COUNCIL REGULATION (EC) No 543/97

of 17 March 1997

amending Regulation (EEC) No 1107/70 on the granting of aids for transport by rail, road and inland waterway

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty establishing the European Community, and in particular Articles 75 and 94 thereof,

Having regard to the proposal from the Commission [1],

Having regard to the opinion of the Economic and Social Committee [2],

Acting in accordance with the procedure referred to in Article 189c of the Treaty [3],

(1) Whereas Council Regulation (EEC) No 1107/70 of 4 June 1970 on the granting of aids for transport by rail, road and inland waterway [4], provides the Member States with the possibility of developing combined transport by the granting of aid relating to investments in infrastructure, in fixed and mobile equipment necessary for transhipment and in transport equipment specifically geared to combined transport and used only in combined transport or aid concerning the running costs of an intra-Community combined transport service transiting through the territory of third countries;

(2) Whereas the growing requirement for mobility is placing ever increasing demands and pressures on people and the environment; whereas, to take account of the present highly uneven spread of costs and pressures between the different modes of transport, the possibility must be created of support for environment-friendly forms of transport;

(3) Whereas the current overall transport policy has not yet succeeded in creating the conditions for healthy competition between the various modes of transport; whereas no financial equilibrium has yet been achieved within the railway companies;

(4) Whereas the development of combined transport reveals that the launching phase of this technique has not yet been completed in all regions of the Community; whereas the aid arrangements have accordingly to be extended;

(5) Whereas, consequently, it is appropriate to maintain current aid arrangements in force until 31 December 1997; whereas the Council should take a decision, under the conditions provided for in the Treaty, on the arrangements to be applied thereafter or, if necessary, on the conditions under which these aids should cease;

(6) Whereas the possibility of granting aid for the running costs of combined transport services transiting through the territory of third countries has to be maintained only for Switzerland and the States of former Yugoslavia;

(7) Whereas Decision 75/327/EEC [5], to which Article 4 of Regulation (EEC) No 1107/70 refers, was repealed by Article 13 of Directive 91/440/EEC of 29 July 1991 on the development of the Community's railways [6]; whereas Article 4 should therefore be deleted;

(8) Whereas the categories of aid authorized for combined transport have been shown to operate satisfactorily and that it is possible, consequently, to simplify checks on these by exempting them from the procedure referred to in Article 93 (3) of the Treaty;

(9) Whereas the laying down of rules relating to aids allocated by Member States for transport is a matter of exclusive Community competence and must take the form of a regulation;

(10) Whereas it is appropriate to amend Regulation (EEC) No 1107/70 accordingly,

HAS ADOPTED THIS REGULATION:

Article 1

Regulation (EEC) No 1107/70 is hereby amended as follows:

1. Article 3, item 1 (e), shall be amended as follows:

— in the first and third subparagraphs, 31 December 1995 shall be replaced by 31 December 1997,

[1] OJ No C 253, 29. 9. 1995, p. 22.
[2] OJ No C 39, 12. 2. 1996, p. 102.
[3] Opinion of the European Parliament of 29 February 1996 (OJ No C 78, 18. 3. 1996, p. 25), Council common position of 25 October 1996 (OJ No C 372, 9. 12. 1996, p. 1) and Decision of the European Parliament of 19 February 1997 (OJ No C 85, 17. 3. 1997).
[4] OJ No L 130, 15. 6. 1970, p. 1. Regulation as last amended by Regulation (EEC) No 3578/92 (OJ No L 364, 12. 12. 1992, p. 11).
[5] Council Decision 75/327/EEC of 20 May 1975 on the improvement of the situation of railway undertakings and the harmonization of the rules governing financial relations between such undertakings and the States (OJ No L 152, 12. 6. 1975, p. 3).
[6] OJ No L 237, 24. 8. 1991, p. 25.

— in the fourth indent of the first subparagraph, the words 'across Austria' shall be deleted;

2. Article 4 shall be deleted;

3. Article 5 (2) shall be replaced by the following:

'2. Aid referred to in Article 3, item 1 (e) shall be exempt from the procedure provided for in Article 93 (3) of the Treaty; it shall be communicated to the Commission on an estimated basis at the beginning of each year, and, subsequently, in the form of a report, after the end of the financial year.'

Article 2

This Regulation shall enter into force on the day following its publication in the *Official Journal of the European Communities.*

It shall apply with effect from 1 January 1996.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 17 March 1997.

For the Council

The President

J. VAN AARTSEN