


# Procedure file

Basic information		
COS - Procedure on a strategy paper (historic)	<a href="#">1994/2055(COS)</a>	Procedure completed
European automobile industry: current situation, challenges and strategy for the future and proposals for action		
Subject 3.40.03 Motor industry, cycle and motorcycle, commercial and agricultural vehicles		

Key players	
European Parliament	
Council of the European Union	

Key events			
22/02/1994	Non-legislative basic document published	COM(1994)0049	Summary
18/04/1994	Committee referral announced in Parliament		
19/07/1995	Vote in committee		Summary
18/07/1995	Committee report tabled for plenary	<a href="#">A4-0188/1995</a>	
19/09/1995	Debate in Parliament		
21/09/1995	Decision by Parliament	T4-0397/1995	Summary
21/09/1995	End of procedure in Parliament		
16/10/1995	Final act published in Official Journal		

Technical information	
Procedure reference	1994/2055(COS)
Procedure type	COS - Procedure on a strategy paper (historic)
Procedure subtype	Commission strategy paper
Legal basis	Rules of Procedure EP 142
Stage reached in procedure	Procedure completed
Committee dossier	ECON/3/05421

Documentation gateway					
Non-legislative basic document		COM(1994)0049	23/02/1994	EC	Summary

Economic and Social Committee: opinion, report	<a href="#">CES1071/1994</a> <a href="#">OJ C 393 31.12.1994, p. 0225</a>	15/09/1994	ESC	Summary
Committee report tabled for plenary, single reading	<a href="#">A4-0188/1995</a> <a href="#">OJ C 269 16.10.1995, p. 0010</a>	19/07/1995	EP	
Text adopted by Parliament, single reading	T4-0397/1995 <a href="#">OJ C 269 16.10.1995, p. 0136-0149</a>	21/09/1995	EP	Summary

## European automobile industry: current situation, challenges and strategy for the future and proposals for action

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The Commission communication analysed the current situation of the motor industry and set out certain areas of reflection with a view to improving the competitiveness of European manufacturers. The document began by listing the challenges to be met by the motor industry: - strengthening the presence of European manufacturers in high-growth third markets: Eastern Europe, Latin America, Asia and China; - improving environmental performance through the industrial development of cleaner cars and through better results in terms of spatial planning and the improvement of infrastructures; - reducing production costs and improving the qualifications of the workforce of the companies concerned, particularly by developing close partnerships between equipment manufacturers and car manufacturers and between producers and distributors. In order to help the motor industry face up to these challenges, the Commission underlined that the Community's task would be to: - complete the internal market by eliminating fiscal differences between Member States and by harmonising and strengthening the existing standards on safety and emissions. With regard to competition, the Commission would propose the renewal of the 1985 regulation on the exclusive and selective distribution of vehicles in the Community and would continue to monitor closely the level of aid granted to the motor industry; - help the industry to succeed in its restructuring through the use of structural policy instruments in order to facilitate the adaptation of companies and their workforce to new systems of production and industrial changes. Three instruments would be of particular use to the motor industry in this context: Objective 4 of the Structural Funds, the new Community initiative on employment and human resources (ADAPT) and the programme for Community initiatives to benefit SMEs; - support research and technological development, particularly under the fourth framework programme (new technologies for the reduction of emissions and fuel consumption, electronics for engines, electric vehicles, etc.). The Commission stressed that primary responsibility for the changes to be made and the improvement of competitiveness rested with the industry itself. ?

## European automobile industry: current situation, challenges and strategy for the future and proposals for action

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The Committee on Economic and Monetary Affairs adopted the report by Mr Alan DONNELLY on the communication from the Commission concerning the Community automobile industry. The report focused on the objectives set for the year 2000 and beyond, which involved the development of "clean, intelligent, high-quality, high-value" cars. While the rapporteur fully subscribed to these general objectives, the proposal for a resolution focused on certain key points. One of the first actions required in this sector was to draw up a specific strategy for the car industry on a scale comparable to that which is applied in Japan and the USA. To achieve this, greater investment effort was needed in respect of research and technological development. It was also vital to strengthen the level of dialogue with operators in this sector, in order to monitor the impact on the automobile industry of the developments taking place in all the areas in which the Community was taking an active role. Greater efforts should also be made in the field of training, particularly in consultation with the motor companies and trade unions. Fiscal incentives should be put in place in order to encourage the replacement of older vehicles by new ones. Greater deregulation should also be introduced to the vehicle retailing sector and the spare-parts market. The proposal for a resolution also endorses the objective of harmonized levels of purchase tax. At present, taxation levels for vehicles with an average engine capacity of 2000 cc vary from 15 % in Germany to 213% in Denmark. There was also a need to strengthen measures relating to vehicle safety. To achieve this, new collision tests were urgently required which better recreate real conditions. There was also a call for a compulsory standard on child safety seats, for the banning of attachments which posed a danger to pedestrians (such as "bull bars"), and for the promotion of MOT testing, etc. With regard to the environment, the proposal for a resolution encourages the development of cleaner vehicles, including a low-pollution car which uses 3 litres of fuel per 100 km. There was also a need to make greater use of remote detection equipment for badly-maintained vehicles (the so-called "big polluters") and to implement measures promoting the recycling of vehicles which have been taken out of circulation. Moreover, recycling should be one of the main priorities of the RTD programme for the motor industry. Finally, maximum emission limits should be established before the year 2000. As regards foreign markets, the proposal for a resolution focuses on the need to keep a close watch on all customs and non-customs barriers which impede the access of Community-made vehicles to the markets of non-member countries. ?

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In adopting the report by Mr Alan DONNELLY (PSE), Parliament called on the Commission to draw up a specific strategy for the European

automobile industry which would be on a similar scale to that deployed in Japan and in the USA. This was to include the following measures: to extend the scope of the joint task force on the car of the future; to re-assess the Commission's policy in respect of R&D appropriations for the car industry; to strengthen dialogue with operators in this sector (setting-up a high-level group) in order to examine the impact of EC policies on the motor industry; to coordinate European R&D programmes with national research; to take account of the socio-economic aspects associated with the development of the car of the future. Parliament underlined the importance of a revival in demand for stimulating the expansion of the European motor industry. It called on the Commission: - to encourage Member States to offer fiscal incentives for the replacement of older vehicles by new ones and to examine the benefits of a European subsidy scheme; - to implement the single market by putting forward proposals within the framework of the European type-approval process, together with proposals for the harmonization of taxes on vehicle purchase, registration and use; Parliament considered that greater deregulation should be introduced to the car retailing sector and the spare-parts market; - to take account of the specific constraints affecting SMEs, by promoting this group's use of Community programmes, and to support investment aimed at promoting education and training; - to draw up, as a matter of urgency, high standards for the safety and environmental design of motor vehicles: new collision tests, compulsory standard for child safety seats, banning of attachments which pose a danger to pedestrians (bull bars); wearing of safety belts to be made compulsory in buses and MOT testing for vehicles of this type; - to encourage the development of environment-friendly vehicles, including a car which uses 3 litres of fuel per 100 km and is suitable for daily use, together with the implementation of measures to limit pollution levels: the use of remote detection equipment for the "big polluters", the development of new fuels and new propulsion technologies, and measures to promote the recycling of vehicles which have been taken out of circulation (the latter should be one of the priorities of the R&D programme for the car industry); - to present a proposal which sets emission limits and is aimed at reducing fuel consumption by the year 2000; - to monitor all customs and non-customs barriers which impede the access of Community-made vehicles to the markets of non-member countries (South Korea and Japan); - to develop a system for monitoring the relocation of car production factories; - to promote dialogue on working-shift patterns which are likely to maintain employment levels and to seek international cooperation on minimum standards for working hours, workplace conditions and the working environment. ?