



Procedure file

Basic information	
COD - Ordinary legislative procedure (ex-codecision procedure) Directive	1995/0205(COD) Procedure lapsed or withdrawn
Development of the Community's railways	
Subject 3.20.02 Rail transport: passengers and freight	

Key players			
European Parliament	Former committee responsible		
	TRAN Transport and Tourism		31/10/1995
		PSE FARTHOFER Erich	
Council of the European Union	Former committee for opinion		
	ECON Economic and Monetary Affairs, Industrial Policy	The committee decided not to give an opinion.	
	Council configuration	Meeting	Date
	Transport, Telecommunications and Energy	2108	17/06/1998

Key events			
10/03/1995	Additional information		Summary
19/07/1995	Legislative proposal published	COM(1995)0337	Summary
11/12/1995	Committee referral announced in Parliament, 1st reading		
21/06/1996	Additional information		Summary
30/09/1996	Vote in committee, 1st reading		Summary
30/09/1996	Committee report tabled for plenary, 1st reading	A4-0293/1996	
24/10/1996	Debate in Parliament		Summary
25/10/1996	Decision by Parliament, 1st reading	T4-0560/1996	Summary
24/11/1996	Debate in Parliament		Summary
13/02/1997	Modified legislative proposal published	COM(1997)0034	Summary
17/06/1998	Debate in Council	2108	
28/07/1999	Vote in committee, 1st reading		

28/07/1999	Committee report tabled for plenary confirming Parliament's position	A5-0005/1999	
16/09/1999	Decision by Parliament, 1st reading	T5-0015/1999	Summary
11/12/2001	End of procedure in Parliament		
11/12/2001	Additional information		Summary

Technical information

Procedure reference	1995/0205(COD)
Procedure type	COD - Ordinary legislative procedure (ex-codecision procedure)
Procedure subtype	Legislation
Legislative instrument	Directive
Legal basis	EC Treaty (after Amsterdam) EC 071
Stage reached in procedure	Procedure lapsed or withdrawn

Documentation gateway

Legislative proposal	COM(1995)0337 OJ C 321 01.12.1995, p. 0010	19/07/1995	EC	Summary
Economic and Social Committee: opinion, report	CES0248/1996 OJ C 153 28.05.1996, p. 0016	28/02/1996	ESC	Summary
Committee report tabled for plenary, 1st reading/single reading	A4-0293/1996 OJ C 347 18.11.1996, p. 0004	30/09/1996	EP	
Text adopted by Parliament, 1st reading/single reading	T4-0560/1996 OJ C 347 18.11.1996, p. 0420-0427	25/10/1996	EP	Summary
Modified legislative proposal	COM(1997)0034 OJ C 124 21.04.1997, p. 0025	13/02/1997	EC	Summary
Reconsultation	SEC(1999)0581	28/04/1999	EC	
Committee final report tabled for plenary, 1st reading/single reading	A5-0005/1999 OJ C 054 25.02.2000, p. 0010	28/07/1999	EP	
Text adopted by Parliament confirming position adopted at 1st reading	T5-0015/1999 OJ C 054 25.02.2000, p. 0056-0079	16/09/1999	EP	Summary
Committee of the Regions: opinion	CDR0058/1999 OJ C 057 29.02.2000, p. 0040	18/11/1999	CofR	

Additional information

European Commission	EUR-Lex
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Development of the Community's railways

PREVIOUS COMMUNITY LEGISLATION: Commission Decision 93/45/EEC of 22.12.1992 concerning the granting of financial support for pilot schemes to promote combined transport; this is the PACT Programme (Pilot Actions of Combined Transports), which covers measures to improve the organization and operation of combined transport services and to integrate operators into the entire logistic chain, excluding financing of infrastructure and research. Each projects is managed by a pilot scheme committee, within which all the partners in project must reach a working agreement and learn to cooperate effectively, under the discreet supervision of the Commission, which confines itself to monitoring compliance with the rules on competition and the budgetary rules for the measures it finances. Any public or private undertaking may submit a PACT directly to the Commission, which considers the application and helps the undertaking to build the project and to find

partners if necessary. Financing must have the agreement of the Member States concerned. PREVIOUS POSITION OF EP: under the consultation procedure, Parliament gave a favourable opinion on the proposal for the decision. SITUATION IN THE MEMBER STATES: several projects have been launched involving 11 of the former Community of Twelve (only Luxembourg is not represented), creating a network of routes crossing the Community in every direction, with the possibility of development towards the new Member States.

Development of the Community's railways

OBJECTIVE: the proposal for a Council directive aims to amend Directive 91/440/EEC (which establishes the rights of access for groupings of undertakings involved in the transport of goods to the railway networks of other Member States) with a view to making rail transport more competitive by attracting new capital and encouraging existing operators to improve their performance. SUBSTANCE: - the right of access would be extended to individual operators; - the scope of the directive would be extended to cover both national and international transport of freight and international transport of passengers. ?

Development of the Community's railways

Given the series of observations, arguments and analyses which accord with the unanimous assessments made by the Economic and Social Committee in its earlier Opinions on rail transport reform, one can take the view that the time has come for further liberalization of the sector, but only if such liberalization is correlated with a consistent, harmonized political choice on the overall reform of the sector in all its aspects - economic, social and managerial, and in particular: - management autonomy; - financial retrenchment; - taking problems of external costs into account; - development of intermodality; - interoperability problems; - definition of public service requirements at the European level; - harmonization in the social field, especially as regards employment problems and working hours; and - the framing of safety standards and rules at European level. More particularly, as regards the proposal for a Council Directive amending Directive 91/440/EEC, the Economic and Social Committee, while endorsing it and acknowledging its logical consistency with the overall approach to transport reform in the single market and with the need to increase the competitiveness of the rail sector, considers that harmonization among the Member States by national implementation of the Directives already adopted and those still awaiting final adoption by the Council of Ministers would greatly facilitate achievement of the stated aims. Moreover, the Committee calls upon the Commission to stimulate greater consultation of the social partners in order to quantify the impact on employment should the Directive, thus amended, be rapidly adopted, and avoid likely negative social consequences through a Community support programme to be agreed with the social partners. In this context the Committee also asks the Commission to speed up the presentation of its Communication on public services. Finally, the Committee wonders whether it would not be useful, given the complexity of the problems connected with rail transport reform, to have a timetable for reference, as in the case of telecommunications, iron and steel or other equally complex sectors.?

Development of the Community's railways

Mr Erich FARTHOFER (A, PES) saw his already amended report on development of the railways in the EU rejected (15 members in favour, 16 against). The result of the final vote came as a complete surprise and led to considerable confusion on what to do with this report (on the proposal for a Council Directive amending Directive 91/440/EEC on the development of the railways in the EU (95/0205(SYN)). Should the rapporteur come forward with a new report or should this Commission proposal go to plenary as it is and should amendments be tabled in plenary? It was decided that the Committee will discuss the matter in its meeting of Tuesday, next week?

Development of the Community's railways

A further liberalization of the Community's railways was supported yesterday by the transport committee. Adopting the Erich FARTHOFER report on amending Railway directive 91/440/EEC, the committee gave the green light for a further freedom to provide services for railways in the EU. The Commission proposal (cooperation procedure, first reading) provides for a substantial expansion of access rights, which will increase competition. He, however, regretted that vital elements of the directive had not yet been transposed into law in most of the Member States. Unfair conditions for competition between established railway undertakings and newcomers still exist. The committee approved amendments on measures to write off the debts of existing railway undertakings and on harmonizing rules for all modes of transport, without which there would be a danger of bankruptcies, Mr FARTHOFER felt. He also proposed that cross-border passenger rail transport was not to be put at a disadvantage in relation to its competitors over VAT. ?

Development of the Community's railways

The rapporteur, Mr Farthofer (PSE, A), pointed out that the Committee on Transport had supported the ongoing deregulation of the Community railway network by adopting the report amending the Directive in question. According to Mr Farthofer, the committee had adopted several amendments on measures to write off the debts of existing railway companies and harmonise the rules applying to all modes of transport, failing which the enterprises in question would be threatened with bankruptcy. The rapporteur also proposed that cross-border passenger rail transport should not be put at a disadvantage compared to rival modes of transport when it came to VAT. Commissioner Papoutsis stated that the Commission was looking into a number of problems, including reducing debt levels, the inclusion of external costs, tax relief and fees for infrastructure use. However, he said that he was unable to take over a number of the Committee on Transport's amendments, including Amendments Nos 2, 3, 4, 5 and 8, which went beyond the scope of the proposal for a directive. He also thought that the first paragraph of Amendment No 7 would constitute a step backwards in the debt reduction process.

Development of the Community's railways

In adopting the report by Mr Erich FARTHOFER (PSE, A), Parliament welcomed the continued liberalization of the railways in the Community. However, it introduced several amendments concerning measures to write off the debt of existing railway undertakings and to harmonize the rules applicable to all the modes of transport. Parliament also proposed that, in respect of VAT, cross-border passenger transport by rail should be at no disadvantage to other modes of transport offering similar services. ?

Development of the Community's railways

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Development of the Community's railways

The amended Commission proposal incorporated three of the nine amendments adopted by Parliament at first reading: - stressing that the principle of freedom to provide services must be applied uniformly in the Member States as the directive is implemented, in order to avoid distortions of competition in and between the Member States; - stressing the need to take account of the socio-economic role of regional rail transport in the process of liberalization; - stating that access and transit rights to the infrastructure must be granted on equitable, transparent and non-discriminatory conditions. The Commission rejected the following amendments: - requiring the Member States to help reduce debt and improve finances by the date of transposal of the directive; - requiring the Member States to ensure that the railways have customary own resources; - requiring the Member States to require the establishment of separate debt amortization units within railway undertakings; - requiring the Member States to ensure by 1 January 2000 that the railways are not at a disadvantage compared to other modes of transport as regards VAT on cross-border transport and other fiscal provisions such as duty-free sales; - requiring the Commission to report on plans to further interoperability. ?

Development of the Community's railways

The Directorates General or responsible departments have asked for this proposal to be withdrawn. The reasons are indicated as follows: A) for objective reasons (change of de facto situation, objectives already achieved by other means, etc) B) because the Commission has now adopted another approach : - the proposal is replaced implicitly, - a new proposal is in preparation, - no planned replacement.?