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REPORT

drawn up on behalf of the Committee on Transport

on the proposal from the Commission of the European Communities to the Council (Doc. 1-652/82, COM(82) 562 final) for a regulation amending Regulation (EEC) Nos. 3164/76 and 2964/79 on the Community quota for the carriage of goods by road between Member States.

Rapporteur: Mr H. SEEFELD

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1.2.1 **English Edition**

447.1

By letter of 27 September 1982, the President of the Council of the European Communities requested the European Parliament, pursuant to Article 75 of the EEC Treaty, to deliver an opinion on the proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC) Nos. 3164/76 and 2964/79 on the Community quota for the carriage of goods by road between Member States.

On 11 October 1982 the President of the European Parlaiment referred this proposal to the Committee on Transport.

At its meeting of 20 October 1982, the Committee on Transport appointed Mr H SEEFELD rapporteur.

It considered the Commission's proposal and the draft report at its meeting of 4 November 1982.

At this meeting the committee unanimously decided to recommend that Parliament should adopt the Commission's proposal without amendment.

The committee then unanimously adopted their motion for a resolution as a whole.

The Committee on Transport also decided to request that its report be adopted without debate, pursuant to Rule 34(1) of the Rules of Procedure.

The following took part in the vote: Mr Seefeld, chairmen and rapporteur; Dame Shelagh Roberts and Mr Carossino, vice-chairmen; Mr Albers, Mr Buttafuoco, Mr Cardia, Mr Gallagher (deputizing for Mr Key), Mr Gatto (deputizing for Mr Ripa di Meana), Mr Klinkenborg, Mr Modiano, Mr Moorhouse, Mr Moreland (deputizing for Lord Harmar-Nicholls).

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The Committee on Transport hereby submits to the European Parliament the following motion for a resolution together with explanatory statement:

MOTION FOR A RESOLUTION

closing the procedure for consultation of the European Parliament on the proposal from the Commission of the European Communities to the Council for a regulation amending Regulation (EEC) Nos. 3164/76 and 2964/79 on the Community quota for the carriage of goods by road between Member States.

The European Parliament,

- having regard to the proposal from the Commission of the European Communities to the Council, 1
- having been consulted by the Council pursuant to Article 75 of the EEC Treaty (Doc. 1-652/82),
- having regard to the report by the Committee on Transport (Doc. 1-843/82),
- having regard to the result of the vote on the proposal from the Commission,
- 1. Asks the Commission, once again, to ensure that the European Parliament is consulted in good time;
- Notes with some satisfaction the Commission's intention to propose a new method of calculating the Community quota at the beginning of 1983;
- 3. Considers that the idea of adopting a new method has some positive aspects;
- 4. Approves the Commission's proposal to establish definitively the possibility of converting a maximum of 10% of Community authorizations into short-term authorizations;

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¹OJ No. C 247 of 21.9.1982, p.4

- 5. Wonders why the Commission does not make reference in its proposal for a regulation to the forthcoming establishment of this new method of calculating the Committee quota or to the transitional nature of the number of authorizations for 1983;
- 6. Restates its fundamental view that the increase in the authorizations granted under the Community quota must be accompanied by a corresponding reduction in the authorizations to be granted under bilateral quotas;
- 7. Considers that it is necessary to review as soon as possible the whole question of setting quotas for the carriage of goods by road;
- 8. For this purpose, requests the Commission as mentioned in its proposal to the Council, to submit to it, not later than the end of March 1983, a proposal on the principle of the future development of the system of setting quotas for the carriage of goods by road between the Member States and in particular on the allocation between Community, bilateral and multilateral quotas, taking into account its past plans and any new proposals which it might be in a position to formulate;
- 9. Approves, subject to these important reservations, the Commission's proposal for a regulation.

EXPLANATORY STATEMENT

B

I - INTRODUCTION

1. Our committee is periodically consulted by the Council on the rules governing the Community quota and its capacity, and, it must be pointed out once again, our work is hindered by the fact that so little time is made available to us.¹

In this, our sixteenth report, we will not go back over the history of Parliament's work in this area.

2. The optimism of the early report has gradually given way to a profound scepticism, evidenced by the fact that it has become increasingly difficult to reach any agreement even within this committee.

It should be recognized, moreover, that the Commission does make a realistic assessment of the situation when it states in point 3 of the introduction to its explanatory memorandum that 'the proposals drawn up by the Commission have met with opposition from certain Member States and led to disagreements within the Council which were resolved only by political compromise' ²

This rather belated understanding of the situation has resulted in a text which is not without ambiguities. in view of its transitional status.

3. The explanatory memorandum in fact contains a number of positive elements which augur well for the future but, which are not set forth or even mentioned in the proposal for a regulation.

The rapporteur therefore proposes to analyse the Commission document and then to turn his attention to the means which would enable us to achieve an overall view of the future of the Community quota in order to bring about a permanent and stable situation.

¹The European Parliament was in fact consulted by the Council on 27 September 1982 and has to submit its opinion by the end of November 1982 at the latest.

²COM(82) 562 final - Explanatory memorandum - Introduction - point 3, 2nd paragraph - p.1.

II - CONSIDERATION OF THE COMMISSION'S PROPOSAL

A. EXPLANATORY MEMORANDUM

4. In the introduction to its explanatory memorandum, the Commission, as we have said, makes reference to the present situation and to the political disagreements of recent years.

The Commission is cautious, however, and does not go on to analyse the reasons behind the attitudes adopted by the Member States.

- 5. The Commission considers that a distinction must be made between the formulation of definitive criteria to provide a basis for adjusting the size of the Community quota and apportioning it among the Member States and the annual decisions which the Council is required to take on the basis of the above critera.
- 6. In this context, the Commission proposes to establish a method for the annual adjustment of the quota.

As far as the means of determining this permanent method are concerned, the Commission does no more than list a number of general criteria which should be taken into account.

A separate proposal on the subject is to be submitted to the Council at the beginning of 1983 on which explicit provision is made for consultation of the European Parliament.

With regard to the critera for the establishment of an objective method and the fact that it requires separate examination, it should be recognized that the Commission has here responded to a number of requests made by us in the past.

7. As regards the general critera adopted, it is satisfying to note that the Commission provides for 'the possibility of introducing special Community authorization quotas for specific segments of the transport market'¹

COM (82) 562 final - Explanatory memorandum - Formulation of general criteria - point 6.(b) - p.2.

This too reflects the requests made by the European Parliament, particularly in its resolution on the Community quota.

We thought it essential to recognize that certain regions on the periphery of the Community should receive more favourable treatment to enable them to offset the disadvantages of their geographical situation.

Similarly, we have always considered that the Community quota could not be dealt with without reference to the bilateral quotas.

8. Pending this new proposal, the Commission recommends the adoption of a <u>transitional solution</u> for 1983 which specifies the additional authorizations to be granted in 1983, 'notwithstanding any future method' ² which might be adopted.

Under the method proposed, the additional authorizations would be distributed on the traditional 50/50 basis (50 % on a linear basis in accordance with the original distribution and 50% depending on the use made by each Member State of the authorizations).

9. The Commission proposes an overall increase in the Community quota of 4.3%, in accordance with the initial estimates drawn up under the market observation system which point to a corresponding increase in the tonnage carried by road between Member States.

This increase would result in 174 new Community authorizations.

Beyond this, the Commission proposes to grant 15 additional authorizations to the peripheral Member States: Denmark, Greece, Ireland and the United Kingdom.

The distribution of these authorizations among the Member States is determined by fairly complex calculations, similar to those used in previous years, which will not be described in detail here.

²COM (82) 562 final - Explanatory memorandum - point 8 - 3rd line - p.3

¹OJ No. C 87 of 5.4.1982

The Commission's proposal thus results overall in the creation of 189 new Community authorizations in all, which represents an increase of 4.7% over the Community quota for 1982.

10. It is interesting to note that in its decision of 22 March 1982 the Council increased by 211 the number of authorizations for 1982.

The modest nature of the Commission's proposal certainly indicates that it wishes the Council to adopt this figure and to accept its forthcoming proposal for a new method.

11. In the last point of its explanatory memorandum, the Commission proposes the extension for an indefinite period of Council Regulation (EEC) No. 2864/79 of 20 December 1979, allowing each Member State to apply each year to have a maximum of 10% of its Community authorizations converted into short-term authorizations valid for 30 days.

Under this procedure, one Community authorization is converted into twelve short-term authorizations.

The Commission considers that the results of the trial period expiring on 31 December 1982 are positive: the average percentage of conversions requested was 7.2% for the countries which made use of the option (7 in all).

The Commission therefore proposes that the provisions be made applicable indefinitely.

We are in favour of the Commission's decision since this system improves the functioning of the Community quota.

B. PROPOSAL FOR A REGULATION

12. While the explanatory memorandum contains some fairly positive aspects, particularly an interesting declaration of intent concerning the future proposal for a method of calculating the Community quota, no mention is made of these points in the text of the proposal for a regulation submitted to the Council. 13. There is no reference to the projects outlined in either the recitals or the 3 articles of the proposed regulation.

Article 1 specifies the total number of authorizations under the Community quota and their distribution among the Member States without mentioning the transitional nature of these arrangements, and Article 2 establishes, on a permanent basis, the possibility of converting Community authorizations into short-term authorizations.

14. Although we have noted the Commission's intention to propose a new method we feel that it would have been preferable to mention this last fact and thereby encourage the Council to commit itself to a new, permanent method of calculating the Community quota.

With regard to Article 3 of the proposal for a regulation, concerning the conversion of a certain percentage of Community authorizations into short-term authorizations, we have already stated that we consider this a satisfactory solution.

III - NEED TO DEFINE A PERMANENT METHOD OF CALCULATING THE COMMUNITY QUOTA

15. For several years, the Committee on Transport has adopted the principle that an increase in the Community quota should be linked with a corresponding decrease in bilateral and multilateral quotas.

We feel this is the only way of making lasting progress on the setting of quotas for the carriage of goods by road.

This recommendation has so far had absolutely no practical effect and the Council is following a very different procedure by making a slight increase in the Community quota and no changes whatever to bilateral and multi-lateral quotas.

Apart from the fact that this policy is unsatisfactory in terms of progress within the Community on transport authorizations, it completely dissociates the two systems of authorizations which, by their nature, are closely interlinked.

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16. Under these circumstances, the whole problem of quotas for the carriage of goods by road with all its ramifications must be re-examined.

There is absolutely no point in consulting the European Parliament periodically on increases in a Community quota which does not exceed 5% of the goods carried within the Community.

17. The Commission msut therefore be able to submit a full proposal on the basic restructuring of the quota system as soon as possible and no later than 31 March 1983.

Whilst taking note of the Commission's intention, made clear in its explanatory statement, to propose an objective method, we lay particular emphasis on the need to define the principles underlying the calculation of quotas for the carriage of goods by road between Member States.

We must therefore establish a system of distribution between various
 Community, bilateral and multilateral quotas in future.

18. In order to do this, the Commission could usefully take up a number of proposals which it has submitted in previous years and possibly adjust them to the current needs of the market.

We are also counting on new suggestions based on the latest findings from its analysis and in particular from the introduction of the market observation system.

19. We feel that these two factors, the submission of a proposal for a definitive method by the Commission and the fixed deadline of the end of March 1983 are essential for the adoption by the Council of this proposal for a regulation which we prefer to regard as a tranisitional measure.

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