International road passenger transport services by coach and bus in border regions: cabotage operations between Italy and Switzerland

2019/0108(COD) - 13/05/2019 - Legislative proposal

PURPOSE: to empower Italy to amend its existing bilateral road transport agreement with Switzerland with a view to authorising cabotage operations in the course of international road passenger transport services by coach and bus in the border regions between the two countries.

PROPOSED ACT: Decision of the European Parliament and the Council.

ROLE OF THE EUROPEAN PARLIAMENT: the European Parliament decides in accordance with the ordinary legislative procedure and on an equal footing with the Council.

BACKGROUND: the two-way carriage of passengers and goods by road between Switzerland and the EU is regulated by the Land Transport Agreement between the EU and Switzerland ('EU Agreement').

Under the EU Agreement, the transport of passengers by coach and bus between two points situated on the territory of the same Contracting Party by carriers established in the territory of the other Contracting Party, known as cabotage, is not authorised.

This means that the carriers operating the passenger services which cross the border can only carry passengers across the border or within the territory of the Contracting Party they are established in. Bus and coach operators established in Switzerland may not carry passengers between two points on the German side of the border and operators established in the EU may not carry passengers between two points on the Swiss side of the border.

However, Article 20(2) of the EU Agreement specifically allows pre-existing rights under bilateral agreements concluded between individual EU Member States and Switzerland that were in force at the time of conclusion of the EU Agreement to continue to be exercised.

The border regions of Italy and Switzerland are closely integrated. Many Italians commute to work in Switzerland and vice versa and there is vibrant cross-border passenger traffic by road. A number of bus and coach services are offered which cross the border and thus connect the border regions of the two countries.

By letter dated 7 February 2018, Italy informed the Commission that it would like to negotiate and conclude an agreement with Switzerland which authorises cabotage operations during the provision of international passenger transport services by coach and bus in the border regions between the two countries. Switzerland informed the Commission that it was also interested in concluding such an agreement.

CONTENT: the proposed Decision seeks to empower Italy to amend its existing bilateral road transport agreement with Switzerland with a view to authorising cabotage operations in the respective border regions of Italy and Switzerland in the course of the provision of coach and bus services between the two countries, provided that there is no discrimination between carriers established in the Union and no distortion of competition.

Cabotage operations allow increasing the load factor of the vehicles which increases the economic efficiency of the services. The authorisation of cabotage operations in the context of the provision of international passenger transport services by coach and bus in the border regions between Italy and Switzerland would allow the carriers involved to become more competitive and efficient. This could further strengthen the close integration of these border regions.

In order to ensure that the cabotage operations concerned do not excessively alter the functioning of the internal market for coach and bus services, as established by Regulation (EC) No 1073/2009, their authorisation should be subject to the conditions that there is no discrimination between carriers established within the Union and no distortion of competition.

For the same reason, cabotage operations should only be authorised in the border regions of Italy in the course of the provision of coach and bus services between Italy and Switzerland.

As border regions of Italy shall be considered the regions Piedmont and Lombardy and the autonomous regions Valle d'Aosta and TrentinoAlto Adige.

This proposal is based on a request by Germany and concerns only this Member State. A similar request has been received by Italy which is subject to a parallel procedure.