1. Measures affecting more than one mode of transport

The action taken under the Council Decision of 1962 on the introduction of a consultation procedure on the development of Member States' transport policy measures (4) in conjunction with the standstill obligations of Article 76 of the Treaty has often prevented Member States' policies from drifting further apart. In 1965, the Council agreed on a decision (5) creating a general framework for Community actions relating to tax matters, state intervention and social conditions. The prohibition of support tariffs, the application of the right of establishment and the application of the Treaty rules on competition to inland transport (6), rules on more clarity and transparency with regard to aids to the inland transport modes (7) and measures to promote combined transport (8) are also noteworthy. The following presentation discusses in turn each mode of transport and transport infrastructure because it is in this context that the common transport policy is usually developed.

3.2. Rail transport

3.2.1. In rail transport policy the Council has acted on a number of legislative proposals such as :

- common rules for the normalization of the railways' accounts (9);
- procedures to be adopted by the Member States in dealing with the notion of public service obligations as regards the three inland transport modes (10); the objective of the two Council measures was to eliminate special burdens imposed on the railways tending to distort intermodal competition.

3.2.2. In 1975, the Council decided on a number of measures (11) designed to lead to more commercial and managerial autonomy on the side of the railways and improved cooperation between national railway enterprises. At the same time, the Council amended the aid rules by providing for termination of open-ended deficit subsidies as soon as Commission proposals to be made by 1980 had been adopted. Council measures on railway accounting and costing went in the same direction (12) and thus continued the developments initiated under the 1961 Programme.

3.2.3. But the ambitious target to put right the position of the railways, particularly the financial relations between railways and states, has not been achieved. Member States' attitudes towards their national railways' organizations still differ widely. Government intervention in the organization and operation of the railways was, to a certain extent, made more transparent and subjected to common rules but was not greatly reduced. Railway deficits have increased to such an extent that in some Member States subsidies and compensation payments to the railways threaten to develop into uncontrollable budget risks. Consequently, the involvement of governments in railway affairs has, often by necessity, become even more pronounced; sometimes to the extent that in some Member States the railway problem completely dominates transport policy thinking and leads them to evaluate policies towards other modes mainly on the basis of their potential effect on the railways. Improvements required to increase railway competitiveness and economic viability have not been vigorously pursued. These conclusions were submitted to the Council in a Commission Memorandum entitled "Community Railway Policy : Review and outlook for the 1980s".(13)

3.3. Road transport

3.3.1. A number of measures were agreed such as :

- liberalization of certain goods transport by road between Member States comprising about 35% of all goods traffic by road and establishment of a Community Quota System which now affects about 5% of total goods traffic by road (14) and the establishment of common criteria for the determination of bilateral quotas (15);

- some liberalization in the transport of passengers by bus between Member States (16);
- introduction of a system allowing a choice between obligatory bracket rates and reference tariffs for international road haulage for an experimental period (17);
- the duty free admission of at least 50 litres of fuel in the fuel tanks of commercial road vehicles (18);
- the introduction of certain social regulations for road transport, in particular concerning driving hours and rest periods and the introduction of the tachograph (19);
- technical inspection of motor vehicles (20);
- conditions of entry into the profession (21);
- first steps in the creation of a Community driving licence (22).

3.3.2. These measures clearly include some useful steps for improving the conditions of competition and the functioning particularly of the international road transport market. But the practical impact of those isolated Council measures has been limited, certainly for national traffic. Commercial road haulage is still restricted by quotas and cabotage traffic is entirely reserved to national road hauliers. The original system of obligatory prices has not had an appreciable effect on price formation in international road haulage since prices have in effect been set by market conditions. (The same is not true for some national traffic). The social regulations for road transport have had an effect on the conditions of competition, particularly with the subsequent introduction of the tachograph.

The uneven enforcement of these rules in the Member States has created distortions. The current concertation with both sides of industry should contribute substantially to the resolution of this problem, which would represent an important step forward in the field of social harmonization.

3.4. Inland navigation

3.4.1. In inland navigation, despite repeated attempts to tackle a whole range of problems concerning the functioning of the market, pricing, social and technical aspects, only a few measures have been agreed so far:

- the reciprocal recognition of navigability licences for inland waterway vessels (23),
- a recommendation of the Commission on the scrapping of obsolete vessels (24) which has been implemented by the Member States,
- the participation of the Community in the establishment of a protocol amending the Mannheim Convention as regards market access to the Rhine basin (25),
- technical requirements for inland waterway vessels (26).

3.4.2. Proposals such as that concerning the laying up of barges were worked out but eventually not adopted. In general, the Rhine regime remains unrestricted. By contrast, navigation on the North-South waterway system, connecting the Netherlands, Belgium and France, is, if anything more regulated.

3.5. Infrastructure

(a) Planning and investment

3.5.1. The Council only acted in 1978 on one of the proposals of the Commission relating to infrastructure concerning an improved consultation procedure for infrastructure projects (27). An important improvement of this procedure whose first, inadequate, version had been set up in 1966, was the establishment of an infrastructure committee with the task of facilitating the coordination of national

infrastructure plans. The work of this body has already shown encouraging results. The Commission itself has completed a number of studies aimed at identifying infrastructure requirements as seen from the point of view of the Community and at developing criteria for the determination of the Community interest in infrastructure projects. But the Council has yet to take a decision on the key questions of complementing the development of national transport infrastructures by a Community dimension, of coordinating more effectively national planning in the interest of developing Community networks, and of the planning, evaluation and financing of specific projects of Community interest.

(b) *Imputation of costs*

- 3.5.2. First steps were also taken by the Commission to deal with the equitable allocation of charges for the use of the various transport infrastructures. Some Member States, particularly those with extensive railway networks, regarded the solution of this problem as one of the preconditions for further progress in eliminating restrictions on road transport because it was claimed that road transport and inland navigation did not pay their fair share of infrastructure cost and that, by contrast, railways had to bear theirs fully.
- 3.5.3. A reporting system for infrastructure expenses and utilization was set up in 1970 (28). In 1971, the Commission proposed the introduction of a system of infrastructure charging for all three inland transport modes, based on charging the social marginal cost of using the infrastructure, supplemented if necessary by a budget equilibrium charge. The system was theoretically sound and a certain consensus emerged on some of its basic aspects. However, it also became clear that its full implementation would create political, practical and administrative difficulties and the Member States shied away from specific action.

Conclusions on the results so far achieved

3.6. Looking at the development of the common transport policy in a historical perspective it can be concluded that, measured against the objectives of the Commission's proposals, progress has been disappointingly slow during the past two decades. Thus, for example, the deadline set up in Article 75 s 2 (end of transitional period) has not been met, especially as regards the fixing of conditions for the admission of non-residents to national traffic. In the course of time, areas of agreement have become increasingly marginal and genuine progress on key issues in inland transport has slowed considerably. This is illustrated by the fact that at present over 40 Commission proposals, many of which are of major importance (such as proposals on tax harmonization and weights and dimensions) are pending in the Council; some of them have been there for over 10 years. There is still a considerable number of obstacles to a speedier crossing of frontiers. It has to be acknowledged that the effort to eliminate obstacles to trade and to create a common transport system has only partially succeeded. As a consequence increasing pressure is being exerted on the Community for more rapid and decisive action. Only recently the European Parliament has severely criticised the lack of substantial progress on the common transport policy and has initiated proceedings on the basis of Article 175 against the Council for its failure to act (29).

4. The reasons for slow progress

4.1. It seems useful to analyse the reasons for slow progress in the development of the common transport policy because a clear idea on the causes of the illness may lead to the elements required to devise an appropriate therapy for its cure.

- 4.2. The Treaty was negotiated during the great move towards liberal trade policies that followed the end of the war. There was no similar movement in transport policies which, by and large, remain based on those introduced in the 1930s when road transport began to develop into a major industry. These policies were all different, but predominantly policies which were interventionist in method and restrictive in nature. Although, obviously, there have been developments since then, the general lines of these policies remain. Thus, to accept the original proposals of the Commission, most Member States would have had to make major changes in their existing policies and, even more difficult, the basic attitudes that underlay them. In the event, although they moved closer to each other, they proved unwilling to make the changes advocated by the Commission.
- 4.3. Even within the original Six there was a considerable divergence of economic and geographical circumstances which led to different transport strategies. This situation intensified with the Nine and became even more apparent with the Ten. The geographically peripheral States are much more dependent on road transport than the central states, which rely more on rail.
- 4.4. A fully developed common transport policy and market and the integration of the Common Market as such depend on each other. Much that has been achieved so far stems from the logic of a customs union, but it is likely that the development of a single unified transport market will accompany rather than precede a greater degree of convergence of economic policies in general.

4.5. In addition, the following reasons for slow progress ought to be mentioned:

- (a) In the chapter on transport, the objectives of the Common Transport Policy have been formulated only in general terms, except for a certain number of points. This reflected the difficulty of reaching agreement at the time on these objectives - a disagreement which continued after the adoption of the Treaty.
- (b) The peripheral states put the emphasis on liberalization of road haulage, whereas the central states required harmonization of conditions of competition first. This led to the blockage of many Commission proposals by only some Member States.
- (c) The railway deficits and the difficulties of reducing the railway networks led to an increasing political pressure on Member States to subordinate most other transport considerations to the interests of the railways;
- (d) Member States have shown themselves to be extremely reluctant to allow the adoption of measures in the transport field which will have the effect, in accordance with the AETR Judgment, of transferring competence to the Community with respect to their relations with third countries or in international organizations. Member States have also been reluctant to see the Community exercise its competence in these organizations, although this is often necessary in connection with the development of the Common Transport Policy. The link created by the AETR Judgment between the internal development of Community policy and its external policy has in consequence paradoxically impeded the development of the Community policies in the transport field.

(e) Unlike other areas of Community policy, transport so far has not been underpinned by the necessary financial basis required for the implementation of a number of policy objectives.

4.6. These factors have resulted in laborious technical negotiations on each item without any real political impetus.

Future formulation and implementation of the common transport policy

5.1. Guidelines for a common transport policy

5.1.1. It is sometimes argued that despite the slowness of the integration process, the flow of goods and people across the Community has grown even more rapidly than national traffic; and that, therefore, the existence, or lack, or inadequacy of a common transport policy could be considered of marginal importance in the context of European economic integration. It is true that Member States' expenditure on fixed transport infrastructure and railway hardware as well as private capital formation in transport have maintained and developed the hardware of a reasonable transport system. Indeed, the proponents of this line of reasoning would be entirely right if the sole criterion for the success or failure of transport arrangements was to get people or goods moved. If, however, the object is to move people and goods in accordance with economic principles, i.e. rapidly, smoothly, efficiently, cost-effectively and under terms and conditions concomitant with the public interest, a common transport policy for the Community becomes an essential ingredient for the process of economic integration.

5.1.2. For it can be demonstrated that the compartmentalization into divergent national transport policies is at the origin of frictional losses in efficiency, cost-effectiveness and productivity which also adversely affect the working conditions of those employed in transport. A few pertinent examples may suffice to illustrate this situation: cumbersome procedures at frontier crossings estimated to

cost road goods traffic roughly 800 million ECU per year, loss of productivity through numerous empty back-hauls, due to administrative restrictions, which amount to some 40% of total international road traffic, bottlenecks in the European transport infrastructure, incompatibility of national technical and administrative standards. Kilometres operated per vehicle are still higher in national traffic than in the relatively longer-haul international traffic. Taken together, these and other features can constitute important non-tariff barriers to Community trade. It is important, particularly in view of the economic situation in the Community, that scarce resources in all sectors be employed as economically as possible. The economic importance of transport is illustrated by the fact that transport for hire and reward alone generates directly and indirectly about 6.5% of the Community's Gross Domestic Product per year and that it employs over six million people. The potential for economic loss in transport thus becomes clear and the need for Community transport policy designed to help to avoid this is even more compelling.

- 5.1.3. This also means that Community transport policy cannot be developed in isolation from the development of other Community policies such as regional, social, environmental and energy policies. It is important, however, that the objectives of these extraneous policies within transport should be pursued in such a way as to avoid the creation of new distortions in the transport system.
- 5.1.4. In the light of this, the 1973 Communication still seems broadly right as a statement of long-term objectives, in particular those relating to the integration of the internal market. But such aspects as the role of public authorities in transport, the degree of complementarity and substitutionality between national and Community policies or the compatibility of Community transport policy with the progress of economic and social integration need to find their expression in concrete policy proposals.

5.1.5. Accordingly, a number of guidelines for future progress in achieving a common transport policy may be drawn from the analysis contained in this paper:

- (i) It should attach importance to increasing the productivity and cost effectiveness of the transport system, especially through the reduction of physical bottlenecks or regulatory constraints on the market. In this context, use of the market mechanism or public intervention into the market should be regarded as instruments to achieve the desired ends but not as ends in themselves.
- (ii) It must seek to avoid a drifting apart of national transport policies. The degree of integration already achieved must be maintained, improved and if required adapted to changed conditions. Where action at Community level is blocked there should be a particularly intensive cooperation between the Commission and Member States in cases where the latter deem it is necessary to introduce national measures.
- (iii) It must identify the appropriate level and the public agencies which can most effectively deal with the issues in question.
The Community should concentrate on those measures which cannot be dealt with at a lower level, certainly as far as implementation and routine administration is concerned. A practical example of this approach is seen in the Commission's Communication of December 1980 to the Council on Railway Policy. Here the recommendations on improving the railways' situation identified tasks appropriate to the railway administration, national governments and Community institutions. Consequently, the role of the Community lay in defining broad frameworks in which specific rail solutions as well as specific Community proposals for topics appropriate for action at this level could be worked out. By the same token, it would seem unnecessary for example for the Community to involve itself in questions relating exclusively to local transport.

(iv) It must take account of the geographical and economic diversity of Member States and the differing interests and policies stemming from it. A common transport policy is not necessarily the same as a uniform transport policy.

(v) It must take account of the threats to the internal organization of the market from external sources.

5.1.6. The aim of these guidelines is to facilitate the task of the Community institutions, as laid down in Articles 3e, 74 and 75 of the EEC Treaty, of pursuing the objectives of the Treaty in the transport sector within the framework of a common transport policy. The Community institutions have discretionary powers as to the detailed organization of this task which enable them, in particular, to give practical shape to the broad objectives of Articles 2 and 3, where the transport sector is concerned, and to define the appropriate means of attaining them.

5.2. Railways

5.2.1. The consequences of this approach for policies towards various modes of transport will obviously differ. It is, however, of paramount importance that the common transport policy should take account of the concern which many Member States currently feel about the position of their railways and which was forcefully expressed at the December 1981 Council of Ministers. In essence, the problem of competition between rail, road and, to some extent, inland waterways lies at the heart of any attempt to make progress on a common transport policy. Member States whose budgets are weighed down by the financing of huge railway burdens and who consider the social and other repercussions of a

reduction in railway operations too difficult or otherwise undesirable are not prepared to allow road traffic to develop in the most efficient way for fear of ever increasing railway deficits. Member States whose emphasis is more on roads, as in the case of most of the Community's peripheral states, will have to take these attitudes into account if the regime for intra-Community road transport is to be significantly developed. This is true for bilateral as well as Community arrangements.

5.2.2. At the same time those states whose emphasis is on the railways cannot expect to disadvantage the trade of peripheral countries by imposing on them unduly restrictive transport arrangements. The challenge then is to contribute, at the level of the Community, to the creation of conditions conducive to reducing the financial burdens of the railways while in turn allowing road transport and inland waterways to develop in accordance with their proper economic dynamics. It is obvious that such a balance between railways on the one hand and road and inland waterways on the other is not easy to strike. But it is also clear that, unless such an equilibrium is found, this policy cannot be unblocked.

5.2.3. The railways are likely to be helped more by improving the efficiency and attractiveness of the railway services and in helping them to adjust to present and future market needs than by tightening or even maintaining the present restrictions on other forms of transport. They should be enabled to take full advantage of the fact that trade between Member States is increasing and the emphasis in transport terms therefore gradually shifting from relatively short-distance national transport to longer-distance European transport in which (with certain significant exceptions) the railways are complementary to, and not in competition with, each other. Much of the responsibility for solving the problem lies in the Member States concerned. The Community's task is to assist that action by removing obstacles, inspiring common solutions and helping to coordinate where

coordination is necessary. The Commission sees no need to propose a detailed coordination of national railway policies except in order to remove barriers to more international efficiency and to make the relationship between government and railway fully transparent. At the Community level, therefore, the Commission proposes to concentrate on the development of rail transport between Member States, and on those aspects where national and international rail transport are closely linked and cannot be separated. There may also be a case for the Community to consider assisting the Member States in coping with the social consequences of the necessary structural adaptations which many railways need to undergo (e.g. redeployment of staff, retraining schemes).

- 5.2.4. What can be done in this regard has partly been outlined by the Council in its December 1981 Railway Resolution (31). The Commission has followed up with a working programme providing the basis for a series of specific proposals for the improvement of international railway cooperation parts of which have already been presented to the Council in 1982 or will be presented in 1983.
- 5.2.5. The development of combined transport for road, rail and inland waterways is one way in which the interest of the railways can be combined with those of the other modes. The logic for encouraging the greater use of this form of transport derives from the bringing together of the efficiencies of different types of existing transport services. The customer benefits, as do those concerned with environmental factors. Greater cooperation amongst the different commercial interests is important and the Commission has encouraged this approach because it can achieve without impeding normal market conditions and without introducing dirigiste measures, the improvement of transport services to the public, while contributing in an important way to the improvement of the financial situation of the railways. Consequently, the Commission will pursue the development of combined transport.
- 5.2.6. It would also be helpful to give emphasis in any infrastructure support agreed by the Council to projects of Community interest designed to facilitate the transfer of traffic from road to rail where this is economically justified.

- 5.2.7. A further key problem that could usefully be tackled at Community level concerns infrastructure costing and charging. In this context, the railways should be put on the same footing as the two other inland transport modes. This means that there must be a clear distinction between the financial responsibilities of the State and that of the railway undertaking. Various Council decisions have already gone some way towards reaching that goal (32), but one further step seems necessary: the cost of providing and maintaining the rail infrastructure should, as with roads and inland waterways, be the financial responsibility of the State. In turn, the railway undertaking should pay the State a fee reflecting at least the short-run marginal costs incurred by the railways' use of the infrastructure provided by the State. The Community need only establish the principles of financial responsibility and compensation for the use of the railway infrastructure. It would be up to Member States and the national railways to find the appropriate organizational and managerial solutions which would suit their particular conditions.
- 5.2.8. Of course, this measure would not by itself put the railways on a sounder commercial footing. It would in principle be a mere accounting measure but with important economic consequences because it would clarify the financial responsibility of the State for the provision and upkeep of the system. The railways would be put in a comparable position to their road and inland navigation competitors: they would be responsible only for that part of the costs of the system caused by their use, whilst the remaining costs would be borne by the State. This would enable the railways to develop costing and pricing methods more in line with the commercial principles of their competitors. The size and structure of the system, such as decisions on the closure of lines, the improvement of existing lines and the building of new lines would be the responsibility of the State. It is true that in most Member States railways' deficits and/or compensation payments have already assumed such proportions that governments are in practice paying for all or a major part of the infrastructure. But nevertheless the Community's railways are burdened - at least in principle - with a responsibility which their competitors do not have to bear.

5.2.9. Additionally, there would be a need for a clearer distinction between the railways' responsibilities and rights as commercial undertakings on the one hand and their rights and responsibilities in relation to the public interest on the other. This is a task which should in the first instance be carried out by the Member States and railway undertakings concerned. The Community can at best play a coordinating role here. There is thus not much point in the Community's seeking to fix a deadline for the attainment of financial equilibrium or in laying down detailed methods for doing so. In the Commission's view, the implementation of all the railway measures proposed by it will take a significant contribution towards the achievement of financial equilibrium. More important, however, will be the action Member States are willing to take at national level in order to achieve this goal. In this context, as seen from the Commission, there is a good case for recommending to Member States that the extent of public service obligations of certain transport activities should be reduced or abandoned. In particular, there seems to be no reason why goods transport should not, as a general rule, operate on entirely commercial lines.

5.3. Road transport

5.3.1. The Commission regards the present national systems of regulating road haulage capacity as costly, cumbersome and economically inefficient. Although the Community licence constitutes already a significant improvement in the right direction whose further development the Commission will pursue, it will also investigate other possibilities of adapting supply to demand which could improve and ultimately eliminate the system of capacity controls in road transport.

In this context, it is relevant to note that the recent case law of the Court of Justice has recognized that the Commission has a special role to play where Member States propose to take national initiatives in an area where competence has passed to the Community. The Commission hopes that reasonable progress in the adoption of measures can be made in the Council in order to complete the common transport policy, but if such measures cannot be adopted within a reasonable time, the Commission will still have the possibility of using these powers with a view to ensuring that national initiatives, both internal and external, do not inhibit the achievement of the common transport policy in the road haulage sector, and to control and direct the development of national policies in this area.

5.3.2. The Commission's proposals on market access in goods transport will take into account both the need for market efficiency and overall economic considerations. Past attempts of the Commission for an increase of the Community Quota met with growing resistance from:

- (i) governments who wanted to protect the railways,
- (ii) governments whose countries served as transit routes for traffic from which they benefitted little or not at all, and
- (iii) road hauliers already in possession of authorizations who wanted to avoid more competition.

- 5.3.3. It still seems sensible, despite the resistance, to increase the proportion of traffic moving under Community authorizations. It is, therefore, envisaged to continue the development of criteria which would link the growth in the number of Community authorizations with overall road traffic growth, and which would take account of the competitiveness and spare capacity of other modes as well. Parliament has advocated a longer-term solution to this issue and it is possible, for instance, to envisage a five-year Community agreement which would result in an increase of Community licences each year by X times the rate of increase of total Community road traffic in the previous year. It would be possible for Member States to take this increase into account in their bilateral negotiations in accordance with the Council Decision of 20 December 1979 (33). The result would be a very gradual increase in the proportion of road traffic carried under Community licences which would be geared to an achieved rate of growth.
- 5.3.4. In addition to the overall Community licence, the Commission will endeavour to identify and propose to liberalize fully or at least partly certain specific types of traffic which for commercial or economic reasons may best be suited for road transport.
- 5.3.5. To meet the concern of transit states, compensation might be achieved via infrastructure charges and revenues. The principle of taxing vehicles only in the country of their registration has been accepted by the Community. Under this system, foreign transiting vehicles only pay fuel taxes, but not vehicle taxes, in the transit state for the use of its infrastructure system. As long as there is roughly an equilibrium in the use of each other's infrastructure system, resort to this "nationality principle" is both practical and equitable. But international traffic has developed unevenly during the past two decades, putting a heavy strain on the resources, the environment and the populations of those countries whose infrastructure networks serve as transit routes. The lack of adequate compensation for road transit traffic has been an important stumbling block for the development of Community transport policy. Therefore, the Commission will attempt to develop a compensation system for the transit countries without, however, creating new obstacles to frontier crossing traffic or changing the nationality principle of taxation which has the merits of avoiding double taxation.

5.3.6. Briefly sketched, the compensation system to be developed would require data on road traffic in transit and on the infrastructure costs attributable to such traffic in each Member State, so as to show imbalances in cost coverage between Member States. Vehicle tax revenue contributed by hauliers to cover mileage abroad - which is a feature of the nationality tax system - could be credited to the compensation mechanism and any net imbalances could be dealt with by a clearing house. Similar ideas are also under development within ECMT.

5.3.7. One might thus envisage a package of road transport proposals consisting of:

(i) a quasi-automatic increase in the proportion of traffic carried under Community authorizations linked to achieved increases in traffic and with the possibility of Member States negotiating compensatory reductions in the number of bilateral licences; and the creation and relatively free issue of Community licences for specific types of traffic;

(ii) some system designed to compensate transit countries.

This package would have to be introduced *pari passu* with measures designed to improve the competitive abilities of the railways consisting in particular of measures designed to solve the infrastructure problem and to remove any obstacles that exist to a closer cooperation between them.

5.3.8. There are other measures that would also be useful. The frontier control on fuel in tanks should be abandoned. Work should continue on the removal of obstacles to speedier crossing at the Community's frontiers, on efforts to do the same as regards frontier crossings between the Community and third countries, and on the harmonization of weights and dimensions of Community road vehicles. New price formation proposals should replace the present interim arrangements, by introducing a system of reference tariffs incorporating some

optional elements which Member States may, by agreement with each other, make obligatory. In order to increase the opportunities available to professional road haulage, without any consequential impact on the railways, the definition of own account transport should be extended to services provided under long-term contract exclusively to a particular customer with vehicles restricted to the use of that customer. In addition, it seems sensible to remove the present discrimination against own account lorries acquired on long lease rather than bought outright, and to tidy up anomalies caused by the current approach to own account lorries owned by separate, wholly owned subsidiaries of the same organization. The Commission will make proposals designed to achieve these ends.

5.3.9. As to infrastructure user charges, the existing proposal for a first directive on the adjustment of national taxation systems for commercial vehicles, which has been agreed in principle by a large majority of Member States and supported by the European Parliament, will be maintained (34). Adoption of this proposal would be an important step in the attempt to harmonize the conditions of competition within and between modes of transport. Moreover, in this context it should be mentioned that the Commission has also made proposals designed to lead to greater consistency, but not necessarily uniformity, in fuel taxation (35). This dovetails with the envisaged elimination of frontier control on fuel in tanks because there is still a marked divergence between some Member States in the taxation of diesel fuel.

5.3.10. In the field of social working conditions, the time is ripe to review Regulations 543/69 and 1463/70 in the light of experience gained since their entry into force and to seek to improve the application of these regulations in all Member States. This has also been emphasized by the European Parliament (36). Additionally, the Commission's proposal on the harmonization of certain social matters (37), which is based on the Council Decision of 13 May 1965, should be reviewed taking into account the results of the discussions with the Member States, the social partners and others. This revision might bring further social harmonization and progress.

5.4. Inland navigation

- 5.4.1. Proposals on inland navigation should, in particular, take account of the distinctive geographical and international features of this mode of transport: the existence of different regional waterway systems, most importantly the Rhine and its tributaries, the North-South basin and the French and German canal systems, as well as the existence of an international agreement for the Rhine, the Mannheim Convention.
- 5.4.2. As regards access to the market, there seems to be no good reason to depart from the present practice under which the decision to enter the market is left to the commercial considerations of operators. In this context, the Community's Market Observation System is a valuable management tool for the operators' decision making. In order to ensure a satisfactory level of professional competence, however, criteria should be established defining a minimum qualification of professional competence necessary for access to the profession. As a complementary measure, the work on the mutual recognition of diplomas and other certificates granting the right to engage in the occupation as carrier should be continued. Steps should also be taken to implement, at Community level, the supplementary protocol no. 2 to the Mannheim Convention defining the access conditions to the Rhine basin for non-EEC, non-riparian operators.
- 5.4.3. Structural overcapacity has been a persistent problem in inland navigation despite various national scrapping schemes. The absence of coordination, the heterogeneity of the national criteria chosen and the insufficiency of funds provided for scrapping are partly responsible for the limited success of these schemes. Additionally, for many of the large number of small owner/operators in this sector the decision to scrap their ships means leaving the profession as well as their homes and is thus not made easily. National scrapping schemes could be made more efficient if the conditions for scrapping were harmonized at the level of the Community and if a common approach for the establishment and operation of scrapping funds were agreed. Whilst the scrapping schemes are in operation, state aids for the construction of new vessels should be prohibited at least as regards vessels employed in international transport. The Commission will also examine whether there is a need for Community action to help facilitate the economic reintegration of operators/workers made redundant by these measures. There seems to be no need at this stage for other action concerning market entry or exit.

- 5.4.4. There is a case, however, for studying the problems arising in relation to the 'tour de role' system in many traffic links of the North-South basin with a view to proposing appropriate solutions which will take account of the interests of operators, shippers and the public at large. In addition, the Commission will examine whether there is a need for a modernization programme for over-aged ships serving in principle this traffic link only and restricted to certain technical aspects of existing vessels which would not increase capacity.
- 5.4.5. The Commission will pursue its initiatives in the area of improving the social conditions of workers in inland navigation.
- 5.4.6. An important transport coordination problem to be solved is the question of levying charges for the use of the waterways. This will be discussed in paras. 5.5.8. and 5.5.9.

5.5. Infrastructure

5.5.1. Infrastructure covers:

(a) Planning, financing and construction of infrastructure;

(b) allocating the costs of using the infrastructure.

(a) Planning, financing and construction

5.5.2. The methodological, organizational and procedural means for infrastructure planning at European level are already in place. The Council Decision of 20 February 1978 improved the consultation procedure and established a transport infrastructure committee. The consultation procedure relates to projects of Community interest and is complemented by a communication of national infrastructure plans and programmes. The terms of reference of the Infrastructure Committee, consisting of Member State representatives, presided over by a representative of the Commission, are to "contribute to the harmonious development of the infrastructure network of Community interest".

5.5.3. The action of infrastructure development proposed in the Commission's 1973 Communication and, more specifically, its 1979 Memorandum (38) and supported by Parliament (39) should be pursued taking into account, in particular, the need to eliminate traffic bottlenecks, which can be most efficiently tackled at Community level. There is much scope for increasing the productivity of intra-Community transport through improved methods and procedures for coordinated infrastructure development, both at Community level and in relation to certain third countries. The necessary preparatory work such as traffic studies, development of criteria for the definition of Community interest in relation to infrastructure plans and projects, studies of traffic bottlenecks of European relevance, studies of special projects (e.g. Strait of Messina, Channel Tunnel, Trans-Alpine routes) is already well underway.

5.5.4. Given the resources and knowledge available to the Commission, it is inevitable that Community action does no more than supplement national infrastructure planning by adding a Community dimension where appropriate. This means that the planning, financing and implementation of infrastructure projects of national and Community importance will continue to be the responsibility of national bodies in each Member State. It would, however, be useful to provide for the possibility of a Community financial contribution for those elements of an infrastructure project which can clearly be identified as being of common interest and which, unless Community finance were provided, could not be carried out at all or not within the desirable time span. It would be in accord with the recommendation of Parliament (40) and the policies set out in the earlier part of this paper if the use of criteria for the application of Community instruments gave emphasis to proposals designed to transfer traffic from road to rail where this is economically justified.

5.5.5. Further steps would be:

- Council agreement to a proposal to give aid to projects of Community interest in the field of transport infrastructure (41). A relatively small amount of money would produce significant benefits in terms of investment stimulation and of the strengthening of the cohesion of the internal market. In the light of the diversity of the situation of the 10 Member States discussed earlier, it would be appropriate for this measure to apply also to projects in ports and airports designed to benefit intra-Community traffic;

- to elaborate, in the Infrastructure Committee, a Master Plan of infrastructure links of Community interest. This plan would provide the basis for the determination of specific infrastructure projects of European interest susceptible of benefitting from Community financial assistance in accordance with criteria established by common agreement. It is self-evident that such a plan would have to be constantly adapted in the light of changing circumstances and priorities.

(b) Allocation of and charging for infrastructure costs

5.5.6. The proper allocation of, and charging for the cost of using transport infrastructures are important elements for the efficient intra-modal as well as inter-modal distribution of traffic. Indeed, some Member States have suggested that the failure to establish a common system of infrastructure user charges is one of the principal reasons for overall slow progress in the development of the common transport policy.

5.5.7. Although progress has been disappointing since submission of the Commission's first comprehensive proposal in this field in 1971, developments at expert level should allow renewed efforts to be made. The less all-embracing objectives of the new proposals are:

- to create greater transparency on the contributions towards infrastructure expenses being paid respectively by users and by the State,
- to remove certain distortions in the conditions of competition within and between Member States, in line with progress in related common transport policy areas.

The new proposals should be based on the principle that users should pay at least the short-run marginal costs incurred in each mode, which would be defined and calculated on the basis of common methods. Beyond this level, it should be at the discretion of each Member State to seek the degree of cost coverage which it judges appropriate for its particular circumstances.

5.5.8. For roads, the Commission's proposal on tax harmonization is already on the Council's table and should be pursued.

For railways, the methods for marginal cost calculation have been agreed at expert level and work is in hand for a Commission proposal, related to the basic approach outlined above.

For inland waterways, the calculation of marginal costs is in the final stage of completion at expert level. The next stage is to determine to what extent the lack or low level of user charges for inland navigation affects competition with the railways, and what effect higher charges would have on the waterway market. In this analysis, the distinctive geographical features and competitive situations on the Rhine and in the North-South system, as well as the problems of their interconnection and those of small owner/operators should be taken into account.

5.5.9. The Rhine presents a legal problem insofar as some parties, but not the Commission, argue that the Mannheim Convention prohibits the levying of user charges. In economic terms, there would be a case for allowing Governments to recover from users the costs of infrastructural work designed exclusively to facilitate navigation. Any proposals to be made in this area should, of course, also be discussed within the machinery of the CCR. The task will be difficult, but the Commission proposes to start on it.

6. Energy and environmental policy considerations

As stated earlier, transport policy, energy policy and environmental policy all interact on each other and although from time to time it may be necessary to choose between conflicting objectives, these policies should, wherever possible, be compatible with each other. Although the Commission considers that the possibility of meeting energy or environmental objectives by transfers of traffic between modes should not be overestimated, it believes that the proposals outlined in this Communication will contribute significantly within each mode to its aims on energy and the environment. In particular, the reduction it hopes to achieve in the amount of empty running by lorries, the development of combined transport, the reduction of obstacles at frontiers, railway cooperation, will entail both energy and environmental benefits; and the building of environmental factors

into its criteria for infrastructural assistance will meet environmental objectives. In addition, the Commission proposes to develop, in cooperation with the industries concerned, proposals for energy-saving within each mode. These will be designed to avoid distorting the balance of intermodal competition or militating against the transport policies outlined in this Communication. The Commission has also submitted recently to the Council (COM(81) 458 final) a demonstration project in energy saving and the use of non-fossil fuels which emphasizes the need for support for such projects in the transport sector.

7. Transport research

In the context of the Commission's overall strengthened efforts to improve the Community's competitiveness by supporting the development of modern technologies, the Commission is working on proposals on research in new or improved transport technologies. The research programmes to be supported will emphasize such aspects as improved efficiency, reduced energy consumption, and reduction of environmental and safety hazards which corresponds to the major aims of the Community's overall research programme.

8. Relations with non-Member States and international organizations

8.1. Introduction

As in other areas, the Community is increasingly dependent in transport matters on its good relations with non-Member States, particularly as regards its European neighbours. The accession of Greece, which has no common land borders with any other Community country, highlights this trend. Such international organizations as ECMT, ECE and CCR, are instrumental in the formulation of international transport policy and there must be a constant feedback between Community policy-making and the work of these organizations if progress is to be made. The development of the common transport policy requires a Community role in the shaping of international transport policy in those areas where the Community is also formulating policy or where international developments would affect measures already adopted.

8.2. Bilateral relations with neighbouring European states

8.2.1. In order to overcome transit problems in the Alps, where traffic involving Italy and Greece (42) is concerned, it will mainly be a question of carrying out the negotiations with Austria, concerning which the Council gave the Commission Negotiating Directives on 19 December 1981 (43). Contacts with Yugoslavia should also be stepped up, on the basis of Article 8 of the Cooperation Agreement (44). The exchange of information and views with Switzerland, on which agreement was reached back in 1978, should be continued. Problems arising from different economic systems will increasingly have to be dealt with in a Community context.

8.2.2. The Commission will carry out the negotiations with certain third countries concerning the liberalization of combined transport, as authorized by the Council in March 1981 (45).

8.2.3. In future, it will be desirable to coordinate bilateral agreements between Member States and Third Countries to a greater extent than hitherto with the development of the common transport policy. The Commission's proposal on the subject (46) will be reviewed in the light of recent developments of Community law.

8.3. Relations with international organizations

8.3.1. The Community has so far performed the tasks mentioned in paragraph 8.1. by taking part in the work of the ECE in Geneva and the ECMT in Paris as an observer (47) and by means of the closest possible cooperation between the Commission of the European Communities and the Central Rhine Commission (48).

8.3.2. Where the ECE is concerned, work should be continued in the present form, but this framework should be used to an even greater extent than hitherto for the purpose of improving the flow of traffic between East and West. The Council should take up again the question of the Community acceding to the AETR (c.f. the Commission's proposal) (49).

8.3.3. A change regarding cooperation with the ECMT is in the offing with the impending further enlargement of the Community. Once Spain and Portugal have joined the Community, twelve of the nineteen ECMT countries will be Community Member States. During the negotiations between the Community and certain other European countries concerning the ASOR Agreement (50), it was apparent that the ECMT Secretariat was able to make a useful contribution towards facilitating such multilateral negotiations. However, matters could be expedited more effectively if the Community was able to participate as a Contracting Party in ECMT Conventions or accept ECMT Resolutions. But this would be possible only if the Community as such was an ECMT Member. Consequently, the Commission will propose the Community's adhesion to all or part of the ECMT statutes. In addition, membership of the ECMT would also facilitate the mutual exchange of information and views relating to the further development of national and Community transport policy, in which third countries have recently displayed such an interest.

8.3.4. Cooperation between the Community and the Central Rhine Commission should also be stepped up. Back in 1977 the Commission proposed that the Community should accede to the Mannheim Convention and to Additional Protocol No. 2 (51). Accession by the Community is specified as an objective in the Protocol of Signature to the Additional Protocol (52). In order to attain this objective, negotiations with the Contracting Parties to the Mannheim Convention are needed. Action is needed to preclude differing interpretations of the Convention in future. This applies in particular to the question of exemption from levies on shipping (Article 3). In this way, it would be easier to find a solution to the problem of levying user charges on the Rhine mentioned earlier and any other problems arising between the Community and the Central Rhine Commission, particularly with regard to the implementation of the Additional Protocol.

9. Detailed application of these policies

The annexes to this paper contain a detailed Work Programme up to 1984, as suggested by Parliament. The Programme has been prepared in the light of the policies developed in this Communication.

Summary and Conclusions

i. This paper assesses the progress made so far towards a common inland transport policy and suggests ways in which further progress can be made.

ii. In more than 20 years of Community transport Policy development some tangible progress has been made if compared with the fragmentation into separate and largely uncoordinated national transport policies before the establishment of the EEC. In the period under review, some 170 Community measures were agreed in the transport sector. They comprise useful steps towards a common transport market.

The objective of a Community transport policy and market to be achieved within the deadline provided for in Article 75, par.2 of the Treaty or at least before the end of the transitional period has not been met. This objective has regrettably not even been achieved today. The Commission repeatedly invited the Community institutions to discuss its ideas and proposals for the formulation and implementation of a coherent Community transport policy. But apart from some cursory exchanges of views no substantial dialogue was held with the Council, while the European Parliament and the Economic and Social Committee discussed and basically supported the Commission's transport policy concept. (Chapters 1 and 2).

iii. In the course of time areas of agreement have become increasingly marginal. Consequently, over 40 Commission proposals, many of which are of major importance, are pending in the Council; some of them have been there for over 10 years. Pressure is increasing for more rapid and decisive action, as is evidenced for instance by the recent severe criticism of the European Parliament which has initiated proceedings against the Council under Article 175 of the EEC Treaty (Chapter 3).

- iv. Slow progress derives from the fact that Member States still pursue different transport strategies based on their different economic, geographical, political and historic circumstances. The successive enlargements of the Community have strengthened these tendencies. Furthermore, some other specific factors causing slow progress can also be identified : the framework nature of certain parts of the transport title of the Treaty ; the polarization between Member States over the relationship between liberalization of transport and harmonization of the conditions of competition; the preoccupation of some Member States with their railways' problems; the fear of strengthening Community competence in transport; the lack of an adequate financial basis needed to underpin Community transport policies. (Chapter 4).
- v. It can be demonstrated that the divergent national transport policies cause economic inefficiencies and can have the effect of non-tariff barriers to trade. They also adversely affect the working conditions of those employed in transport. Therefore, a common transport policy is an essential ingredient for the process of economic integration of the Community. In order to provide a fresh impetus for progress, a number of guidelines have been developed to facilitate the elaboration of practical proposals for the implementation of a common transport policy. Thus, transport policy proposals should take into account the economic and geographical diversity of Member States and the different interests and policies stemming from it. They should concentrate on those measures which can most effectively be dealt with by the Community. They must avoid a drifting apart of national transport policies. Importance should be attached to measures designed to increase the productivity and cost effectiveness of the transport system. In sum, the policies to be pursued should be pragmatic and produce tangible improvements in the transport sector. This also implies that a common transport policy is not necessarily a uniform transport policy; it must be flexible enough to take account of the different circumstances of the Member States (Chapter 5.1). The consequences of this approach are discussed below.

- vi. It is of paramount importance that the common transport policy should make a contribution to solving the railway problem. Progress is unlikely to be achieved unless the problem of competition between rail, road and, to some extent, inland waterways, is tackled. Member States whose budgets are weighed down by the financing of huge railway deficits are not prepared to allow road traffic to develop in the most efficient way for fear of increasing their financial burdens. This attitude must be taken into account by those Member States whose emphasis is more on roads, as is the case in most of the Community's peripheral states. At the same time, the central states cannot expect to disadvantage the international trade of the peripheral states by imposing on them unduly restrictive road transport arrangements. The challenge for the Community is then to contribute to the establishment of conditions conducive to reducing the financial burdens of the railways while in turn allowing road and inland waterways to develop in accordance with their proper economic dynamics. (Chapter 5.2.1 - 5.2.3).
- vii. The railways are likely to be helped more by improving the efficiency and attractiveness of their services in the market place than by attempts to stifle other forms of transport in their economic development. What can be done by the Community has partly been outlined by the Council in its December 1981 Resolution on Railway Cooperation. The Commission has developed proposals for the improvement of international railway cooperation part of which have already been presented in late 1982 or will be presented in 1983. The Commission will also continue to foster the development of all forms of inter-modal cooperation, notably combined transport. As regards the infrastructure aspects, distortions between railways and the other inland transport modes could best be removed if the railways were put on the same footing as these modes: as with roads and inland waterways, the cost of providing and maintaining the rail infrastructure should be the financial responsibility of the state. In turn, the railways should, like the other modes, pay compensation for the cost of using the infrastructure, by way of a fee covering e.g. at least the marginal cost.

It would also be helpful to give emphasis in any infrastructure support agreed by the Council to projects of Community interest designed to facilitate the transfer of traffic from road to rail where this is economically justified.

By contrast, there is not much point in seeking to fix at Community level a deadline for the attainment of financial equilibrium for the railways or for laying down detailed methods for doing so. (Chapter 5.2.4 - 5.2.6).

viii. In road transport,

the objective continues to be the improvement of the system and ultimate elimination of capacity controls. In the immediate future, action will be focussed on a modest increase in the proportion of traffic moving under Community authorizations. New criteria and new types of licences will be proposed which would take into account overall road traffic growth and the competitiveness and spare capacity of other modes as well. An important complement to this action would be the establishment of a compensation system for transit countries without, however, creating new obstacles to frontier crossing traffic or changing the nationality principle of taxation. In addition, a whole series of measures will be proposed to improve the efficiency of the road transport industry, remove obstacles to speedier crossing of frontiers and to replace the present interim arrangements with proposals for a new, permanent, pricing system for international road haulage. The Commission's proposal for a first Directive on the adjustment of national taxation systems for commercial vehicles, an important step in the harmonization of the conditions of competition within and between transport modes, will be pursued. (Chapter 5.3).

ix. Proposals on inland navigation should take account of the distinctive geographical and international features of this mode of transport: the Rhine, the North-South basin connecting the Netherlands, Belgium and France, and the French and German canal systems. In this context, the levying of charges for the provision of specific infrastructure is an important transport coordination problem to be solved. This is, for legal and other reasons, particularly difficult for the Rhine, but the Commission proposes to start on it. As regards access to the market, only a few measures will be necessary. These concern access

to the profession, the mutual recognition of diplomas and other certificates granting the right to engage in the occupation as carriers and the implementation by the Community of the supplementary Protocol No. 2 to the Mannheim Convention defining the access conditions to the Rhine Basin for non-EEC, non-riparian operators. National scrapping schemes could be made more efficient if a common approach for the establishment and operation of scrapping funds were agreed and if at the same time state aids for the construction of new vessels were prohibited, at least as regards vessels employed in international transport. There seems to be no need at this stage for other measures concerning market entry or exit. There is a case, however, for studying the "tour de role" system in traffic links of the North-South basin. (Chapter 5.4).

- x. The action on infrastructure development of Community interest proposed in the Commission's 1973 Communication will be pursued. The Commission's proposal to give aid to infrastructure projects of Community interest is already being discussed in the Council. A further step would be the elaboration, in the Infrastructure Committee, of a master plan of infrastructure links of Community interest. (Chapter 5.5).

- xi. The development of the Common Transport Policy also requires a role in the shaping of international transport policy in those areas where the Community is active. Emphasis will be put on transit questions in the Alps and through Yugoslavia, negotiations with certain third countries on the liberalization of combined transport and in relation to regular coach and bus services. Member States will need to collaborate with the Commission more than hitherto with respect to their proposed bilateral agreements with third countries in accordance with principles emerging from recent court decisions. Cooperation should be intensified as regards the Community's participation in the work of the Economic Commission for Europe (ECE), the European Conference of Ministers of Transport (ECMT) and the Central Rhine Commission (CCR), and the Community as such should strive to change its observer status to full membership with regard to the ECMT and the CCR. (Chapter 8).

F O O T N O T E S

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- (1) VII/COM(61)50 final of 10 April 1961 and VII/COM(62)88 final of 23 May 1962
- (2) Communication of the Commission to the Council on the development of the Common Transport Policy, COM(73)1725 final of 24 October 1973
Community programmes 1978-1980, COM(77)596 final of 23 November 1977 and 1981-1983 COM(80)582 final du 21.10.1980
- (3) COM(75)490 Final of 1st October 1975
- (4) Council decision of 21 March 1962 ; OJ 23 of 3 April 1962 and modification 402/73 ; OJ L 347 of 17 December 1973
- (5) Council decision of 13 May 1965 ; OJ 88 of 24 May 1965
- (6) Council Regulation 1017/68 of 19 July 1968 ; OJ L 175 of 23.7.1968
- (7) Council Regulation 1107/70 of 4 June 1970 ; OJ L 130 of 15 June 1970
- (8) Council Directive 130/75 of 17 February 1975 ; OJ L 48 of 22 February 1978 and modifications 5/79 ; OJ L 5 of 9 January 1979 ; 3/82 OJ L 5 of 9 January 1982
- (9) Council Regulation 1192/69 of 26 June 1969 ; OJ L 156 of 28 June 1969
- (10) Council Regulation 1191/69 of 26 June 1969 ; OJ L 156 of 28 June 1969
- (11) Council Decision 327/75 of 20 May 1975 ; OJ L 152 of 12 June 1975
- (12) a. Council Regulation 2183/78 of 19 September 1978 ; OJ L 258 of 21 September 1978
b. Council Regulation 2830/77 of 12 December 1977 ; OJ L 334 of 24 December 1977
- (13) COM(80)752 Final of 12 December 1980

- (14) Council Directive of 23 July 1962, OJ 70 of 6.8.1962 and modifications ;
Council Regulation 1018/68 of 19 July 1968. OJ L 175 of 23.7.1968
(Annual proposal)
- (15) Council Decision 48/80 of 20 December 1979 ; OJ L 18 of 24 January 1980
- (16) Council Regulation 117/66 of 28 July 1966 ; OJ L 147 of 9 August 1966
Council Regulation 516/72 of 28 February 1972 ; OJ L 67 of 20 March 1972
Council Regulation 517/72 of 28 February 1972 ; OJ L 67 of 20 March 1972
- (17) Council Regulation 2831/77 of 12 December 1977 ; OJ L 334 of 24 December
1977
- (18) Council Directive 297/68 of 19 July 1968 ; OJ L 175 of 23 July 1968
- (19) Council Regulation 543/69 of 25 March 1969 ; OJ L 77 of 29 March 1969
and modifications 514/72 and 515/72 of 28 February 1972 ; OJ L 67 of
20 March 1972 and 2827/77 and 2829/77 of 12 December 1977 ; OJ L 334
of 24 December 1977 (codified version ; OJ C 73 of 17 March 1979) ;
Council Regulation 1463/70 of 20 July 1970, OJ L 164 of 27 July 1970
and modifications 1787/73 of 25.6.1973, OJ L 191 of 4.7.1973 and 28228/77
of 12.12.1977, OJ L 334 of 24.12.1977
- (20) Council Directive 143/77 of 29 December 1976 ; OJ L 47 of 18 February 1977
- (21) Council Directives 561/74 and 562/74 of 12 November 1974 ; OJ L 308 of
19 November 1974
- (22) Council Directive 1263/80 of 4 December 1980 ; OJ L 375 of 31 December
1980
- (23) Council Directive 135/76 of 20 January 1976 ; OJ L 21 of 29 January 1976
and modification 1016/78 of 23 November 1978 ; OJ L 349 of 13 December
1978

- (24) Recommendation of the Commission of 31 July 1968 ; OJ L 218 of 4 September 1968
- (25) Council Decisions of 19 December 1978 and of 24 July 1979 ; not published in OJ.
- (26) Council Directive 714/82 of 4 October 1982; OJ L 301 of 28 October 1982
- (27) Council Decision 174/78 of 20 February 1978 ; OJ L 54 of 25 February 1978
- (28) Council Regulation 1108/70 of 4 June 1970, OJ L 130 of 15 June 1979
- (29) European Parliament proceedings for institution of proceedings against the Council of the European Communities for failing to act in the field of Transport Policy, P.E. 7 June 1982, dated 6 May 1982 (draft report) and complaint of the European Parliament against the Council for failure to act in the development of a common transport policy and for failure to act on a number of Commission proposals presented to the Council in the field of the common transport policy, submitted to the European Court on 22.1.1983.
- (30) European Parliament, Report on the Common Transport Policy, PE 325/68 April 1981
- (31) Council Resolution of 15 November 1981 on the Community's railways policy
- (32) See footnote 12
- (33) Council Decision 48/80 of 20 December 1979 ; OJ L 18 of 24 January 1980
- (34) Proposal for a Council Directive on the adjustment of national taxation systems for certain commercial vehicles, COM(68)567 final of 16 July 1968 ; OJ C 95 of 21.9.1968
- (35) Proposal for a Council Directive on the Harmonisation of Excise Duty on Mineral Oil, O.J. C 92 of 31 October 1973 ; Taxation of oil products, COM(81) 511 final of 9 September 1981
- (36) European Parliament, Harmonization of social provisions ; Doc. 1-89/81, OJ C 172 of 13 July 1981

- (37) COM(76)85 final of 3 March 1976 ; OJ C 103 of 6 May 1976 and modified by COM(77)408 final of 29. September 1977, OJ C 249 of 18 October 1977
- (38) COM(79)550 final of 14 November 1979
- (39) European Parliament, the Community's role in the development of transport infrastructure, Doc. 1-601/80, OJ C 144 of 15 June 1981 and report on bottlenecks, P.E. 76.891 of 30 April 1982
- (40) European Parliament support for transport infrastructure projects of Community interest, Doc. 1-218/80, OJ C 197 of 4 August 1980
- (41) COM(76)336 final of 30 June 1976 ; OJ C 207 of 2 September 1976 ; amendment by COM(77)458 final ; OJ C 249 of 18 October 1977 and by COM(80)58 final of 18 February 1980 OJ C 89 of 10 April 1980
- (42) Commission report on transit, COM(81)406 final of 11 September 1981
- (43) Doc. 1164/81-TRANS 186 58 of 16 December 1981 (unpublished)
- (44) COM(80)109 final of 11 March 1980
- (45) Doc. 5606/81 TRANS 45 of 24 March 1972 (unpublished)
- (46) COM(80)809 final of 11 December 1980 ; OJ C 350 of 31 December 1980
- (47) Decision of the Economic Commission for Europe (ECE) on the occasion of its 30th session in April 1975, and exchange of Letters of March/ June 1975 (ECMT)
- (48) Exchange of letters, June 1961
- (49) COM(78)767 final of 15 January 1979

(50) COM(81)617 final of 27 November 1981 ; OJ C 31 of 8 February 1982

(51) COM(77)518 final of 19 October 1977

(52) COM(79)356 final of 5 July 1979 and Council Decision of 24 July 1979
(not published)

Draft programme of proposals to be presented in the field of inland transport (new initiatives)

In 1983

More than one mode of transport

- New approach to infrastructure costs for the three modes of inland transport (Communication)
- Rational use of energy in transport; common measures enabling transport operations to be carried out between Member States in the event of oil rationing (in the context of the general programme relating to energy)
- Combined transport
 - . Containers
 - a. Examination of rates and tariff conditions
 - b. Setting up of an international information centre
 - . Promotion, with a view to the setting up of a piggyback company.
 - . Promotion (third stage), covering :
 - Weights and dimensions
 - Own account
 - Charging system
 - Sea and air
 - . Investment
 - System of rail links
 - Transfer centres
- Extension of action concerning facilitation relating to obstacles at frontiers with certain third countries (only if the Council adopts the proposal relating to obstacles at internal frontiers).

Railways

- Financial balance of railway undertakings, State responsibility for rail infrastructure, and infrastructure charges to be paid by the railways
- Calculation of the marginal costs of using rail infrastructure
- Cooperation between the railways
 - a. Removal of legal obstacles - the railways' statutes
 - b. Removal of frontier obstacles arising from operating difficulties
 - c. Rail infrastructure
 - Marshalling operations
 - High-speed international network

d. Passengers

- Joint marketing services
- Harmonization of commercial tariff measures
- Implementation of a charging system (TEV)
- Package trips (Travel agencies)
- Setting-up of a joint body for the coordination of activities

e. Freight

- Pool
- Increase in speed

f. Freight

- Development of inter-network trains
- Increase in the speed with which consignments are forwarded

g. Freight

- Intensification and diversification of whole-trainload services
- Monitoring of trains

h. Freight

- Joint marketing services
- Better information
- International tariffs with common scales; delegation of powers
- Revenue pools
- Setting-up of a joint body for the coordination of activities

- Harmonization of reduced fares for certain categories of passengers ("Social Tariffs")

- Cooperation between the railways; determination by the Governments of the roles and tasks of the railways :

- . Split between commercial tasks and public service tasks
- . Concentration on profitable services
- . Sectoral responsibilities, etc.

Roads

- Community quota; new method
- Creation of Community authorizations for specific types of transport
- Methodes of compensation for transit transport by road
- Better application of Regulations 543/69 and 1463/70
- Admission of duty free fuel
- Admission of hired vehicles
- Amendment of Regulation 543/69 (Extension of a working hours and spread-over)

Inland waterways

- Transposition of the CCR Resolution into Community law and extension of the "genuine link" system to inland waterway transport not covered by the Mannheim Convention.
- Calculation of the marginal costs of using inland waterway infrastructure
- Access to the occupation of inland waterway carrier (professional competence)
- Mutual recognition of diplomas, certificates and other evidence of formal qualifications for access to the occupation of inland waterway carrier
- Harmonization of the Member States' programmes relating to the breaking-up of inland waterway vessels
- Modernization in relation to North/South traffic
- Freightng conditions in relation to North/south traffic (Communication)
- Amendment of the proposal concerning the harmonization of social conditions in the inland waterway sector.

In the first half of 1984

More than one mode of transport

- Accession to the ECMT
- Summertime
- Withdrawal and replacement of the proposal concerning public service obligations (Regulation 1191/69)
- Revision of the Regulation on aids (1107/70 - restructuring aids)

Railways

- Second programme of cooperation between the railways; joint purchasing and research

Roads

- Driving licence (second stage - harmonization of classes/standards)
- Technical amendment of the tachograph
- Roadworthiness testing of private cars

Infrastructure

- Financing of transport infrastructure projects.

In the second half of 1984

More than one mode of transport

- Transparency of infrastructure costs for the three modes of inland transport
- Rational use of energy; other measures relating to energy saving in each mode of transport
- Standardization of the technical specifications for swap bodies

Roads

- Creation of a multilingual form authorizing the transport of abnormal indivisible loads
- Operating rules relating to passenger transport by road

Inland waterways

- Accession to the Mannheim Convention (CCR)
- Inland waterway infrastructure charges

Infrastructure

- Financing of transport infrastructure projects
- Master plan for infrastructure links of Community interest

Draft work programme for the period 1983-1985

First half of 1983

- Programme of priorities for the period 1983-85
- Financial support
- Cooperation between the railways
Passengers; commercial management, including pricing
- Weights and dimensions
- First Tax Directive
- Duty-free fuel
- Implementation of Additional Protocol No 2 to the Mannheim Convention ("genuine link").

Second half of 1983

- Infrastructure programme (on the basis of the Council's request of 10 June 1982)
- Trial projects of Community interest (on the basis of the Council's request of 10 December 1981)
- The conditions under which non-resident road hauliers may operate transport services within a Member State
- The conditions under which non-resident inland waterway carriers may operate transport services within a Member State

First half of 1984

- Community quota (new method)
- Creation of Community authorizations for specific types of transport
- Methods of compensating for transit transport by road
- Better application of Regulations 543/69 and 1463/70
- Calculation of the marginal costs of using rail infrastructure
- Financial balance of the railway undertakings, State responsibility for rail infrastructure, and infrastructure charges to be paid by the railways
- Cooperation between the railways (Points a - h of the proposals to be submitted in the first half of 1983)
- Common action under Article 116 concerning the harmonization of social conditions in the inland waterway sector
- Transposition of the CCR Resolution into Community law and extension of the "genuine link" system to inland waterway transport operations not covered by the Mannheim Convention

Second half of 1984

- Market observation
- Extension of action concerning facilitation relating to obstacles at frontiers with certain third countries
- Combined transport:
 - . promotion (3rd stage)
 - . containers
 - . investment
- Access to the occupation of inland waterway carrier (professional competence)
- Mutual recognition of diplomas, certificates and other evidence of formal qualifications for access to the occupation of inland waterway carrier
- Harmonization of the Member States' programmes relating to the breaking-up of inland waterway vessels
- Modernization in relation to North/South traffic
- Freightling conditions in relation to North/South traffic
- Amendment of the proposal concerning the harmonization of social conditions in the inland waterway sector (Regulation)

First half of 1985

- Public service obligations (Regulation 1191/69); **withdrawal and replacement** of proposal
- Accession to the ECMT
- Summertime
- Second programme of cooperation between the railways; joint purchasing and research
- Driving licence (second stage - harmonization of classes/standards)
- Amendment of Regulation 543/69 (extension of working hours and spreadover)

Second half of 1985

- Creation of a multilingual form authorizing the transport of abnormal indivisible loads
- Inland waterway infrastructure charges
- Accession to the Mannheim Convention (CCR)
- Transparency of infrastructure costs for the three modes of inland transport.
- Master plan for infrastructure links of Community interest

Title	Proposal to remain before the Council as it stands (without amendment)	Proposal to be purely and simply withdrawn	Proposal to be amended and/or withdrawn and replaced by a new proposal
<p>I. <u>Infrastructure</u></p> <p>1. Proposal for a Council Regulation on support for projects of Community interest in transport infrastructure. + 2 amendments.</p> <p>II. <u>More than one mode of transport</u></p> <p>2. Proposal for a Council Directive on the harmonized application of the International Convention for Safe Containers (CSC) in the European Economic Community.</p> <p>3. Proposal for a Council Regulation (EEC) supplementing Regulation (EEC) No 1191/69 of 26 June 1969 on action by Member States concerning the obligations inherent in the concept of a public service in transport by rail, road and inland waterway.</p>	<p>X</p> <p>X Discussions being held in context of IMO</p>		<p>Proposal to be withdrawn and replaced by another proposal</p>

Title	Proposal to remain before the Council as it stands (without amendment)	Proposal to be purely and simply withdrawn	Proposal to be amended and/or withdrawn and replaced by a new proposal
4. Proposal for a Council Regulation (EEC) amending Regulation (EEC) No 1191/69 on action by Member States concerning the obligations inherent in the concept of a public service in transport by rail, road and inland waterway. + 1 amendment	X		
5. Proposal for a Council Regulation for a system for monitoring the markets for the carriage of goods by rail, road and inland waterway between the Member States (=market observation). + 1 amendment	X experimental stage		
6. Proposal for a Council Directive on the facilitation of formalities and inspections in respect of the carriage of goods between Member States.	X		
III. <u>Railways</u>			
7. Proposal for a Council Regulation amending Regulation (EEC) No 1192/69 on common rules for the normalization of the accounts of railway undertakings.	X		
8. Proposal for a Council Decision amending Decision 75/327/EEC on the improvement of the situation of railway undertakings and the harmonization of rules governing financial relations between such undertakings and States.			Proposal to be withdrawn and replaced by another proposal

Title	Proposal to remain before the Council as it stands (without amendment)	Proposal to be purely and simply withdrawn	Proposal to be amended and/or withdrawn and replaced by a new proposal
<p>9. Proposal for a Council Regulation setting the time limit and conditions for the achievement of financial balance by railway undertakings. + 1 amendment</p>			<p>Proposal to be withdrawn and replaced by another proposal</p>
<p>IV. <u>Inland waterways</u></p>			
<p>10. Proposal for a Council Regulation on the harmonization of certain social provisions relating to goods transport by inland waterway. + 1 amendment</p>	<p>X Discussions being held in the context of CCR (Tripartite conference)</p>		
<p>11. Proposal for a Council Regulation on a system of reference tariffs for the carriage of goods by inland waterway between Member States. + 1 amendment</p>			<p>Proposal to be withdrawn and replaced by another proposal</p>
<p>12. Proposal for a Council Regulation relating to access to the inland waterway freight market.</p>	<p>X)only for article 38: cabotage</p>		<p>)</p>
<p>13. Proposal for an amendment to the proposal for a Council Regulation relating to access to the inland waterway freight market.</p>			<p>) As to the remainder of the proposal :) Proposal to be withdrawn and replaced by another proposal)</p>

Title	Proposal to remain before the Council as it stands (without amendment)	Proposal to be purely and simply withdrawn	Proposal to be amended and/or withdrawn and replaced by a new proposal
V. <u>Road transport</u>			
14. Proposal for a Regulation on the harmonization of certain social legislation relating to road transport. + 1 amendment			Regulation 543/69 (adjustment of working hours and spread-over) to be amended, and proposal to be amended
15. Proposal for a First Council Directive concerning the adjustment of national systems of commercial vehicle taxation.	X		
16. Proposal for Council Directive amending Council Directive 68/297/82 on the standardization of provisions regarding the duty-free admission of fuel contained in the fuel tanks of commercial vehicles.	X		
17. Proposal for a Council Directive concerning the weights and dimensions of commercial road vehicles and certain additional technical requirements concerning such vehicles.	X		
18. Proposal for a Council Directive on the weights and certain other characteristics (not including dimensions) of road vehicles used for the carriage of goods. + 1 amendment	X		

Title	Proposal to remain before the Council as it stands (without amendment)	Proposal to be purely and simply withdrawn	Proposal to be amended and/or withdrawn and replaced by a new proposal
19. Proposal for a Regulation on the adjustment of capacity for the carriage of goods by road for hire or reward between Member States.	X		
20. Proposal for a Directive on own-account carriage of goods by road between Member States.	X		
21. Proposal for a Council Regulation amending Directive 65/269/EEC on the standardization of certain rules relating to authorizations for the carriage of goods by road between Member States (tractor vehicles).	X		
22. Proposal for a Council Directive amending Directive 65/259/EEC on the standardization of certain rules relating to authorizations for the carriage of goods by road between Member States (in the framework of the First Directive of 23 July 1962).	X		
23. Proposal for a Council Decision on acceptance by the Community of a draft resolution of the European Conference of Ministers of Transport on the introduction of an ECMT licence for international removals.			New proposal made

Title	Proposal to remain before the Council as it stands (without amendment)	Proposal to be purely and simply withdrawn	Proposal to be amended and/or withdrawn and replaced by a new proposal
24. Proposal for a Council Decision on the collection of information concerning the activities of road hauliers participating in the carriage of goods to and from certain non-member countries.	No formal Council Decision X		
25. Recommendation for a Council Decision authorizing the Commission to negotiate an Agreement between the European Economic Community and third countries on the rules applicable to certain types of international carriage of passengers by road, by coach and bus.	X		
26. Proposal for a Council Decision on the amendment of the European Agreement concerning the Work of Crews Engaged in International Road Transport (AETR) and on the accession of the European Communities to the Agreement.	X		
27. Proposal for a Council Regulation amending Regulation (EEC) No 3164/76 on the Community quota for the carriage of goods by road between Member States and Regulation (EEC) No 2964/79.	X		
28. Proposal for a Council Regulation on measures implementing the Agreement on the International Carriage of Passengers by Road by means of Occasional Coach and Bus Services (ASOR).	X		

Title	Proposal to remain before the Council as it stands (without amendment)	Proposal to be purely and simply withdrawn	Proposal to be amended and/or withdrawn and replaced by a new proposal
29. Proposal for a Council Regulation on the formation or rates for the carriage of goods by road between Member States.	X		
VI. <u>Sea transport</u>			
30. Proposal for a Regulation laying down detailed rules for the application of Articles 85 and 86 of the Treaty to maritime transport.	X		
31. Proposal for a Council Decision rendering mandatory the procedures for ship inspection forming the subject of resolutions of the Inter-governmental Maritime Consultative Organization (IMCO).	X		
32. Proposal for a Council Directive concerning the enforcement, in respect of shipping using Community ports, of international standards for shipping safety and pollution prevention.	X Paris agreement of January 1982		
33. Draft Council Decision adopting a concerted action project for the European Economic Community in the field of shore-based maritime navigation aid systems. + 1 amendment	X		

Title	Proposal to remain before the Council as it stands (without amendment)	Proposal to be purely and simply withdrawn	Proposal to be amended and/or withdrawn and replaced by a new proposal
VII. <u>Air transport</u>			
34. Proposal for a Council Regulation (EEC) concerning the authorization of scheduled interregional air services for passengers, mail and cargo between Member States. + 1 amendment	X		
35. Proposal for a Council Directive (EEC) on tariffs for scheduled air transport between Member States.	X		
36. Proposal for a Regulation applying Articles 85 and 86 of the Treaty (rules on competition applying to undertakings) to air transport.	X		
VIII. <u>Relations with third countries</u>			
37. Proposal for a Council Decision setting up an information and consultation procedure for relations and agreements with third countries in the field of transport by rail, road and inland waterway.		This proposal should be withdrawn as, following a judgment by the Court of Justice, it now serves no useful purpose	

proposal for a Council Resolution on the implementation,
in stages, of a series of measures in the field of the
Common Policy for Inland Transport

THE COUNCIL OF THE EUROPEAN COMMUNITIES,

Having regard to the Treaty establishing the European Community,

Having regard to the Council resolution of 26 March 1981 on the Council's proceedings on transport up to the end of 1983¹,

Having regard to the European Parliament resolution of 9 March 1982 on the common transport policy²,

Having regard to the opinion of the Economic and Social Committee of 28 October 1982 on the transport policy of the European Community in the 1980s³,

Having regard to the communication from the Commission to the Council of ... entitled "Progress towards a common transport policy - inland transport", and the proposal for a Resolution relating thereto,

Whereas a fresh impetus should be given to the common transport policy, on which insufficient progress has so far been made to enable the transport sector and, as a result, other sectors of activity, to attain the degree of economic integration which is essential for the smooth functioning of the common market;

Whereas implementation of this common policy calls for the harmonious phasing of the measures to be taken in the various areas of transport and, to this end, it is necessary to adopt a series of concrete proposals aimed at ensuring balanced progress in the context of a multiannual programme;

¹OJ No C 171, 11.7.1981.

²OJ No C 87, 5.4.1982.

³OJ N° C 326, 13.12.1982

Whereas account should be taken of the economic and geographical diversity of the Member States and of the resulting interests; whereas the proposals should therefore be prepared and adopted in the light of this consideration;

Whereas a distinction should be made between what can be achieved at national level and what should be implemented at Community level; whereas the Community should therefore, as a general rule, concentrate on areas where measures taken at national level are insufficient to enable the establishment of a Community transport system in line with collective needs;

Whereas, certain Community rules concerning inland transport have already been implemented to this end; whereas these rules should be supplemented by appropriate measures, in particular concerning the improvement of the situation of the railways, transport infrastructure, the improvement of the productivity and efficiency of the various modes of transport and of working conditions, the functioning of the international transport market, including inland waterways, and the facilitation of border crossing;

Whereas the measures foreseen are not exhaustive, and other measures may be taken in the transport sector depending on the progress of work and in the light of links with other Community policies, in particular those relating to energy or the environment:

I

Takes note with satisfaction that the Commission, in addition to the proposals already submitted, is envisaging further concrete measures designed to expedite the common transport policy, and
Agrees that in the period 1983/1985, it shall, taking into account the

guidelines set out in the communication from the Commission and on the basis of the work programme annexed thereto, adopt a series of measures relating to inland transport in the areas indicated and will endeavour to keep to the timetable foreseen.

II

Takes note of the Commission's declaration that it will present additional proposals enabling this programme to be carried out.

III

Takes note of the Commission's declaration that it will present similar programmes for the sea and air transport sectors.

IV

Requests the Commission to present to it, in good time, any proposals which may prove necessary in order to gradually supplement and adapt the series of measures and the timetable in the light of new circumstances.

V

Instructs the Permanent Representatives Committee to prepare the ground for implementing point I of this Resolution and to report to it, before each meeting on transport, on the implementation of the programme.

Done at Brussels,