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A5-0079/1999

RECOMMENDATION

on the proposal for a Council Decision concerning the conclusion of the agreement concerning the establishing of global technical regulations for wheeled vehicles, equipment and parts which can be fitted and/or be used on wheeled vehicles ("Parallel Agreement") (10167/1999 - COM(1999) 27 – C5-0073/1999 - 1999/0011(AVC))

Committee on Industry, External Trade, Research and Energy

Rapporteur: Guido Bodrato

<i>Symbols for procedures</i>	<i>Abbreviations for committees</i>
<p>* Consultation procedure <i>majority of the votes cast</i></p> <p>**I Cooperation procedure (first reading) <i>majority of the votes cast</i></p> <p>**II Cooperation procedure (second reading) <i>majority of the votes cast, to approve the common position</i> <i>majority of Parliament's component Members, to reject or amend the common position</i></p> <p>*** Assent procedure <i>majority of Parliament's component Members except in cases covered by Articles 105, 107, 161 and 300 of the EC Treaty and Article 7 of the EU Treaty</i></p> <p>***I Codecision procedure (first reading) <i>majority of the votes cast</i></p> <p>***II Codecision procedure (second reading) <i>majority of the votes cast, to approve the common position</i> <i>majority of Parliament's component Members, to reject or amend the common position</i></p> <p>***III Codecision procedure (third reading) <i>majority of the votes cast, to approve the joint text</i></p>	<p>I. AFET Committee on Foreign Affairs, Human Rights, Common Security and Defence Policy</p> <p>II. BUDG Committee on Budgets</p> <p>III. CONT Committee on Budgetary Control</p> <p>IV. LIBE Committee on Citizens' Freedoms and Rights, Justice and Home Affairs</p> <p>V. ECON Committee on Economic and Monetary Affairs</p> <p>VI. JURI Committee on Legal Affairs and the Internal Market</p> <p>VII. INDU Committee on Industry, External Trade, Research and Energy</p> <p>VIII. EMPL Committee on Employment and Social Affairs</p> <p>IX. ENVI Committee on the Environment, Public Health and Consumer Policy</p> <p>X. AGRI Committee on Agriculture and Rural Development</p> <p>XI. PECH Committee on Fisheries</p> <p>XII. REGI Committee on Regional Policy, Transport and Tourism</p> <p>XIII. CULT Committee on Culture, Youth, Education, the Media and Sport</p> <p>XIV. DEVE Committee on Development and Cooperation</p> <p>XV. AFCO Committee on Constitutional Affairs</p> <p>XVI. FEMM Committee on Women's Rights and Equal Opportunities</p> <p>XVII. PETI Committee on Petitions</p>
<p>(The type of procedure depends on the legal basis proposed by the Commission)</p>	

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By letter of 26 July 1999 the Council requested Parliament's assent pursuant to Article 300(3), second subparagraph, in conjunction with Article 133, of the EC Treaty to the proposal for a Council Decision concerning the conclusion of the agreement concerning the establishing of global technical regulations for wheeled vehicles, equipment and parts which can be fitted and/or be used on wheeled vehicles ("Parallel Agreement") (10167/1999 - COM(1999) 27 - 1999/0011(AVC)).

At the sitting of 13 September 1999 the President of Parliament announced that she had referred this proposal to the Committee on Industry, External Trade, Research and Energy as the committee responsible and the Committee on the Environment, Public Health and Consumer Policy and the Committee on Regional Policy, Transport and Tourism for their opinions (C5-0073/1999).

At its meeting of 1 September 1999 the Committee on External Economic Relations had appointed Mr Bodrato rapporteur.

It considered the Council proposal and the draft recommendation at its meetings of 13 October and 24 November 1999.

At the latter meeting it adopted the draft legislative resolution unopposed, with 3 abstentions.

The following were present for the vote: Westendorp y Cabeza, chairman; Brunetta and Ahern, vice-chairmen; Bodrato, rapporteur; Alyssandrakis, Baltas, Beysen (for Plooij-Van Gorsel), Chichester, Désir, Ferrer I Casals, Folias, Gill (for Read), Harbour, Lucas, McAvan, McNally, Maes, Erika Mann, Montfort, Murphy, Niebler, Novelli (for Lamassoure), Purvis, Quisthoudt-Rowohl, Rübzig, Scapagnini, Seppänen, Terron I Cusi (for Zimeray), Thors, Valdivielso De Cué, van Velzen and Vidal-Quadras Roca (for Wijkman).

The Committee on the Environment, Public Health and Consumer Policy and the Committee on Regional Policy, Transport and Tourism decided not to deliver an opinion.

The recommendation was tabled on 25 November 1999.

DRAFT LEGISLATIVE RESOLUTION

Legislative resolution embodying Parliament's opinion on the proposal for a Council Decision concerning the conclusion of the agreement concerning the establishing of global technical regulations for wheeled vehicles, equipment and parts which can be fitted and/or be used on wheeled vehicles ("Parallel Agreement") (10167/1999 - COM(1999) 27 – C5-0073/1999 - 1999/0011(AVC))

(Assent procedure)

The European Parliament,

- having regard to the proposal for a Council Decision concerning the conclusion of the agreement concerning the establishing of global technical regulations for wheeled vehicles, equipment and parts which can be fitted and/or be used on wheeled vehicles ("Parallel Agreement") (10167/1999 - COM(1999) 27),
 - having regard to the agreement concerning the establishing of global technical regulations for wheeled vehicles, equipment and parts which can be fitted and/or be used on wheeled vehicles ("Parallel Agreement"),
 - having regard to the Council's request for Parliament's assent pursuant to Article 300(3), second subparagraph, in conjunction with Article 133, of the EC Treaty (C5-0073/1999),
 - having regard to Rules 86 and 97(7) of its Rules of Procedure,
 - having regard to the recommendation of the Committee on Industry, External Trade, Research and Energy (A5-0079/1999),
1. Gives its assent to the Council proposal;
 2. Instructs its President to forward this legislative resolution to the Council and Commission, and the governments and parliaments of the Member States.

EXPLANATORY STATEMENT

1. Under the auspices of the United Nations Economic Commission for Europe (UN/ECE) an agreement was concluded in 1958 concerning the adoption of uniform technical requirements for wheeled vehicles, equipment and parts and the conditions for reciprocal recognition of approvals granted on the basis of these requirements. Given that the agreement's purpose was to harmonise technical regulations in the automotive sector in Europe, it was initially open for accession only by European countries. However, with the growing globalisation of the automotive market, this was seen to be too limited to avoid technical barriers to trade between the principal producer countries due to differences in technical standards.
2. After many years of negotiation between the contracting parties, the ECE Agreement was amended in 1995 to make it possible for non-European countries and regional economic integration organisations to accede to it. The Revised 1958 Agreement is proving effective in promoting harmonisation aimed at achieving high levels of safety, environmental protection and energy efficiency and represents a step forward towards the establishment of global rules which will benefit both industry and consumers by securing lower production costs, easier access to markets and enhanced protection for consumers. In March 1998, the EC became a party to the Revised Agreement, to which 30 parties have now acceded. In November 1998, Japan acceded to it, and South Africa and Australia are considering accession. However, although the United States initially displayed interest in acceding, it was unable to make up its mind to do so. This was mainly due to the differences in the certification systems between the USA and the other contracting parties; whereas in the USA motor vehicle manufacturers themselves certify that their vehicles comply with technical standards, the contracting parties have State type approval procedures. The USA also had objections to the voting procedure for the adoption of ECE rules, which permit majority decision-making.
3. In order nonetheless to enable all major automobile-producing or consuming countries to join the worldwide harmonisation process, a Parallel Agreement to the Revised 1958 Agreement was negotiated, the main difference between the two being that, under the Parallel Agreement, harmonised standards can only be adopted unanimously and mutual recognition of certificates and licences by the contracting parties to the Parallel Agreement is not compulsory. Attention should be drawn to the fact that the agreement is intended to ensure that, wherever alternative levels of stringency as regards mutual recognition are required in order to facilitate the regulatory activities of certain countries, in particular developing countries, such needs will be taken into consideration in developing and establishing global technical regulations. Under a negotiating mandate issued by the Council in November 1997, the EC conducted trilateral negotiations with the USA and Japan on the conclusion of the Parallel Agreement, which resulted in the present text of the agreement (which runs parallel to the Revised 1958 Agreement) being agreed on 25 July 1998.
4. As a party to the two agreements, the EC has an important intermediary function to perform. In particular, it must ensure that the harmonisation achieved under the Revised 1958 Agreement does not suffer on account of the provisions of the Parallel Agreement. It is also necessary to ensure that the standards adopted under the two agreements are recognised - or continue to be recognised - as international standards as defined by the WTO Agreement on Technical Barriers to Trade. This will be possible only if it proves possible to adopt uniform standards under both agreements, and an important

precondition for this is that uniform procedures should exist for the adoption of the standards.

5. The Parallel Agreement should therefore also operate in parallel with the 1958 Agreement and, in the technical field, be based on the same working parties or the institutions established under the auspices of the ECE. Whereas pursuant to the Parallel Agreement only the technical part of a draft regulation has to be adopted by an Executive Committee, the technical provisions and an additional part containing the type approval provisions have to be submitted to the Administrative Committee of the 1958 Agreement for approval.
6. Community competence for participation in the two agreements is based on Article 133 of the EC Treaty concerning the common commercial policy, under which sole responsibility for trade policy rests with the EC. However, within the EU there has been opposition to this provision from certain Member States, which wished to accede to the Parallel Agreement individually as well as the EC doing so. These differences of opinion, which have now been resolved, led to a certain delay in the EC's concluding the Parallel Agreement. Under the agreement which has been negotiated, the Member States may take action only in those areas which have not yet been harmonised (such as in respect of buses and coaches). For the same reason, the proposal for a decision on the conclusion of the agreement provides for parallelism with the Community's accession to the Revised 1958 Agreement.
7. On the whole, the provisions of the Parallel Agreement are identical to those in the ECE Agreement. However, if a draft regulation is not considered within the framework of the 1958 Agreement, a special decision-making procedure is provided for in the Parallel Agreement. As the adoption of a global technical regulation under the Parallel Agreement has no direct effect on Community law, it is possible for the EC to adopt a position in the Executive Committee of the Parallel Agreement in accordance with a simple committee procedure. For the subsequent conversion of such a regulation into Community law, the Commission must submit a proposal for a Directive, which, pursuant to Article 95, must be adopted under the codecision procedure laid down in Article 251 of the EC Treaty. Accordingly, the European Parliament would have the right to participate through two readings.
8. In July 1999 the Council amended Article 4 of the Commission's original proposal, dealing with the practical arrangements for the participation of the Community and the Member States in the Parallel Agreement. The Council deemed it more appropriate to include the whole of former Article 4 in the annexes, given that the provisions of that article deal specifically with the Community's powers.

It appeared more consistent with the decision as a whole for the practical arrangements to be set out in an annex (Annex III). The Council made the following amendments:

- in paragraph 1, the number of the relevant Treaty article was changed in line with the new numbering introduced after the entry into force of the Amsterdam Treaty;
- a new paragraph 2 was inserted, providing for participation by Commission and Member States experts in the preparatory work of expert groups, with a view to facilitating the establishment in the global registry of a proposed global technical regulation or amending an existing regulation. In the course of such work, Member States experts may advance technical opinions and participate fully in the technical discussion

on the basis of their technical experience in the field. Their opinions shall not be binding on the Community;

- prior to the entry into force of the Revised 1958 Agreement, Community rules governing wheeled vehicles, and equipment and parts therefor, were adopted with a view to completing the internal market; Parliament was thus fully involved in the framing of such legislation under the codecision procedure. In connection with the adoption of rules implementing that agreement and the Parallel Agreement, Parliament will be consulted under the assent procedure, and will thus not be able to make any amendments to such legislation. Therefore, with a view to enabling Parliament to have a say in the formulation of international technical regulations, paragraph 3 of Annex III provides that the Commission shall inform Parliament, particularly with regard to the drawing up of the work programme and to the direction and results of preparatory work. The Commission shall in addition forward draft global technical regulations and amendments to Parliament in good time.

9. The Community signed the Parallel Agreement on 18 October 1999, subject to subsequent approval. The Agreement will enter into force on the thirtieth day after at least eight countries or regional economic integration organisations, including at least the Community, the United States or Japan, have become contracting parties thereto. As the EC's participation in the Parallel Agreement is of decisive importance, the European Parliament should give its assent to the conclusion of the Parallel Agreement to enable the EC to accede to it without delay, not least because the Community has always been a forerunner in international technical harmonisation.