



Brussels, 20 March 2006

**DRAFT**

**BACKGROUND**<sup>1</sup>

***TRANSPORT, TELECOMMUNICATIONS AND ENERGY COUNCIL***

***- Transport issues -***

**Monday 27 March in Brussels**

*The Council's meeting will start at 10:00 under the presidency of **Mr Hubert Gorbach**, Austrian Vice-Chancellor and Federal Minister for Transport, Innovation and Technology.*

*The Council will hold a policy debate on a proposal on **public service obligations** for passenger transport services. It will also hold a **public** debate on a **mid-term review on road safety** action programme to be presented by the Commission.*

*The Council will attempt to reach a general approach on a proposal on common rules in the field of **aviation security** and will take note of progress on a regulation on the establishment of a joint undertaking to develop the new generation **European air traffic management system**. In addition, the Council will adopt **decisions on Siberian overflights** payments.*

*The Council will take note of information from the Commission on negotiations with the concession holder for **the global navigation satellite system** and will have an exchange of views on this issue. The Council will also hold a **public** policy debate on the EU's **sustainable development strategy**.*

*In addition, the Council will without discussion reach a political agreement on a proposal for a directive on **driving licences** and will adopt a directive on the charging of heavy good vehicles for the use of certain infrastructures (**Eurovignette**).*

*The presidency will hold a press conference before lunch +/- 13.00 and at the end of the meeting.*

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<sup>1</sup> This note has been drawn up under the sole responsibility of the Press Service.

## **LAND TRANSPORT**

### **Public passenger transport services by rail and by road (public service obligations)**

The Council will hold a policy debate on a revised proposal for a regulation of the European Parliament and of the Council on public passenger transport services by rail and by road and will take note of a progress report presented by the presidency.

In order to structure a policy debate, the presidency has prepared a questionnaire with a view to obtaining political guidance to enable further progress, focusing on the following issues:

- ministers' agreement with the possibility of direct awards for regional or long-distance transport services by rail or the extension of this possibility to suburban heavy rail services; the need for the extension of the possibility of direct award to all public passenger transport contracts; possible additional measures for operators in receipt of direct awards if they wish to compete in open markets elsewhere in order to prevent distortions of competition; and
- the need to allow existing contracts to continue until their expiry date, in particular considering the manner in which these contracts have been allocated and their duration.

The proposal is aimed at establishing a new legislative framework for the increasingly open and competitive market for public passenger transport services by rail and by road. It lays down the conditions under which competent authorities compensate transport operators for the costs incurred in meeting public service obligations and/or grant exclusive rights in return for the operation of public passenger transport services.

The Commission presented the proposal in July 2005 (11508/05). The current proposal is a revision of two earlier Commission proposals on the same subject, an initial proposal from 2000 and an amended proposal from 2002.

### **Road safety**

#### ***a) Mid-term review on the EU's road safety action programme (Public debate)***

The Commission will present a communication on its mid-term review of the EU's road safety action programme "halving the number of road accidents victims in the European Union by 2010" adopted in 2003 (6793/06) and the Council will hold a public debate.

Since 2001 the European Union has helped to put road safety at the top of the agenda of the member states' political concerns, with a joint target (proposed in 2001 and updated after enlargement in 2004) of fewer than 25 000 fatalities a year by 2010.

The Commission's figures show that in 2001, 50 000 people were killed on the roads in the countries which today make up the European Union. The figures for 2005 show there were 41 600 road deaths, a fall of 17.5% over four years. At the present rate, there are likely to be 32 500 road deaths in the European Union in 2010, which is still above the maximum target of 25 000.

To achieve the objective, the Commission considers that more effort will be needed at national and European level. The Commission plans to launch new initiatives once a revised transport white paper has been adopted (expected in April).

### ***b) Informal ministerial meeting on road safety***

The presidency will inform the Council on the informal ministerial meeting on road safety, which took place in Bregenz on 2-3 March.

## **Inland waterways**

### ***a) Communication from the Commission on the promotion of inland waterway transport***

The Commission will present a communication on an integrated European action programme for inland waterway transport called "Naiades", adopted on 17 January (5583/06).

In its communication, the Commission sets out an action programme focusing on five strategic areas which includes recommendations for concrete measures in the period 2006-2013 that it considers fundamental for the further development of the inland waterway transport sector:

- markets (attracting new markets, encouraging entrepreneurship and improve administrative and regulatory framework);
- fleet (improving logistic effectiveness and inland navigation performance when it comes to the environment and security);
- jobs and skills (attracting qualified labour and investing in human capital);
- image (promoting a better image of the sector); and
- infrastructure (improving the multimodal network by launching a European development plan).

The Commission also stresses the need to modernize the organisational and institutional structure of inland navigation in Europe.

### ***b) High-level meeting on inland navigation***

The presidency will report to the Council on the findings of a high-level meeting on inland navigation, which took place in Vienna on 14-15 February, with the participation of member states, non-EU members and industry. The promotion of transport by inland waterways is a priority for the Austrian presidency, shared by several member states. The meeting resulted in a "findings document" which underlined the importance of inland navigation as a commercially attractive and environmentally compatible mode of transport.

## **AVIATION**

### **Common rules in the field of aviation security**

The Council will attempt to reach a general approach, pending the European Parliament's opinion in the first reading, on a proposal for a regulation of the European Parliament and of the Council on common rules in the field of aviation security.

The proposal seeks to replace regulation 2320/2002 on common rules in civil aviation security (*OJ L 355, 30.12.2002, p. 1*), adopted in the wake of the terrorist attacks of 11 September 2001 and in force since January 2003. The Commission submitted a proposal for its revision in September 2005 (*12588/05*).

The new regulation is aimed at clarifying, simplifying and further harmonising legal requirements with the objective of enhancing the overall security in civil aviation. It lays down common rules for safeguarding civil aviation against acts of unlawful interference. It also provides the basis for a common interpretation of Annex 17 to the 1944 Chicago Convention on International Civil Aviation.

The new regulation will in particular extend Community competence to cover in-flight security measures. In addition, it addresses situations whereby a third country requires different security measures on flights from Community airports than those laid down by Community legislation.

*Legal basis: Article 80(2) of the Treaty: vote by qualified majority under the Parliament-Council co-decision procedure.*

### **European air traffic management system (SESAR)**

The Council will take note of a progress report presented by the presidency on a regulation on the establishment of a joint undertaking to develop a new generation European air traffic management system (SESAR = single European sky air traffic management and research).

The aim of the proposed regulation is to create a joint undertaking to ensure the coherence and consistency of the programme, whilst promoting partnership between the Community and the other public and private bodies involved.

SESAR is the technological part of the "single European sky" initiative, launched in 2004 to reform the organisation of air traffic control. It will introduce new communication, control and computing technologies between ground and aircraft which will optimise the work of air-traffic controllers and pilots. SESAR is aimed at boosting the safety and environmental performance of air transport and at ensuring that Europe remains at the forefront of the world aviation market.

The Commission adopted its communication and a proposal for the regulation in November 2005 (*15143/05*).

## **External relations**

### ***a) EU-US negotiations for an air transport agreement***

The Council will take note of information from the Commission about the latest state of play of the EU-US negotiations for an air transport agreement.

The Council welcomed in December 2005 (*14636/1/05, p.42*) the significant progress made in negotiations for an EU-US aviation agreement. It is still awaiting the outcome of the US administration's internal procedures which should lead to the finalisation of a "rule change" on foreign control of US airlines, seen by the EU as an essential element of the draft agreement negotiated with the US in November 2005.

### ***b) EU-Russia - Siberian overflights***

The Council will be called on to adopt a decision authorising the Commission to start negotiations with the Russian Federation in order to solve the issue of the Siberian overflight payments.

EU carriers are required to pay significant sums of money to the Russian side for the right to overfly Siberia. These overflight charges are anchored in "commercial agreements" between EU carriers and Russian side, but these agreements are effectively rendered obligatory by the bilateral services agreements between member states and the Russian Federation.

## **HORIZONTAL QUESTIONS**

### **Global Navigation Satellite System (GNSS)**

The Council will be briefed by the Commission on negotiations with the concession holder for the global navigation satellite system, led by the Galileo Joint Undertaking (GJU) and it will have an exchange of views on this issue.

A first round of negotiations between GJU and merged consortium ended on 17 February with the signature of an agreement of principles. A second round of negotiations started on 20 February and is ongoing. A third round will take place in the period from 18 April to 15 June. The concession contract is expected to be signed in October 2006.

The negotiations are focused on nine key issues: design risk, performance risk, completion risk, cost overrun risk, revenue risk, deployment risk, project risk coverage, compensation on termination and replenishment.

### **Review of the EU Sustainable development strategy (Public debate)**

The Council will hold a policy debate on the EU's sustainable development strategy (EU SDS) on the basis of the following questions suggested by the presidency:

- *Do you consider the objectives, targets, key actions and the implied mix of policy instruments proposed in the SDS Review package (15796/05), in particular Annex 2, are appropriate and sufficient to meet the challenges of Sustainable Development and to efficiently address unsustainable trends in your policy area? Are greater prioritisation and/or stronger efforts necessary to achieve this?*

- *How can your Council formation best contribute to deliver visible results and measurable progress in implementing the EU SDS? What should be done to enhance synergies and coherence across policies and processes, including the Lisbon agenda?*
- *How can an ambitious EU SDS ensure coherence between EU internal policies and its international commitments and contribute to sustainable development at both EU and global level, in particular in your specific policy area?*

In June 2005 the European Council adopted a declaration on guiding principles for sustainable development. In December 2005, the European Council noted the presentation of the Commission's communication on a renewed EU SDS for the next 5 years.

The Commission's "SDS Review Package" consists of:

- the communication itself proposing six priority issues, the integration of the external dimension into internal policy making, as well as an effective monitoring procedure and follow-up process;
- guiding principles for SD adopted in June 2005 by the European Council;
- objectives, targets, policies and actions;
- a Commission communication adopted in February 2005, taking stock of progress made and proposing first orientations.

The outcome of this debate and of the policy debates that will take place in the different Council configurations directly concerned by the SDS will be used as an input for the draft of a reviewed sustainable development strategy to be adopted by the European Council at its June 2006 meeting.

The Environment Council held a policy debate on this issue on 9 March (6762/06) and the Agriculture Council on 20 March.

### **Any other business**

- The Council will be briefed by the presidency on the **conference of directors general of civil aviation on a global strategy for aviation safety**, which took place in Montréal, on 20-22 March.
- The Council will be briefed by the Commission on the follow-up to the proposal for a **directive on market access to port services**.
- The Commission will present a communication on **enhancing supply chain security** and proposal for a regulation of the European Parliament and of the Council on enhancing supply chain security (6935/06).
- The Commission will present a proposal for a directive of the European Parliament and of the Council on the **promotion of clean road transport vehicles**.

- The Council will be briefed by the Commission on the establishment of a "**black list**" of air carriers which are subject to an operating ban within the Community.
- The Council will take note of information from Slovenian delegation on follow-up to a ministerial **conference on motorways of the sea**, which took place in Ljubljana, on 24 January.
- The Council will hear information by Luxembourg on its specific situation concerning **aviation war risk insurance**.

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