Council of Ministers

ROAD TRANSPORT
MULTILATERAL QUOTA

RESOLUTION
for an Improved Management of the ECMT Multilateral Quota

Ministers approved this Resolution during the Brussels session of the Council of Ministers.
1. **Background**

The ECMT multilateral quota system was introduced on 1 January 1974 after a trial period of three years and was seen by the Council of Ministers as the first practical step towards the gradual liberalisation of road freight transport in conjunction with the harmonisation of the terms of competition both between road hauliers from different countries and between modes of transport.

The licences issued under the system entitle their holders to engage in the international carriage of goods by road for hire or reward, using a single vehicle or coupled combination of vehicles, where the points of loading and unloading are located on the territories of different Member countries -- including transit operations -- and also to engage in empty runs on the territory of Member countries which require a licence for such journeys. The system gave professional operators greater flexibility in that it broke with the rigid system of bilateral agreements, which traditionally prevailed in Europe.

From 1991, the situation has gradually changed as a result of a number of factors:

- The accession of the new Member countries (19 Member countries in 1991, 42 Member countries in 2002), followed by a decision by the Council of Ministers to include them in the multilateral quota system as a practical means of integrating them into the market economy.
- The establishment of the Community's Single Market and the creation of the European Economic Area in 1993 led to an increase in the movement of goods.
- The liberalisation of the internal market for haulage for the 15 existing EU member States in July 1998.
- The enlargement process in the European Union, which will boost trade between Member States.

Recently infringements of the conditions for use of the quota, linked to calls for tightening control of the system and evaluating its real economic impact have led the Group on Road Transport to develop six specific proposals for improving the management of the system.

2. **Proposals**

1. The ECMT Secretariat should update the Website on cancelled, stolen and lost licences, as soon as the information is made available to it, in order to enable access to every Member state who, in turn, should undertake to feed changes into the databank immediately. In addition to notification on the Web page, the Secretariat could, if necessary, send the information to a contact person in every country able to forward it to the Authorities (police and customs) most concerned.

2. Cancelled ECMT licences should be retained by Member countries and sent back to the ECMT Secretariat by the end of the calendar year, except for countries where a specific procedure has been set up for their destruction. In this case, the ECMT Secretariat should be informed of their final destruction in due time.

Concerning forged licences, a copy and some explanations should be forwarded to the Secretariat in order to identify the different types of forgeries and help develop ways to cope with them.

ECMT annual licences not distributed to hauliers should be returned to the ECMT Secretariat by 15 October of each year at the latest, following the procedure applied to Malta and defined when this country entered the system. This cannot be respected by all Member countries, as some deliver annual licences throughout the year. A solution might be for such countries to plan the previous year to print a number of short-term licences to cover hauliers needs for the second semester.
3. At the beginning of each year, with a view to better understanding the system in each country, Member countries could provide information concerning their international road haulage in parallel with the criteria already set up for the distribution of licences, such as total volume of international road transport, fleet structure, total number of companies to which licences are issued. This information could be collected in a specific document, which could be discussed at a meeting of the Group on Road Transport with a view to ensuring non discriminatory treatment of international road hauliers.

4. In order to have a global assessment of the use of the quota and its relative importance in international trade, it might be appropriate to renew the statistical exercise carried out prior to 1993, based on the number of tonnes-km carried under the ECMT quota in multilateral traffic and in bilateral traffic. Some basic information could be collected, on an annual basis -- encouraging countries able to do so to provide information twice a year. If journeys rather than tonne-km are surveyed, with the purpose of tracing the routes used, it might not be necessary to change the logbook. On the contrary, it might give the logbook its full value as an effective control tool.

The information collected should cover:
- Number of journeys (from the point of loading to the point of unloading),
- Number of empty runs.

5. With a view to improving the implementation of the regulations and strengthening the control of the system in practice, it is also proposed to lengthen the period required for keeping the completed record sheets in the logbook on board the vehicle. It would also be useful to specify that the abusive use of the quota for bilateral transport operations (Chapter 6 of the Guide) means both limiting use to transport between the country of registration and another Member country, and also use of a licence for transport limited to two neighbouring Member countries outside the country of registration.

6. Lastly, in order to provide information beyond that already submitted by Germany on the evolution of the international road transport market, it might be useful to update the study carried out in 2000 by NEA [CEMT/CM(2001)10].

This study could be updated, taking into consideration the elements brought forward by the German delegation in its enquiries, before future major changes are introduced into the system (introduction of EURO4 lorries, EU enlargement) and updated at regular intervals (5 years).

Precise guidelines for a study of the road haulage market to be launched in 2003 should be defined in the Group on Road Transport, including the use of ECMT licences.

On the basis of these proposals, the following Resolution was approved by the Council of Ministers.
RESOLUTION FOR AN IMPROVED MANAGEMENT OF THE ECMT MULTILATERAL QUOTA

The Council of Ministers, meeting in Brussels, on 23 and 24 April 2003,

RECALLS requests made at the previous Council, aiming at concrete proposals for improvement to the existing multilateral quota system [CEMT/CM(2002)8];

TAKES NOTE of the six proposals outlined above;

REQUESTS:

• Member countries to:
  ♦ Inform immediately the Secretariat of cancelled, replaced, stolen and lost licences,
  ♦ Nominate a contact person, who can forward the information mentioned above to the Secretariat and to those national Authorities (police and customs) concerned;
  ♦ Forward to the Secretariat, at the beginning of each year, information concerning international road haulage, particularly the total volume of international road transport, fleet structure, number of total companies to which licences are issued, according to the criteria already set up for the distribution of licences;
  ♦ Forward to the Secretariat by 15 October of each year at the latest, ECMT annual licences, which have not been distributed to national hauliers, following the procedure already applied for some Member countries;

• The Secretariat to:
  ♦ Update the Website where cancelled, stolen and lost licences are recorded as soon as the information is available, with a view to enabling all Member states to be informed and react immediately,
  ♦ Distribute an annual statistical questionnaire to be returned by 31st March of the following year on:
    - Numbers of journeys (from the point of loading to the point of unloading),
    - Numbers of empty runs.

DECIDES to amend the Guide for Government Officials and Carriers on the Use of the ECMT Multilateral Quota [CEMT/CM(2001)9/FINAL] as follows:

♦ Chapter 5, third paragraph, should read:

"Each country should proceed with the printing, in its own language, of the number of logbooks necessary for the use of annual or short-term licences. Usually logbooks, with 5 self copying and numbered pages, accompany monthly licences. It is recommended to print 52 self copying and numbered pages for annual logbooks, corresponding to the 52 weeks in a year."
Chapter 5, second-to-last paragraph, should read:

"The completed record sheets should be kept in the logbook until the period of validity, indicated in the licence, expires. The copies of the record sheets are then detached and sent to the competent authority or body within 20 days after the end of each calendar month in the case of an annual licence or at the end of the period of validity in the case of a short-term licence."

Chapter 6, second-to-last paragraph, should read:

"Licences must be withdrawn by the issuing Authorities, in the event of serious or repeated infringements and in cases of insufficient use or use for recurring transport operations only. In this context, recurring transport means exclusive use between the country of registration and another Member country, and also the exclusive use between two Member countries outside the country of registration."

Chapter 6, a supplementary last paragraph is added:

"In cases where repeated infringements are committed by a haulier holding ECMT multilateral licences, this haulier should be forbidden from holding ECMT licences for at least two years. The Member country concerned should inform the Secretariat of the penalty. The Secretariat will then immediately inform the other Member countries."

Chapter 8, second paragraph, should read:

"Should the competent Authorities of a Member country become aware that the holder of an ECMT licence issued in another Member country has infringed the licence provisions, the Member country on whose territory the infringement occurred must notify the ECMT Secretariat and the Authorities of the country of establishment, in order that these authorities take any further action regarding penalties (including withdrawal of the licence) deemed necessary. The respective Authorities are to provide each other, within three months after the offence was committed, with all available information regarding penalties, taken or foreseen, for infringements.

INSTRUCTS the Committee of Deputies:

- To disseminate this Resolution to the government Authorities and professional Bodies concerned;
- To ensure its implementation as soon as possible;
- To update the survey carried out in 2000 on "The importance of the ECMT multilateral quota of transport licences for the European Transport Market" in order to get an overall view of the road haulage market, including the use of ECMT licences. Precise guidelines concerning this study should be defined within the Working Group concerned;
- To report on the operation of the system and to consider the scope for subsequent adjustments in due course.