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REPORT

drawn up on behalf of the Committee on Transport

on the communication from the Commission to the
Council (Doc. 1-1349/82 - COM(83) 58 final)

on progress towards a common transport policy -
inland transport

Rapporteur: Mr A. CAROSSINO

On 11 February 1983 the Commission forwarded to the Council a communication on 'Progress towards a common transport policy - inland transport', COM(83) 58 final.

By letter of 2 March 1983 the Council consulted Parliament on this question, Doc. 1-1349/82.

On 7 March 1983 the President of Parliament referred the communication to the Committee on Transport as the committee responsible and to the Committee on Energy, Research and the Committee on the Environment, Public Health and Consumer Protection for opinions.

The committee considered this question on 17 March and 3 November 1983.

On 30 November 1983 the Committee on Transport adopted the Commission proposal and the following amendments unanimously.

The following took part in the vote: Mr SEEFELD (chairman), Mr CAROSSINO (vice-chairman and rapporteur), Mrs von ALEMANN, Mr BAUDIS, Mr BUTTAFUOCO, Mr CARDIA, Mr GABERT, Lord HARMAR-NICHOLLS, Mr HUTTON (deputizing for Mr MARSHALL), Mr KEY, Mr KLINKENBORG, Mr LOO (deputizing for Mr RIPA di MEANA), Mr M. MARTIN, Mr MOORHOUSE, Mr MORELAND (deputizing for Mr COTTRELL), Mr Konstantinos NIKOLAOU (deputizing for Mr LAGAKOS), Mrs SCAMARONI and Mr VANDEWIELE.

The Committee on Energy, Research decided not to deliver an opinion.

The opinion of the Committee on the Environment, Public Health and Consumer Protection is attached.

The report was tabled on 10 December 1983.

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Opinion of the Committee on the Environment, Public Health
and Consumer Protection

The Committee on Transport hereby submits to the European Parliament the following amendments to the Commission's proposal and motion for a resolution together with explanatory statement:

Amendments tabled by the
Committee on Transport

Text proposed by the Commission
of the European Communities

Amendment No. 1

Proposal for a Council decision on the implementation, in stages, of a series of measures in the field of the common policy for inland transport

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

Preamble: first 5 indents unchanged

Amendment No. 2

Insert the following new sixth indent:

Having consulted the European Parliament

Amendment No. 3

Amend the first recital to read as follows:

WHEREAS a fresh impetus should be given to the common transport policy, whose existing instruments are totally inadequate, 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 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;

Second recital unchanged

Amendment No. 4

Amend the third recital to read as follows:

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, so that these differences may be overcome;

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;

Fourth, fifth and sixth recitals unchanged

Amendment No. 5

Point 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 decides that in the period 1983/1985, it shall, taking into account the guidelines set out in the communication from the Commission and in the work programme annexed thereto, adopt a series of measures relating to inland transport in the areas indicated within the timetable foreseen.

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.

Amendment No. 6

Point II:

Add the following at the end of the paragraph:

'instructs the Commission to extend this programme to include the following points:

- creation of a compensation scheme for the adverse impact on transit countries
- transport measures designed to preserve the environment
- road safety

and to present specific proposals on these subjects.'

Amendment No. 7

After point II insert the following new figure:

'Agrees that in order to restore general confidence in the Community's ability to act and provide the economy with a basis for future planning the Council should issue a framework regulation for future transport policy, assess the likely impact of such a regulation on national market structures and arrange for the implementation of specific measures designed to remedy the most serious disadvantages;'

Points III and IV unchanged

Amendment No. 8

Point V:

'Decides to monitor, at the beginning of each meeting on transport, implementation of point I of this decision and to this end instructs the Commission to report to it before each such meeting on the implementation of the programme.'

Instructs the Permanent Representative 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.

Amendment No. 9

Insert the following new point VI:

'This decision is addressed to the Member States of the European Communities.'

MOTION FOR A RESOLUTION

closing the procedure for consultation of the European Parliament on the communication from the Commission to the Council on progress towards a common transport policy - inland transport

and on the proposal from the Commission 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 European Parliament,

- having regard to the communication and proposal from the Commission to the Council¹,
 - having been consulted by the Council (Doc. 1-1349/82),
 - having regard to the report of the Committee on Transport and the opinion of the Committee on the Environment, Public Health and Consumer Protection (Doc. 1-1138/83),
 - having regard to the vote on the Commission proposal,
- A. whereas the extremely modest progress observed in the transport sector does not amount to a policy of the type envisaged in the Treaties and the Council has not yet defined the framework for a common transport policy referred to in Article 74 of the EEC Treaty or the regulatory system for transport referred to in Article 75;
- B. whereas for these reasons among others, Parliament has instituted proceedings against the Council on the basis of Article 175 of the EEC Treaty;
- C. pointing out that geographical factors are not an insurmountable obstacle to implementation of a common transport policy valid for all the Member States and that such a policy should be pursued in a flexible fashion that takes account of the variety of circumstances prevailing in the Community and the difficulties to be overcome;

¹ OJ No. C 154, 13.6.1983, pp. 1 et seq.

- D. noting that the EEC Treaty provides all the legal bases necessary for this purpose;
- E. whereas any distinction made by the Commission between a uniform transport policy and a common policy is a contrived one, given that common policy covers by definition a wide range of actions, from isolated convergence measures to full uniformity;
- F. whereas a distinction ought to be made between what can be achieved at national level and what must be done at Community level, inviting the Commission as a general rule to concentrate its activities in sectors in which national measures do not suffice for implementation of a common transport system suited to the needs of the community;
- G. confirming as the primary objective of the Community the attainment of a common transport market based on the greatest possible liberalization and considering that this aim can be achieved through the harmonization of cost factors, the elimination of barriers at the frontiers and appropriate legislation on transport;
- H. considering it necessary to implement specific measures to offset the disadvantages which may arise on the national transport market as a result of the entry into force of common norms applicable in all the Member States;
- I. emphasizing that the railways of all the Member States are experiencing severe financial difficulties and that a modern and common solution must be found within the framework of the common market;
- J. whereas a capacity policy for road transport and inland waterway transport should be defined and the Market Observation System extended to allow the elaboration of such a capacity policy at Community level;
- K. emphasizing in this connection that the move towards the necessary harmonization of all the cost factors of a social, fiscal and technical nature must be gradual but resolute and calling on the Commission to devise proposals in accordance with this need;
- L. sharing the Commission view that transport policy lacks an adequate financial basis particularly as regards the initiation of a proper infrastructures policy;

1. Continues to consider it necessary for the Council to adopt binding provisions defining the scope of the common transport policy;
2. Calls on the Council to make available the financial resources needed to introduce an infrastructures policy which will enable the existing bottlenecks in the Community transport network to be eliminated and the network itself to be developed;
3. Calls on the Council to adopt rules on the support to be given to projects of Community interest in the field of transport infrastructures;
4. Reaffirms that the European Community should develop a harmonized transport system by means of an overall policy covering the various transport sectors and thereby contribute to the integration of the Member States; at the same time, the common transport policy should guarantee the best possible functioning of the economy, the social security of employees, the efficient use of energy and conservation of the environment;
5. Takes the view that at the present stage of the common transport policy, measures must above all be taken:
 - to end the discrimination which still exists as regards the carriage of goods and persons between Member States,
 - to harmonize the basic conditions for competition between the various carriers,
 - to reduce obstacles to cross-frontier traffic,
 - to develop the capacity of traffic routes in such a way that they provide a transport network corresponding to the needs of Europe,together with all other appropriate measures which enable the objectives stated to be achieved better than by national measures;
6. Supports the group of the ten railways of the Community in its demand that the Commission, in working out the basic principles for the general rules on inputting to each mode of transport the costs of its own infrastructure, take into account all cost factors which represent a charge to the economy (including costs arising from compensation for damage to the environment and for accidents, etc.);
7. Instructs its President to forward to the Council and Commission, as Parliament's opinion, the Commission's proposal as voted by Parliament and the corresponding resolution.

B. Explanatory statement

I. Introduction

1. In its paper on progress towards a common transport policy - inland transport, the Commission has undoubtedly attempted to make a contribution which is new and original in many respects, and therefore merits the most attentive consideration by the European Parliament.
2. The paper may be viewed as an initial response to the promptings and criticisms of Parliament and in particular to the requests for a master plan for the transport sector, which found expression in the resolution on the common transport policy, adopted on 9 March 1982, and were reiterated in the decision to institute, on the basis of Article 175 of the EEC Treaty, proceedings before the Court of Justice against the Council of Ministers for failure to act.
3. Given that the paper deals only with the aspects concerning land transport, while the analyses and proposals on sea and air transport will be presented in future communications, it will not be possible to express a comprehensive judgment until the content of these additional assessments and proposals is known.
4. Parliament's opinion must therefore also be understood as an initial contribution to the process of setting the directions for a new Community transport policy. Both Commission and Parliament, then, have offered contributions, rather than issued definitive acts, contributions which may, in the exchanges with the Council which must of necessity follow, help to create the impetus needed for the achievement of a new common transport policy.
5. One cannot but hope first of all that on this occasion there will be none of the customary talking at cross-purposes, but rather that a genuine and fruitful exchange will develop among the various Community institutions.

6. The rapporteur for his part intends to analyze and discuss these proposals in a receptive and constructive spirit, free of all preconceptions. It is in such a spirit that one must carefully assess not only the elements of the Commission document which emerge as innovations when set against the views previously expressed, but most of all the effort to adopt a realistic and flexible approach to the various aspects of inland transport.

II. Statement to the Committee on Transport by Mr Contogeorgis, Member of the Commission, introducing the Commission paper

7. Mr Contogeorgis raised a number of interesting points when when he introduced the Commission document to parliament's Committee on Transport.
8. Most notably, he declared that the Commission's ultimate goal was to create a Community-wide, 'integrated' transport system.
9. The course of action which the Commission proposed to follow in its document was therefore an essential element in a more broadly-based Community effort to consolidate the internal market and remove the numerous non-tariff barriers to trade.
10. The Member of the Commission also added that the Commission, like Parliament, believed that the ultimate goal of a common market in transport could, be achieved only by measures which fitted into an overall master plan.

11. It was gratifying to note that these views so closely matched the opinions repeatedly expressed by Parliament. It will, however, be much more important to determine whether the deeds match the words, whether the practical measures proposed accord with the declarations of intent.

III. The Commission's new policy for inland transport

12. The fundamental reasoning behind the Commission paper can be seen in its plea, expressed at several points, for fresh impetus to be given to the efforts to create a common transport policy and a common market in transport, in view of the unsatisfactory nature of the progress achieved to date.

13. The Commission therefore deduces that it is necessary to develop a transport policy along realistic lines, taking account of the economic and geographical diversities existing among the Member States and concentrating action on those sectors where the efforts undertaken at national level are not sufficient. *

14. This assertion, on which the whole document is, in a sense, founded, is highly ambiguous and may give rise to conflicting interpretations.

15. The argument that account must be taken of the difficulties may indeed presuppose a knowledge of the obstacles to be surmounted, but it may also be used merely in justification for the scant progress achieved so far, or as a pretext for not continuing.

* This point was made by Mr Contogeorgis
at the committee meeting

16. When arguing the necessity of allowing for economic and geographical diversities, due consideration must be given at all times to economic questions and the need to tackle and resolve them in satisfactory fashion; otherwise, every significant statement on problems of a geographical nature will, for all its significance, tend to have a distorting effect.
17. The continuing absence of a European transport policy cannot be ascribed to the geographical factor. The differences in the general conditions prevailing in Europe are not as great as the Commission would have us believe, and incidentally, no mention was made of this argument in the previous reference documents (the 1973 communication and the 1961 memorandum).
18. It must be emphasized that the purpose of transport is to overcome spaces and distances, in other words, the conducting of trade invariably presupposes the surmounting of unlike geographical conditions. To be effective, a rational transport policy must therefore be so conceived as to be applicable to various geographical situations.
19. In addition - and this is probably a crucial point - all the geographical conditions prevailing in Europe as a whole can be found on the national territory of each of the major European countries. If it were not possible to impose a common transport policy simultaneously valid for mountainous and flat zones, inland and coastal zones, remote areas and places of transit, peripheral regions and central conurbations, metropolitan regions and islands, it would be equally impossible to devise a uniform transport policy for the whole of the United Kingdom, Germany, France or Italy.
20. The element which emerges most forcefully from unbiased consideration of any aspect of transport in Europe is not so much the geographical diversity but rather the close resemblance between the problems in the individual national transport sectors, and in particular between the huge deficits of the railway undertakings.

21. The losses made on the railways provide sufficient proof that, going beyond geographical factors and the various conceptions of transport policy, no country has yet managed to solve the most serious problems existing at the present time.

(a) Central state, peripheral state

22. In its new communication, the Commission makes constant use of a distinction which was never made in any of its previous documents - the distinction between 'peripheral state' and 'central state'. The inference is that since central and peripheral states adopt different policies for the transport sector, a common policy would be difficult to achieve, if not totally impracticable. (°)

23. It seems that the Commission terms 'central states' those whose transport policy gives highest priority to protecting the railways, in other words France and Germany, while the others, the peripheral states, precisely because of their situation, would apparently attach greater importance to road transport. The precise meaning of 'peripheral state' needs to be examined. According to the generally accepted usage, the central states in Europe are those countries or regions lying within the north-western 'industrial triangle', namely the Federal Republic of Germany, the Netherlands, Belgium, Luxembourg, north-west France and England.

24. The Commission should explain these new concepts more clearly, to avoid misunderstandings and confusion.

25. It would be better to abandon the notion of a peripheral state and concentrate more closely on the distinction between transit zones and peripheral zones, for it is well known that the concepts of centre and periphery bear no relationship whatsoever to the relative positions of countries, but are instead applicable to areas within each country.

26. The Member States' transport policies depend less on their geography or their central or peripheral location than on economic and financial decision- and policy-making processes, over which

(°) cf for instance points 4.5 (b), 5.2.1. and point vi of the conclusions

the geographical factor does not always have a decisive influence. To prove the point, one need only compare the degrees of priority assigned in the post-war period to developing road and rail networks.

(b) Ports policy: a continuing misconception

27. The Commission continues to mention ports in connection with sea and air transport.
28. A port is not a self-contained mode of transport, but rather a place of transfer from one mode of transport to another, just as a railway station is a place of transfer from rail transport to road transport. A port is a place of transfer from a mode of sea transport to a mode of inland transport (rail, road or inland waterways). Just as it makes no sense to consider railway stations in isolation from town planning, so is it illogical to talk of ports policy without taking account of inland traffic, which is, in the final analysis, the ultimate justification for a port.
29. That the Commission has still not grasped the nature of the relationship between ports policy and inland transport can be seen clearly from point 5.3.9. of its document, in which the harmonization of tax on oil products continues to be regarded as complementary to the abolition of frontier checks on fuel in tanks, whereas in reality the former is an essential prerequisite of the latter. To maintain the competitiveness of their ports, the countries which levy higher taxes on oil products will never agree to the abolition of frontier checks unless such taxes have been harmonized beforehand.
30. The lack of attention paid to ports policy throughout the communication, despite all the reports which Parliament has adopted (Seifriz, Seefeld and Carossino reports) and all the fact-finding (discussions and background reports), is one of the document's most serious shortcomings.

(c) Proceedings against the Council for failure to act

31. The European Parliament is currently engaged in legal proceedings against the Council, having brought an action for default in the matter of transport policy. The Commission has rallied to Parliament for the purposes of these proceedings. In its rebuttal of February 1983, justifying the slow progress and its own omissions, the Council cited the Commission document on progress towards a common transport policy.
32. Clearly this is a case of improper reference to and dishonest manipulation of that document by the Council. The Commission is therefore urged to clarify these misunderstandings in its next statements.

IV. Future formulation and implementation of transport policy
Guidelines for the common transport policy

33. Having dwelt on the first of the two fundamental lines of thought on which the Commission document is based, namely that relating to the economic and geographical diversities, it is now necessary to examine the second, which has been summarized by the Commission in the following terms : (all the proposals) ... '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'.
34. The Commission also states its intention of concentrating on the measures most likely to increase the productivity and cost-effectiveness of the transport system. In placing emphasis on measures to improve the productivity of the various modes of transport, the Commission is losing sight of its specifically European task.
35. It is logical that productivity should be one of the constant objectives of the Member States and the Commission, and a common European transport policy, with the resulting expansion of the market in transport and goods, may make a positive contribution to increasing the productivity of the system. Nevertheless, the Commission ought to concentrate its effort on creating in the transport sector conditions comparable to an internal market, which would contribute more than anything else to consolidating the internal market in goods. Subsidiary issues should not be confused with the primary objective, since this would be tantamount to losing sight of it.
36. If the Commission is correct in declaring that emphasis should be placed on measures which can most effectively be dealt with at

Community level, it has no grounds for claiming that the problems of transport between the Member States must be tackled as a matter of priority. Such an approach takes no account of the problem of harmonization, which can be expressed briefly in the following terms:

Discrimination between the undertakings of the Member States - and hence also between those operating in the transport sector - arises not only from the fact that, when goods and services cross frontiers, distinctions are drawn on the basis of nationality, but also because the factors of competition and internal structures vary from one country to the next. Given the objective of creating conditions comparable to an internal market, the harmonization of national structures takes on a new and vital importance. Indeed, the exclusion of questions of a national nature becomes nothing short of perverse. Anything which is of national interest, in other words of concern to a Member State as a whole, almost always has an additional European dimension.

37. Nor can one share the Commission view that it would be inappropriate for the Community to involve itself in questions of purely local interest. In particular, this leaves aside the problem of the frontier regions, the very places where Europe ought to make its presence felt 'at the grass roots'. The European Parliament has on numerous occasions urged the Commission not to neglect this 'grass-roots Europe', its individual citizens, and it is with extreme regret that one learns that the Commission has taken no account of this factor in background documents such as the one currently under consideration.

V. Common policy: unity of purpose between master plan and small-scale initiatives

38. The Commission finally claims that a common transport policy is not necessarily the same as a uniform transport policy (+). This is a particularly equivocal assertion which needs to be clarified.

(+) point 5.1.5. (iv) of the Commission document; p. 18.

What exactly does the Commission mean by it?

39. The generally accepted concept of common policy covers a whole spectrum of situations, ranging from isolated approximation measures right up to full uniformity.
40. It is the task of the Commission to assess in each separate case how far the approximation or adaptation of the Member States' transport policies must be pursued in order to achieve a genuine common policy.
41. It is therefore misguided and evasive to oppose uniform policy to common policy. It would appear that this distinction is designed to introduce the principle of non-uniform regulations and directives. That would deal a severe blow to the very concept of the common market, since the prime objective of the common transport policy is none other than the elimination of the existing disparities to achieve market unity. If this approach were to be adopted, the coordination of national policies would be made even more complicated than it already is, because it would put greater difficulties in the way of harmonizing the conditions of competition, and, as experience has already amply demonstrated, no progress towards a genuine liberalization of the market is possible without such harmonization.
42. It is obvious that a flexible method will have to be adopted in the pursuit of these common objectives, so as to take account of the variety of circumstances existing within the Community and of the difficulties to be overcome. Flexible measures, then, but common and universally valid obligations. To take the example of one of the most important and at the same time most controversial provisions, the Directive on the weights and dimensions of heavy goods vehicles, it would conceivably be possible to adopt separate timetables for its implementation, to take account of the difficulties experienced most notably by the United Kingdom in accepting a limit of 40 tonnes, but on the understanding that, on the expiry of a given period, the Community rules must be applied fully and completely in all the Member States.

43. This and other examples which could be put forward prove that, to overcome the existing disparities, the problems must be met head-on, while the attempt to dodge an obstacle, rather than remove it, is merely a sign of weakness. A policy which aims to create a single and truly integrated market should be founded on a general strategy laying down the common political objectives, an appreciation of the effects produced, the structures of national markets and the implementation of specific measures for remedying the related disadvantages. It would be desirable to call a halt (in this case) to the lengthy dispute between those who advocate a policy of 'inching forward' and those who assert the need for an overall master plan. This dispute, which has already dragged drearily on for far too long, is in fact entirely superficial, since Parliament's request for an overall master plan makes reference to the need to lay down a connected series of clearly defined common objectives, implement the measures dictated by these objectives and provide sufficient financial and budgetary resources for attaining them. Needless to say, this action can be developed in gradual stages through individual provisions, possibly even of limited scope, provided of course that these do not conflict with the pre-determined overall master plan.

44. The policy of 'inching forward', in the sense of a group of unconnected and even contradictory provisions, could not find acceptance in any quarter. If, however, it is interpreted in its proper sense, as a realistic, gradual and flexible approach to the various aspects of the common transport policy, then it emerges as a policy instrument which Parliament could accept and has already accepted.

VI. Specific measures for individual modes of transport

(a) Railways

45. The section devoted to rail policy contains many points on which Parliament has already expressed a favourable opinion. It also contains a certain number of new elements to which attention should be drawn.

46. We would point out first of all that we totally disagree with the Commission view that only some Member States are hampered by the financial burden of covering heavy railway deficits, since in reality this is a situation common to all the Member States, and its universality is indeed rather surprising.
47. It is also incorrect to classify 'by Member State' the various positions on transport policy. In most Member States, the focus of transport policy is in fact determined by the party which happens to be in power at a given time. In some countries, changes of government are marked by fairly radical changes of direction extending also to transport policy, while in other countries transport policy does not change. Distinctions must therefore be drawn on the basis of 'governments'.
48. The point which is most likely to give rise to full and heated discussion is that the individual states should assume financial responsibility for railway infrastructure costs, while the railway undertakings should pay charges for the use of these infrastructures, following the practice for road transport and inland waterways. It is the first time that the Commission has put forward such an idea.
49. This idea has the support of the Group of Ten Railways of the European Community, but it must also be pointed out that some scientific discussions which took place in previous years in France and Germany have maintained that it is impracticable. It could therefore encounter some difficulties. It would therefore be preferable for the Commission to consider in depth all aspects of the problem, including the suggestion made by the European Parliament in the report by Mr GABERT on the commercial policy of the railways (Doc. 1-254/83) that there should be separate accounting for own economic activity, performance of public service tasks and infrastructure provision, before submitting a proposal to the Council.

50. The poor competitive position of the railways can be remedied mainly by guaranteeing them maximum commercial flexibility. As part of their commercial autonomy, therefore, they must be able to take advantage of the fact that both their infrastructures as well as their management are under the control of a single authority. Even if infrastructure costs were charged to the state budget, infrastructural planning would still have to remain under the control of the rail authorities.
51. At all events, it must be borne in mind that, as the European Parliament has frequently asserted, the problem can be finally solved only by means of a common charging system under which each mode of transport would assume its own share of infrastructure costs. Such a system would assign to each economic agent the responsibilities which fell to it in the general economic context, and would allow each mode of transport to compete on its own most natural terms.
52. With regard to the achievement of financial balance within the railway undertakings, the rapporteur shares the Commission view that this can be set only as a general objective, and that it is not possible to lay down a specific target date in law. Parliament has already made this point on numerous occasions, and indeed recently, in the Ripa di Meana report.

(b) Road transport

53. Parliament has never endorsed the proposal to abolish capacity controls in road transport. It has merely declared itself in favour of the principle that bilateral quotas in international traffic be transferred to the Community quota, and that this quota should be aligned with the Member States' general policy on capacities, which must itself be coordinated at Community level. As for the system of costing in transit countries, the simplest solution would be to harmonize tax on oil products; given that supplies of fuel are obtained in the transit country, the problem would no longer arise (the 'fixed' road tax would serve to compensate for the costs of the 'constant' traffic, while the tax on fuel would serve as a mechanism for the charging of the various infrastructure costs).

54. It is not clear whether the Commission, in the proposal summarized under point 6 of the resumé, is referring solely to the international carriage of goods by road or whether it is also including the Member States' capacity policy for road transport on their own territory. If the proposals refer to international traffic, then they are sound, since sufficient coordination of domestic quotas could in effect remove the need for controls on international traffic. If, however, the commission is proposing that, under the common transport policy, the practice of fixing quotas for road transport should also be abandoned in the Member States, then it is certainly embarking on a misguided course. Even if the problems of competition with the railways are left entirely aside, the market in the carriage of goods by road still demands national capacity policy - as Parliament has reiterated in numerous reports. In periods of normal activity, such policy can in fact be conceived in extremely liberal terms, but in specific and critical economic circumstances, it will need to operate through the imposition of quotas, to prevent intolerable situations from arising. On the other hand, an effective solution to the problem of capacities will allow all the more liberality in pricing policy.

55. The Commission does not say how it intends to eliminate frontier checks on fuel in tanks. In point 5.3.9., it declares in this connection that the harmonization of fuel tax goes hand in hand with this provision, whereas in reality it must of necessity precede it. It is also puzzling to read that, in the opinion of the Commission, the adoption of the proposal on the adjustment of national taxation systems for certain commercial vehicles would be 'an important step'. Such a step would become significant only when it was followed by the harmonization of the related rates.

(c) Inland waterways

56. The inbuilt excess capacity is in effect the most serious problem surrounding inland waterway transport. The solution, however, cannot be found in mere scrapping programmes, nor indeed in barring Eastern bloc countries from market access to the Rhine basin by virtue of a supplementary protocol to the Mannheim Convention. A genuine solution within the framework of a common transport policy must take the form of a European capacity policy for inland waterway transport. This is what the Commission proposed some time ago - with the endorsement of Parliament. The Commission has evidently been discouraged by the fact that its partial solution, in the shape of a laying-up fund, was declared legally inadmissible by the Court of Justice of the European Communities. Nevertheless, the Commission ought to have formulated new proposals for rules in this sector. Scrapping programmes and arrangements for the laying-up of barges are no more than crisis measures. A truly far-sighted solution must include a common capacity policy which will take due account of the problem of infrastructure costs.
57. On the subject of capacity policy, the Commission has merely put forward the following proposals:
- Market Observation System;
 - definition of minimum professional qualifications;
 - mutual recognition of diplomas;
 - supplementary protocol No. 2 to the Mannheim Convention to exclude the commercial fleets of Eastern bloc countries;
 - scrapping programmes;
 - prohibition of future state aid for the construction of new vessels.
58. The Commission has not seen the need for other provisions relating to the problem of capacity.

59. The existence of different regional waterway systems should spur the Community to create new links between these networks, wherever taps or bottlenecks exist, just as the introduction of universal rules should also be regarded as a challenge. The European Parliament has already found the most appropriate formula for achieving this end: the scope of the Mannheim Convention should be extended to cover the entire Western European waterway network and the Convention itself adapted to meet the needs of a modern transport policy.

(d) Infrastructures

60. It is not fully clear why the Commission should be so cautious and claim that 'some Member States' have suggested that the failure to establish a common system of infrastructure costing is the main reason for the lack of progress with all other aspects of transport policy. Why does the Commission not say what it really thinks? Is it still of the opinion that the costing system is the key to a modern transport policy, and that if a common system were introduced, it could provide the solution to all the major problems, such as railway deficits, over-capacity in inland waterway transport, the harmonization of costs in international traffic and so on?

61. It would not be appropriate to leave the degree of cost cover to the discretion of the Member States, as the Commission proposes. No transport policy is possible under such conditions. If the user was obliged to meet the burden of costs in full in some countries, and only in part in others, then any attempt at harmonization would prove fruitless and have adverse effects. A common transport policy must therefore include the joint fixing of the proportion of infrastructure costs to be charged to users.

62. It is not correct to state, as the Commission does, that the proposals on tax harmonization are already pending before the Council. In fact, the only proposals which have actually been submitted to the Council are those concerning the adjustment of taxation systems for certain motor vehicles. Only the proposals on the rates of road tax on motor vehicles will have a significant effect, and only when the rates of tax on oil products have also been harmonized will the system be fully operational. Proposals in these last two areas have not yet been submitted.

(e) Research in the field of transport

63. With regard to research in the field of transport, the Commission should also sponsor research projects on the economic theory of transport, in addition to the research of a technical nature.

VII. Summary and conclusions

64. The Commission points out that the deadlines envisaged by the Treaty have not been met. Particular note should be taken of the assertion that since 1958 'no substantial dialogue was held with the Council'. In fact, the Council has not developed any transport policy concept of its own, nor in all probability is it in a position to do so. Constructive decisions are currently rendered almost impossible by the principle of unanimity. The Commission has unfortunately omitted to make a specific reference to this inherent weakness in the institutional structure of the Community.

65. Geographical factors and the historical and political context do not constitute an insurmountable obstacle to implementation of a common transport policy valid for all the Member States. Such a policy should be pursued in a flexible fashion that takes account of the variety of circumstances prevailing in the Community and the difficulties to be overcome.

66. It is not the fact that the Treaty contains no specific provisions relating to transport which is hampering the development of a common policy in this sector. The Treaty has given the Community institutions all possible scope for action. The Commission has not, however, always done everything possible to induce the Council to take the necessary decisions on a modern transport policy.

67. Polarization over the question of Liberalizing and harmonizing provisions is nothing but a false problem which becomes relevant only when the policy followed takes the form of small-scale initiatives guided by expediency. This problem would ultimately resolve itself, since liberalization, in the form of a common market in transport characterized by conditions comparable to an internal market and by the greatest possible freedom of movement, is the objective of the European policy, while harmonization is the instrument for achieving this objective: in a common transport market comparable to an internal market, the major cost factors must be harmonized, in order to create equal bases for competition.
68. It is not correct to say that 'some Member States' are concerned about their railways' problems. Such preoccupations are shared by all the Member States. The only differences relate to transport policy itself, and this difficulty will not be overcome until the Commission, in accordance with the requests formulated by Parliament from the outset, devises a new, modern transport policy, bringing to bear all the resources at its disposal.
69. The Commission should campaign for an increase in the Community's powers and would serve its purposes most effectively if it strove to dispel the anxieties of national administrations and the relevant economic circles, who might be concerned over a possible diminishing of their own powers. However, such an action, aimed at building a consensus, may be accomplished, not by unprincipled opportunism, but only by means of a clear statement of intent to those concerned, in other words a coherent and convincing transport policy concept, clearly intelligible and evidently advantageous by comparison with the handed-down, traditional conceptions, favoured by national governments anxious to preserve the status quo.

70. The Commission may be supported in its assertion that transport policy lacks an adequate financial basis -- a particularly serious deficiency in the case of infrastructural policy. However, the financial basis must also be able to cover expenditure arising from the implementation of actions affecting national market structures, which are themselves occasioned by specific harmonization measures needed for the creation of a single and genuinely integrated market.
71. In developing the common transport policy, account must undoubtedly be taken of economic and geographical diversities in order to promote initiatives applicable to all of the geographical situations in the Community, given the need for the economic positions of the Member States to be more closely synchronized and the role of instruments precisely such as the common transport policy in achieving this end. The Commission should therefore see it as its task to devise instruments for aligning the economic situations of the Member States and overcoming the existing obstacles.
72. The Commission document repeatedly makes the point that the common transport policy should be 'pragmatic'. The use of this term is quite clearly correct in cases where it is opposed to 'rigid' or 'illogical'. However, the concept of pragmatism must be rejected wherever it is used to justify the abandonment of attempts to define a common strategy. Only when common arrangements for the transport sector have been devised, which must then be adapted to future economic and technological developments, can a policy of pragmatism be pursued to full effect.
73. The Commission's assertion that a common transport policy 'is not necessarily a uniform transport policy' is ambiguous, as has already been noted. It is evident that the concept of a 'common policy' can cover a whole range of actions with varying effects on the policy of the Member States,

from a loose coordination of their policies to the complete transfer of their political powers. Nevertheless, Community policy must obviously be applied in flexible but uniform fashion in all the Member States.

74. It has already been emphasized that the proposal for the state to assume responsibility for railway infrastructures could in no way provide a solution to the problem of deficits, but would instead prolong them in time and increase them in size, and would in addition deprive the railways of their last remaining advantages in the face of competition from other modes of transport. The entire price policy of the railways would eventually cease to be bound by the principles of sound commercial management and be detached from a basis of costs, since the shaping of prices would no longer be determined jointly by the departments responsible for costs and receipts within the railway undertakings, but by the working relationship established between the government financial authorities and the departments responsible for costs within the administrative body in charge of infrastructures. If the Commission proposal were adopted, the price policy of the railways would eventually become dependent on the scales of cost apportionment set - arbitrarily, in the final analysis - by the financial authorities.

75. As has been previously stated, it is not clear what the Commission means by the phrase 'ultimate elimination of capacity controls', whether this refers solely to international traffic or to the total abolition of capacity controls in road transport in general. The abolition of quotas in road transport would be a blatant inconsistency, a provision of such drastic proportions that it would not be possible without first creating the necessary pre-conditions. If, however, the intention is to remove capacity

controls in the sole case of international traffic, then this raises the objection already made on several occasions by the European Parliament, namely that all obstacles to international traffic and cabotage should indeed be removed, but international traffic must in no way be allowed greater freedom than the domestic traffic of the Member States. The Commission should continue with the policy pursued up to now, aimed at creating a common Market Observation System to provide a basis for a common capacity policy in road transport, which will in turn remove the need for special restrictions in international transport (all the cost factors of a social, fiscal and technical nature will need to be harmonized first.).

76. It has already been explained why the 'first Directive on the adjustment of national taxation systems for certain commercial vehicles' cannot be considered an important step towards the harmonization of the conditions of competition. Only a directive on the harmonization of the rates of taxation could be regarded as a truly significant step forward.
77. The Commission should endeavour, with proposals in the field of infrastructural planning, to provide connections between the various European regional waterway networks mentioned in the document. For example, this would entail remedying absurd situations such as the 50 km. gap between the north-west German and Dutch canal networks, and the alternation, at the Franco-Belgian frontier, of French and Belgian canals, with no cross-frontier connections. Nor should one forget the problem of larger-scale projects, such as the Rhine-Rhone canal and the Rhine-Meuse canal. A genuinely far-sighted policy should enable geographical obstacles to be overcome.
78. Other provisions concerning market entry or exit in the sector of inland waterway transport are also required, since, as the Commission itself acknowledges, chronic excess capacity is the most fundamental problem in inland waterway transport.

OPINION

(Rule 101 of the Rules of Procedure)

of the Committee on the Environment, Public Health and Consumer Protection

On 17 March 1983, the Committee on the Environment, Public Health and Consumer Protection appointed Mr BOMBARD draftsman of the opinion.

The committee considered the draft opinion at its meetings of 22 June, 28 September and 23 November 1983 and, at the last meeting, unanimously adopted its conclusions.

The following took part in the vote: Mr Collins, chairman; Mrs Weber, vice-chairman; Mr Bombard, draftsman; Mr Ghergo, Mrs Van Hemeldonck, Mr Johnson, Mrs Krouwel-Vlam, Mr Mertens (deputizing for Mrs Lentz-Cornette), Mrs Schleicher and Mrs Squarcialupi.

I. INTRODUCTION

The communication from the Commission on progress towards a common transport policy - inland transport touches on problems not only of the environment, but also of public health and consumer protection. Our committee looked in particular at the following aspects:

- pollution
- damage to the environment
- protection of transport routes
- user facilities
- passenger and freight safety
- protection of consumer interests.

1. Pollution

Transport users and those living on transport routes are more and more aware of this aspect of the question. Gone are the days when it was possible to build an urban motorway with no more than a fleeting glance at the problem of noise, atmospheric pollution, or damage to the surroundings. Nevertheless, there is much to be done to

- make up for the serious mistakes of the past
- ensure that, in future, pollution arising from the development of transport systems is kept to a minimum.

Our committee draws particular attention to the problem of noise, stressing the severe inconvenience to which those living on transport routes are subject. When decisions are made concerning inland transport in the Community, therefore, we would like to see this aspect given due weight. The second important problem is atmospheric pollution from exhaust fumes emitted by motor vehicles. Bearing these two points in mind, the Committee on the Environment recommends use of the two transport modes which cause the least harm - railways and waterways - with road freight transport being reduced to a minimum.

2. Damage to the environment

So many listed sites and ancient forests have been destroyed or mutilated for ever - for example, the Fôret des Trois Pignons near Fontainebleau, which was ripped apart to make way for a motorway, although the damage could perfectly well have been avoided by building it 10 km further to the west.

Although it is more difficult to get away with such things today, the landscape would be better safeguarded if the Community made up its mind to make environmental protection a priority in inland transport policy.

Cost-benefit analyses of all inland transport proposals should take in the environmental dimension and the associated costs, both direct and indirect.

3. Transport costs and energy savings

Transport costs are an important item in all household budgets and consumers in the Community countries are interested in anything that might reduce them without reducing the quality of the service. Technical progress can lead to considerable savings on energy and it should be noted that, when it comes to the choice of inland transport modes, their respective energy costs are far from identical. Waterways and railways are the most economic; a ten-coach train uses no more energy than fifty cars or twenty lorries.

When laying down guidelines for a common inland transport policy, the greatest possible attention should be paid to the respective costs of existing transport systems and to the prospects opened up by new, more economic systems.

4. Cost of maintaining and protecting transport routes

When making choices in the field of inland transport, account must also be taken of the costs of maintaining the respective infrastructures. These are very high for roads and motorways used by lorries. Railways, canals and locks, on the other hand, deteriorate more slowly, even when they are used intensively. A table should be drawn up showing maintenance costs relative to use, so that full account is taken of this factor when choosing between the different modes of transport.

5. User facilities

The committee was surprised that none of the chapters of the Commission's communication or the Council's motion for a resolution made any reference to urban transport.

It is nevertheless of prime importance to draw up as quickly as possible a common European policy for urban transport and in particular for public transport: underground networks, trams, buses.

Concerted development in this sector would reduce pollution stemming from the increased use of cars in towns: chemical and noise pollution, and bottlenecks on public highways.

Public transport must be harmonized to clear the towns of cars, most of which have only one occupant. Once there is less pollution and less private traffic, communications will be much easier.

6. It is a matter of urgency to encourage greater use of public transport. For this purpose, users, including those living outside the town, must be provided with better information on transport networks.

In Paris, for example, Metro plans are easy to follow and the names of stations, together with details of connections, are clearly posted inside the trains. What is more, tickets are all one price.

The London Underground is also easy to use, but having different prices for different destinations is confusing for foreigners, especially at rush hours.

Brussels is now building an underground system. The layout is good, but the plans inside the trains do not make it clear which way the connections are going. As for buses, there are no names to identify bus stops.

Few Parisians are familiar with the system of bus numbers (all No. 20s leave from St. Lazare Station and all No. 90s from Montparnasse Station). Newcomers to the city would be able to make better use of this particular transport mode if leaflets were available at station exits.

Encouragement should be given to creating new urban transport systems or refurbishing old ones; Community assistance could be given for this.

In many cases a small investment would considerably increase passenger comfort on public transport. It is hard to believe that, at the dawn of the 21st century, there is no drinking water on trains. Many studies are currently under way to diversify the services offered to rail users; the Committee on the Environment supports these efforts and looks forward to the 'train of tomorrow', which will no longer be simply a means of transport, but will have a true part to play in the life of its users. Our committee also believes that the Community should support the development of high-speed trains. The great success of the Paris-Lyon line proves what can be done and a high-speed train network throughout the Community would make for more cohesion and bring together the peoples of Europe still further.

7. Passenger and freight safety

This must also be a vital criterion when making inland transport choices. Trains and other modes of transport obviously provide the highest degree of passenger safety; the same applies for freight. The cost of accident damage should also be taken into account when calculating the profitability of different types of transport.

8. Protection of the economic interests of the consumer

In drawing up a Community transport policy, it will also be necessary to take appropriate account of the economic interests of consumers. Transport, and in particular transport over long distances, has a significant impact on the price of goods and thus also distorts the system of free competition. We therefore ask the Commission to study measures for rationalization in this area, to ensure that transport costs are borne in equal measure by all the goods of the same type on the markets of the Member States, irrespective of the distance they have been transported.

Conclusions

The Committee on the Environment, Public Health and Consumer Protection welcomes the Commission's communication on a common inland transport policy, which covers problems relating both to the environment and to public health and consumer protection.

With regard to priorities in the field of transport, the Committee on the Environment stresses the following principles:

- the need to take full account of the various types of pollution (noise, atmospheric pollution), mutilation of the landscape and the environment, energy savings; the Committee on the Environment considers that, for the reasons set out in this opinion, priority should be given to the development of both urban public transport and rail and waterways, except in rural areas.

The Commission's communication covers the questions of pollution, the environment and the needs of the user only very tentatively. Nothing is said, for instance, about urban transport and no proposals are made with regard to the development of the waterways. On the matter of freight transport, emphasis is laid on the priority to be given to commercial considerations, disregarding pollution.

The Committee on the Environment would also like to stress certain specific points.

The priority to be given to the development of urban public transport is justified both on ecological and on social grounds, although the quality of the service must be improved; a lot can be done in this area, often by means of simple steps, such as clearer indication of destinations and places. The same applies to railways, which as we approach the year 2000 still provide no drinking water or exits suitable for unloading bulky luggage, while in some countries carriage steps are too high in relation to the platform. Stress should also be laid on the need to perfect and make more widespread use of formulas such as 'train and bicycle' and reductions for young people, the disabled and the elderly.

The needs of the user, the fight against pollution and mutilation of the landscape and energy saving should together form the keystone of European transport policy. This is by no means the case in the Commission's communication, although it is only in this way that a common transport policy can be supported by the peoples of the Community.

