



BRIEFING PAPER

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Brexit: how will it affect transport?

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Summary

On 23 June 2016 the United Kingdom voted to leave the European Union.

The process for withdrawal is likely to take around two years, during which time there will be negotiations about what sort of relationship the UK and the EU will have in the future and how individual policy areas will be affected. Until that process has advanced somewhat it is impossible to say with any certainty what the effects of Brexit on transport policy, industry, services and operations will be.

This paper discusses some of the pertinent issues in the four main transport policy areas: aviation, railways, roads and road-based public transport, and maritime.

Since the vote there have been a number of questions in Parliament about various aspects of transport policy and the impact of Brexit. The responses of Transport Ministers have invariably used a form of words to the effect that: “until we leave, EU law will continue to apply to the UK. The Department will continue to work alongside the Department for Exiting the European Union, which has the responsibility for leading the negotiations to leave the EU, and for the future relationship between the UK and EU”.

This paper will be updated and expanded as more information is published and new issues emerge.

For more briefings on Brexit, visit the relevant page on the [Parliament website](#).

If you have a Parliamentary email account you can find a selection of articles and reports about Brexit and transport by [following this link](#).

1. Background

1.1 EU's current role in UK transport policy

The EU's competences in transport are set out in the EU Treaties, which provide the basis for any actions the EU institutions take.

The EU can only act within the limits of the competences conferred on it by the Treaties, and where the Treaties do not confer competences on the EU they remain with the Member States.

There are three different types of competence. Transport is a 'shared' competency, meaning that either the EU or the Member States may act, but the Member States may be prevented from acting once the EU has done so.¹

The development of the EU's Common Transport Policy (CTP) has resulted in the focusing of action in a number of policy areas, specifically:

- **Economic** – including the creation of a single market in transport services that facilitates the free movement of goods, services and people, and the creation of an integrated transport system;
- **Social** – including the promotion of high safety standards, security and passengers' and workers' rights;
- **Environmental** – including ensuring that the transport system works in a way that does not impact negatively on the environment (including reducing the impact of noise, pollution, harmful emissions and greenhouse gases);
- **Infrastructure** – including the creation of a trans-European transport network (TEN-T) connecting national networks together, making them interoperable and linking outside regions of the EU; and
- **External relations** – including developing relations with third countries and, in some cases, allowing the EU to act collectively at an international level.²

The specific provisions of the CTP are contained in Title VI TFEU on Transport (Articles 90 to 100).

Broadly, there is a balance between the common perceived benefits of EU Membership (e.g. the single market for transport services which has brought down costs through liberalisation and competition) and the burdens, (e.g. disproportionate or excessive regulation). There have long been concerns about EU regulatory burdens and the costs these impose, and about the difficulties in finding the right level of legislative prescription which achieves the stated aims without being disproportionate. This is particularly important in an area like transport, which is heavily regulated at a European level.

¹ HMG, [*Call for Evidence on the Government's Review of the Balance of Competences between the United Kingdom and the European Union: Transport*](#), 14 May 2013, p5

² Ibid., pp9-10

One of the common issues discussed with relation to specific examples below is how much Brexit will impact the standards and regulations the UK chooses to apply in its transport sector. In many instances they are likely to be similar if not identical to the EU. This is because of the role the UK played in establishing those standards to our own satisfaction in the first place. For example, the UK has been a leading advocate for the development of the single market in transport across all modes. To which end the UK has usually found itself aligned with the European Commission in promoting liberal market-based aviation and maritime sectors. In rail, UK domestic policy was often seen as one of the models for EU proposals given the experience of the market reforms and liberalisation introduced in the UK twenty years ago.

All of this suggests that transport post-Brexit may not look wildly different to how it looks now; but much remains unclear and will continue to do so until negotiations are at a much more mature stage.

1.2 Switzerland, Norway & elsewhere

Information on Switzerland and Norway's relationships with the EU can be found in two HC Library papers:

[*Switzerland's relationship with the EU*](#) (SN6090), 20 October 2011

[*Norway's relationship with the EU*](#) (SN6522), 14 January 2013

Specifically on transport, Switzerland has two bilateral agreements on aviation and land transportation (road and rail). Broadly, this applies the rules, regulations and their associated costs and benefits of the European Common Aviation Area to Switzerland and much of the common rules on road and rail without the market pillars.³

The [Agreement on the European Economic Area \(EEA\)](#) basically extends the EU internal market to Norway, Iceland and Liechtenstein. Annex XIII of the EEA Agreement covers all methods of transport, including road, rail, aviation, maritime transport and horizontal transport issues.

³ [Agreement between the European Community and the Swiss Confederation on Air Transport](#), 30 April 2002; and [Agreement between the European Community and the Swiss Confederation on the Carriage of Goods and Passengers by Rail and Road](#), 30 April 2002

2. Multi-modal issues

2.1 State aid

State aid is any advantage granted by public authorities through state resources on a selective basis to any organisations that could potentially distort competition and trade in the EU.

The definition of state aid is very broad because 'an advantage' can take many forms. It is anything which an undertaking (an organisation engaged in economic activity) could not get on the open market.

State aid rules can (among other things) apply to grants, loans, tax breaks and/or the use or sale of a state asset for free or at less than market price.

Some state aid is beneficial to the economy and supports growth and other policy objectives. State aid can be given to support a wide variety of activities including research and development, environmental protection and aid for small to medium-sized businesses. The state aid rules allow for 'good aid', which is necessary to deliver growth and other important objectives.⁴

For transport state aid rules are particularly pertinent in aviation and maritime and effectively allow the state to subsidise routes and services that would not otherwise be available commercially. It also creates a 'level playing field' across the EU and helps to prevent anti-competitive practices. For example, by not permitting actions which disrupted the single market, such as port blockades. Others have argued that they are not tough enough and allow states to support failing companies with subsidy which creates an unfairness.⁵

Out of the EU, the UK could provide subsidies at its own discretion, in line with national competition and procurement regimes.

According to Linklaters, businesses with any EU presence would continue to need to comply with EU competition law.⁶

2.2 Passenger rights & compensation

There has long been a 'patchwork' approach across transport modes towards passenger rights and compensation. The UK has long-established domestic rules which have gradually been supplanted by European ones in rail, bus and coach, air and sea (ferries and cruise ships). However, the UK has 'opted out' of or applied exemptions from a number of EU requirements on different modes.

It may well be that these will be maintained at the current level after Brexit; there is certainly no reason to anticipate any material change

⁴ BIS, [State Aid Guidance](#), 10 July 2015

⁵ DfT, [Review of the Balance of Competences between the United Kingdom and the European Union Transport](#), February 2014, p57

⁶ Linklaters, [EU Referendum – risk assessment overview](#), 8 March 2016

with regards to rail, buses and coaches. There are some concerns in the maritime sector.

However, the sector most likely to see change is aviation. This would not affect air carrier liability under the Montreal Convention for death or bodily injury and lost or damaged luggage as this is an international agreement to which the UK is a signatory in her own right.

Since the EU legislated to provide a comprehensive system of air passenger rights in 2004 increased awareness of those rights and the ability to complain and appeal has led to a significant increase in the number of people doing so. This has been supplemented by a number of court cases which have ruled on the circumstances in which airlines must pay compensation; appeals against some of these judgements have meant that some airlines have been reluctant to pay out compensation until the legal position is absolutely clear. The Civil Aviation Authority (CAA) takes the view that the position *is* clear, that payments should be made and is taking action to require enforcement by some airlines.

There may be some pressure on a post-Brexit Government to overhaul this system. Responses to the Government's 2013-14 Balance of Competences review reflected wide-spread concerns amongst the travel industry. Thomas Cook Group was of the view that rights to compensation had been stretched unfairly in the courts and that rulings by the ECJ on aviation passenger rights legislation had gone too far in favouring passengers. The Airline Operators' Association (AOA) noted that obligations must be proportionate and not unduly prescriptive.⁷

The UK will almost certainly develop its own system of passenger rights and compensation in the aviation sector post-Brexit but how similar these would be to current arrangements or how it would affect non-UK airlines or passengers is unknown.

⁷ Op cit., [*Review of the Balance of Competences between the United Kingdom and the European Union Transport*](#), p43

3. Aviation issues

3.1 Single aviation market

The advent of cheap short haul flights across Europe in the early 1990s has revolutionised both the way people travel and the airline industry. It owes a large part of its success to the liberalisation of air transport across the EU and the single aviation market.⁸ This created a number of 'freedoms' for EU-registered airlines which have allowed them to have a base on one Member State and operate on a 'cabotage' basis between other Member States. For example, easyJet, registered in the UK, can fly largely without restriction from the UK to other Member States, wholly between other markets (France-Germany) and wholly within some countries (domestic Italy).

Sometimes the term 'open skies' is used to refer to the single aviation market. Its preferred usage is for the EU-US Open Skies Agreement.

Respondents to the Government's Balance of Competencies Review generally were of the view that liberalisation had broken down restrictive trade and operating barriers that had previously existed, and was credited with encouraging growth in the sector with deregulation facilitating new business models, such as the low-cost carriers. These new business models have increased competition in the industry, driving down prices and forcing efficiency savings.⁹

Airlines clearly want the UK Government to negotiate continuing access to this liberalised regime. The most obvious way of doing this would be by becoming part of the European Common Aviation Area (ECAA). This offers a route for UK airlines to access the single aviation market, post-Brexit. The ECAA extends the liberalised aviation market beyond the EU Member States to include Norway, Iceland, and the Balkan countries. It covers 36 countries and 500 million people.¹⁰

A second option could be a bilateral air transport agreement (such as the one Switzerland has with the EU), but this would likely take longer to negotiate.

Airlines support the ECAA option.¹¹ However, membership of the ECAA effectively requires acceptance of EU aviation law across all areas so where the UK might want to move away from current EU rules (e.g. on State Aid), there could be difficulty.

On 14 November the Secretary of State for Exiting the EU, the Secretary of State for Transport and the Chief Executive of Airlines UK – the association of UK airlines – issued a joint statement emphasising the importance of aviation to the UK economy. It stated that "Market access remains a top priority, and we want to make sure we have liberal

⁸ More details are given in HC Library briefing paper [SN182](#)

⁹ Op cit., [Review of the Balance of Competences between the United Kingdom and the European Union Transport](#), p24

¹⁰ CAPA, [Brexit and aviation Part 1: Open Pandora's box and anything can happen. But status quo is likely](#), 27 June 2016

¹¹ See e.g. EasyJet press notice, ["Response to result of UK referendum on membership of the European Union \("EU"\)"](#), 24 June 2016

access to European aviation markets. We will also work closely to explore new opportunities for further liberalisation".¹²

3.2 Air service agreements with third countries

The UK has long had bilateral agreements with many of its important markets, such as the US, which were superseded by EU-third party agreements.

The term 'Open Skies' refers specifically to the [EU-US aviation agreement](#), which dates back to 2008.¹³

It is unclear what would happen when the UK leaves the EU. The UK is a party to the Open Skies Agreement by virtue of our Membership of the EU, once that ends it may be that the agreement automatically stops applying to the UK; there may be transitional provisions agreed or it may be one of those areas where agreement is reached whereby it is considered to be in the best interests of the EU and the UK for the UK to remain a party to the agreement.

On that last point, when Open Skies was agreed back in 2008 the UK market was one of the key attractions for the US – at the time the UK accounted for a 40% share of the EU-US market.

If the agreement ceases to apply and if the UK has not begun or has not finalised any bilateral agreement with the US at that point, it may be that the UK and US would revert back to their Bermuda II bilateral agreement, signed in 1946 and last amended in 1991. The aviation market has changed considerably since then and any reversion to Bermuda II could cause disruption to UK airlines and transatlantic trade and passenger routes. The US negotiator (now independent of the US Government) responsible for the EU-US talks, John Byerly, has said, "it is impossible for me to believe that [reversion to bilaterals] is really what would happen in the real world".¹⁴

That said, in their joint statement issued on 14 November (see above) the Government and UK airlines said that "We are clear that Brexit provides greater freedom to seek new agreements between the UK and some third countries. This includes looking at possible bilateral agreements to strengthen economic and cultural ties even further with countries such as the US and Canada".¹⁵

3.3 Airspace change and Single European Sky

UK airspace contains a network of corridors, or airways. These are usually ten miles wide and reach up to a height of 24,000 feet from a base of between 5,000 and 7,000 feet. They mainly link busy areas of airspace known as terminal control areas, which are normally above

¹² DExEU et al. press notice, "[Joint statement between the UK Government and Airlines UK](#)", 14 November 2016

¹³ More details are given in HC Library briefing paper [SN455](#)

¹⁴ Op cit., [Brexiteer and aviation Part 1: Open Pandora's box and anything can happen. But status quo is likely](#)

¹⁵ Op cit., "[Joint statement between the UK Government and Airlines UK](#)"

major airports. At a lower level, control zones are established around each airport. The area above 24,500 feet is known as upper airspace. All of these airways are designated "controlled airspace". Aircraft fly in them under the supervision of air traffic controllers and pilots are required to file a flight plan for each journey, containing details such as destination, route, timing and height.

Throughout Europe there is a move to restructure European airspace, add capacity, improve safety and increase the overall efficiency of the European air transport network through the Single European Sky (SES) project.

The UK and Ireland is planning to meet the SES requirements through the Future Airspace Strategy (FAS) which sets out a plan to modernise airspace by 2020.¹⁶

The benefits of SES are, broadly:

- Enabling an increase in capacity so that future demands can be met;
- Quicker flight times from reducing the fragmentation of service caused by national boundaries;
- Improvements in safety;
- Potential reduction in environmental harm as flights can be more direct; and
- Reduction in the costs of air traffic management.¹⁷

There is general support for proceeding with this work at a European level.¹⁸ Norway and Switzerland, which are both outside of the EU, are a part of SES so this may be something to which the UK would want to be party even after Brexit.

3.4 Air fares

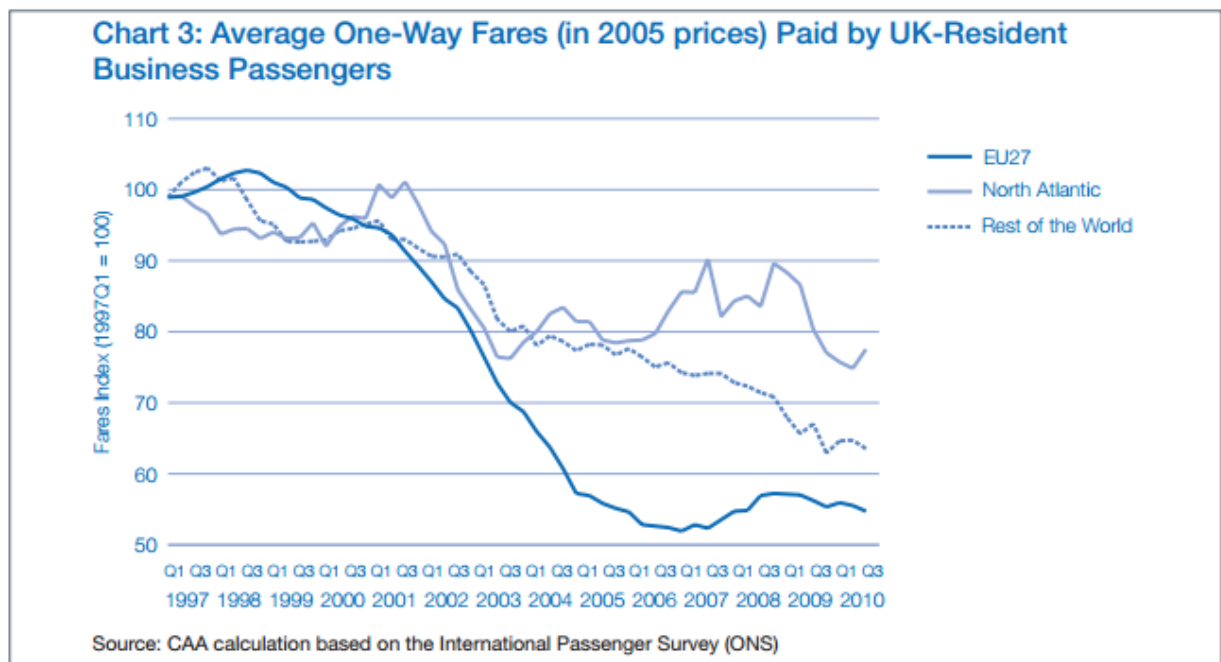
Liberalisation has helped bring down fares across the EU at a much greater rate than in other parts of the world.¹⁹

¹⁶ CAA, [Future Airspace Strategy for the United Kingdom 2011 to 2030](#), June 2011

¹⁷ Op cit., [Review of the Balance of Competences between the United Kingdom and the European Union Transport](#), p33

¹⁸ Ibid., p33

¹⁹ Op cit., [Review of the Balance of Competences between the United Kingdom and the European Union Transport](#), p25



It may be that if the UK is unable or unwilling (for whatever reason) to replicate the existing market access arrangements for airlines post-Brexit, this could potentially lead to higher air fares. As CAPA says: “any reversal of the liberalisation process, leading to increased restrictions on market access (e.g. by UK airlines on intra-EU routes, not just from the UK to the new EU, or by EU airlines flying from the UK to third party EU countries), could result in fare increases”. Consultancy Oxera has estimated that such restrictions on market access could lead to UK passenger fares rising by 15% to 30%.²⁰ Fares could also be affected by dramatic currency fluctuations.

However, higher fares are by no means a certainty and it will depend on the deal the UK secures. For example, Gatwick-based, low-cost carrier Norwegian Air's chief executive, Bjorn Kjos, told ITV before the referendum that he did not think fares would rise post-Brexit. He said: “We are here providing low fares to everybody... whether you are in the EU or not that's not the problem”.²¹

3.5 General aviation: drones, recreational & model aircraft

As the Government's Balance of Competencies review put it, the general aviation community (that is, the private and recreational flying sector) felt unfairly burdened by EU legislation which they considered was made without regard to their interests but, rather, to those of the commercial air transport industry. As a result they felt their sector to be

²⁰ CAPA, [Brexit and aviation Part 2: lower air traffic, economic uncertainty. UK-EU relations up in the air](#), 28 June 2016; the Chief Executive of Ryanair, Michael O'Leary, voiced similar concerns more recently, see: [“Airfare hikes ahead unless Brexit talks turn, warns Michael O'Leary”](#), *Daily Telegraph*, 7 November 2016

²¹ [“The boss of one of Europe's biggest budget airlines says Brexit would not end cheap fares”](#), *ITV News*, 31 March 2016

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governed by an overly prescriptive approach and a lack of proportionality.²²

For a long time they have been seeking a more nuanced approach for light aircraft and sports and recreational aviation. The CAA has agreed that there is some overly intrusive and costly regulation in this area. Much of general aviation, especially on the operational side, does not have single market implications, and some of it is not even international in nature.²³ Accordingly, this may be an area where the UK chooses to apply its own more liberal regime post-Brexit.

There are currently concerns about plans to reform how the drone industry is regulated.²⁴ Essentially, based on its strategy to support the progressive development of the civil drone market in Europe, the European Commission adopted a proposal for the revision of its 2008 Unmanned Aircraft Systems (UAS) Regulation in December 2015. The proposal covers the necessary elements to enable the development of European safety rules for drones. It also proposes an extension of EU regulation to cover drones of all sizes, including drones below 150kg. EASA's 'prototype' rules, which give an indication of how the new regulatory environment might look, were published in August 2016.²⁵

There is concern about this, especially amongst hobbyists, that by falling under the prototype regulation (which will become an actual regulation at some point and thus directly applicable in the UK, at least until Brexit) first person view (FPV) model aircraft and the like would face restrictions on whether and how they could fly that would in effect make it impossible for them to pursue their hobby as they do now.

However, there are a number of bodies representing these groups, such as the British Model Flying Association (BMFA) and the British FPV Racing Association. According to an account on the latter's website the BMFA are now intimately involved in revising the prototype regulation to make sure it works for hobbyists. The BMFA Chief Executive, Dave Phipps, has drafted amendments to the proposal.²⁶

3.6 Offshore helicopters

Over recent years there have been some concerns about the safety of offshore helicopters operating in the North Sea. After the Sumburgh crash in 2013, which killed four people, the Civil Aviation Authority (CAA) launched a comprehensive review of offshore helicopter flying.²⁷

In 2016, after the Norwegian Super Puma helicopter accident which killed 13 people, the CAA and the Norwegian authorities introduced

²² Op cit., [Review of the Balance of Competences between the United Kingdom and the European Union Transport](#), p55

²³ Ibid., p55

²⁴ More details are given in HC Library briefing paper [CBP7734](#)

²⁵ More details can be found on the [EASA website](#) [accessed 17 November 2016]

²⁶ BFPVRA, [EASA 'Prototype' Commission Regulation on Unmanned Aircraft Operations](#) [accessed 17 November 2016]

²⁷ For more information see the report of the Transport Select Committee, [Offshore helicopter safety](#) (Second Report of session 2014–15), HC 289, 8 July 2014

restrictions on the vehicle.²⁸ However, in response to a petition calling for a permanent ban the CAA explained that aircraft and helicopters are given safety clearance on a European-wide (rather than national) basis by the European Aviation Safety Agency (EASA), so “a permanent grounding of a type of helicopter would require EASA to withdraw the helicopter’s overall approval, affecting all European Super Puma helicopters”.²⁹

This is another issue which will need to be resolved in any Brexit negotiations – the desirability or otherwise of a pan-European safety and approvals system for aircraft, including helicopters.

²⁸ CAA press notice, “[Offshore helicopter restrictions extended](#)”, 11 May 2016

²⁹ “[North Sea helicopter crash: CAA claims European watchdog needed to ground Super Puma flights](#)”, *Energy Voice*, 10 May 2016

4. Rail issues

4.1 Rail interoperability/technical standards

The main legislation as it relates to railways is contained in the three 'rail packages' that have been passed; the fourth is in the process of being agreed at the moment.³⁰ The individual pieces of legislation which make up these packages are far-reaching and, for example, legislated for the [European Railway Agency](#) – with extensive powers – and the detailed [Technical Standards of Interoperability \(TSIs\)](#) which set out the technical requirements for the whole railway. They also prescribe how railways can be structured, financed and run.

The Balance of Competencies review revealed some, though not a great deal of, dissatisfaction with interoperability. For example, one respondent argued that due to the UK's restricted loading gauge, most trains that run in the UK will be built solely for use in this country and the interoperability of technical standards in particular is therefore 'an unnecessary burden'.³¹

The Rail Safety and Standards Board (RSSB) said that the harmonisation of standards "is both necessary for the functioning of the market and desirable in its own right" and that in the field of standards and harmonisation it believes that the "organisational framework, interface standards and the requirements for safety are best set at the EU level".³²

The RSSB pointed out, however, that there were many aspects of running a railway system which could be managed in different ways without compromising technical compatibility which, in their view, could lead to an approach where 'virtuous barriers' were put in place, typically relating to safety, and which could be used as grounds to deny access to a network. The Association of Train Operating Companies (ATOC) said that other approaches are possible, such as aligning to standards in other major markets such as the US or Japan.³³

4.2 Rail renationalisation

As set out above, the main legislation as it relates to railways is contained in the three 'rail packages' that have been passed; the fourth is in the process of being agreed at the moment.³⁴ The individual pieces of legislation which make up these packages are far-reaching and, for example, prescribe how railways can be structured, financed and run.

There is a commonly-held belief that EU law 'bans' the renationalisation of the rail network. This is a misconception: the current laws do not prevent the state owning and managing the rail infrastructure and

³⁰ The main legislation is summarised on the [ORR's website](#)

³¹ Op cit., [Review of the Balance of Competences between the United Kingdom and the European Union Transport](#), p28

³² Ibid., p40

³³ Ibid., pp40-41

³⁴ The main legislation is summarised on the [ORR's website](#)

(separately) operating train services – this model is commonly employed in other Member States.³⁵

That said, the ‘market pillar’ of the fourth rail package is slightly ambiguous. Essentially it means that anyone would be able to bid to compete on a commercially viable network from 2020. This already happens in the UK (e.g. open access operators bidding to run services on the East and West Coast Main Lines to compete with the services offered by the franchised operator).

From 2026 private companies would also be able to bid for public service contracts that are awarded by governments on lines that are not as profitable. At the moment, the majority of domestic rail lines across the EU are operated under public service contracts. This involves countries often directly awarding rail contracts to the local incumbent, which is either compensated or granted exclusive rights on the line.

The original proposal would have introduced mandatory competitive tendering for such rail contracts (i.e. the GB system). However, opposition from Member States resulted in changes which mean that governments will be able to directly award contracts where the geographical characteristics are such that it would result in service improvements, or where they do not receive enough bids.

In announcing agreement on the market pillar in October 2016 the Council said that competitive tendering would “become the norm for public service contracts, with some exceptions. Direct award will still be possible where it leads to better quality of service or cost efficiency”. To ensure ‘continuous and well-functioning services’, Member States would also be able to limit a new operator's right of access if the proposed new service “would compromise the ‘economic equilibrium’ of an existing public service contract”.³⁶

The continued relevance of these provisions in the UK depends entirely on whether the UK negotiates some sort of EU exit agreement that includes an exemption from the market pillar (like e.g. Switzerland). This in turn would then mean that a future government that was so inclined could renationalise the railways under a unified structure (i.e. merge track and trains) along the lines which existed before privatisation in the early 1990s. It would also allow privately-run companies to run ‘vertically aligned’ rail services across the country, again if a future government were so inclined.

Separately, a UK Government that no longer applied EU procurement rules could award rail services, train contracts etc. to British-based companies. At the moment large parts of the GB rail network are run by foreign-owned (and in several cases foreign government-owned) rail

³⁵ for a summary of the infrastructure management of and private sector involvement with other EU rail systems, see annexes 18 and 19 of: EC, [Fourth report on monitoring development in the rail market](#), COM(2014) 353 final, 13 June 2014

³⁶ European Council press notice, [“Better rail services: Council adopts 4th railway package market pillar”](#), 17 October 2016

companies, with UK-based companies seeing little reciprocal benefit in other EU countries.³⁷

4.3 HS2

HS2 is a proposed infrastructure project to build a high-speed rail line from London to Manchester and Leeds, via Birmingham, to begin operation in 2026 and be completed in 2032. It was supported by the Labour Government after 2009 and has had the support of the Conservatives in government since May 2010.

HS2 will be delivered in three phases:

- **Phase 1** from London Euston to Birmingham Curzon Street and Lichfield with intermediate stations in West London (at old Oak Common) and at Birmingham Airport;
- **Phase 2a** from the West Midlands to Crewe; and
- **Phase 2b** comprising an eastern leg from the West Midlands to Leeds New Lane with intermediate stations in the East Midlands and South Yorkshire; and a western leg from Crewe to Manchester with an intermediate station at Manchester Airport.

In total, the scheme is estimated to cost £55.7 billion in 2015 prices (including rolling stock).³⁸

There is no reason why Brexit should have significant impact on HS2. However, some have suggested that, given the financial uncertainty caused by Brexit a big expensive project like HS2 may no longer be a priority and could be scaled back by, for example, using slower but cheaper trains and dropping some sections of the proposed line.³⁹ The Government has however reiterated several times its commitment to the project, including the announcement in November of the detailed route for Phase 2b.⁴⁰

The Government had also hoped to secure some EU funding for the project in the future: this would now be unlikely. However, this would only ever have represented a small percentage of overall costs – EU contributions to previous high speed rail projects via the [Trans-European Transport Network \(TEN-T\)](#) stream have equated to between four and six per cent of the overall cost.⁴¹

More generally, HS2, is included in the European Commission's TEN-T programme. To be clear this does not mean that the EU is forcing the UK to build it, rather that the UK had indicated that it should be included in TEN-T *because* it intends to build it. TEN-T is essentially a programme of major schemes aimed at improving intra-European connectivity; it has substantial funding behind it.

³⁷ National Express has had some success in Germany, see: NX press notice, "[National Express begins operating its first German rail services](#)", 14 December 2015

³⁸ More details on HS2 can be found in HC Library briefing papers [SN316](#) and [SN7082](#)

³⁹ "Brexit means uncertain future for infrastructure projects", *Financial Times*, 26 June 2016

⁴⁰ e.g. "Heathrow runway ruling may come in weeks, says Grayling", *The Times*, 18 July 2016

⁴¹ DfT, [HS2: Outline Business Case - Section 4: Financial Case](#), March 2014, para 78

4.4 Rail fares

Regulated rail fares could rise as a result of Brexit if it leads to an uptick in inflation.⁴² Around 45 per cent of fares are subject to regulation (by the Secretary of State in England and Wales and Scottish Ministers in Scotland). Regulated fare increases are linked to the [RPI figure](#) for July of the previous year (e.g. fares beginning in January 2017 will be based on the RPI for July 2016). The train companies announce the increases for the coming year every November/December. The inflation link dates back to 1996.⁴³

All other fares are set commercially by train operators. If there costs were to increase as a result of Brexit, this could see a rise in unregulated fares.

⁴² See, e.g. "[Rail fares will rise more than £100 a year after Brexit, Remain campaigners say](#)", *The Independent*, 21 June 2016

⁴³ More details on rail fares can be found in HC Library briefing paper [SN1904](#)

5. Road transport issues

5.1 Road haulage

There are potentially a lot of uncertainties for UK haulage companies as a result of Brexit, particularly in terms of employment, drivers' hours rules, access to markets and border controls.⁴⁴

In response to the Balance of Competencies review the Freight Transport Association (FTA) said that the EU had created a market that logistics had served for nearly half a century, benefiting British business. The Road Haulage Association (RHA) felt that for their sector the overall judgment was a fine one. They said "competences in UK road transport are finely balanced in our sector. Although we have not got a 100% solution in terms of market access we have got the most of what we think the industry would want".⁴⁵

This is largely a reference to 'cabotage', the practice whereby a haulier from one EU Member State (e.g. the UK) can carry goods between two other Member States (e.g. Spain and France).

The Agreement on the European Economic Area (EEA) basically extends the EU internal market to Norway, Iceland and Liechtenstein. As regards road transport, this entails that these three countries apply the EU road transport rules just like EU Member States. The EU has a separate agreement with Switzerland.⁴⁶ The UK might find itself in a similar situation to one of these countries.

5.2 Driver licensing and testing

Legislation on driver licensing and testing derives from EU law. The collected European Driving Licence Directives require Member States to adopt a common format licence, to harmonise categories and to provide common standards of competence and fitness to drive.

Changes to the driving requirements for HGV and bus drivers were introduced in 2009, also as a consequence of EU legislation. These require new drivers to undertake further tests and training and for those with existing licences to undergo a package of retraining.⁴⁷

There has been an EU-wide (minimum) standard for driving tests since 1991. While the tests may be different across Member States, they must all include the requirements set out the relevant Directive and meet the required standards set out in the same place.

The intention when this harmonisation began in the 1970s was to bring the licensing systems of Member States closer together as part of its

⁴⁴ Some of these are explored in: "[Brexit: What next for the road transport industry?](#)", *The Lorry Lawyer*, 27 June 2016; more generally, see HC Library briefing paper [CBP7732](#)

⁴⁵ Op cit., [Review of the Balance of Competences between the United Kingdom and the European Union Transport](#), p30

⁴⁶ EC, [Roads: non-EU countries](#) [accessed 29 June 2016]

⁴⁷ More details on driver licensing and testing, motorcycle licensing and testing, and medical rules can be found in the following HC Library briefing papers: [SN3060](#), [SN3259](#) and [SN387](#)

efforts to facilitate the free movement of citizens across national frontiers. It was felt that the creation of a single licence document would offer advantages in terms of greater efficiency and cost-effectiveness and would allow the then multiplicity of records to be merged and fully computerised. This subsequently took the form of a common format licence across the EU; harmonisation of licence categories; and common standards of competence and fitness to drive, including medical standards.

While the benefits of Common forms of licensing and testing insofar as they have helped the single market are clear, there are some concerns in specific areas. For example, the Certificate of Professional Competence (CPC) for HGV and bus drivers was heavily criticised by the industry for its inconsistent application and enforcement. For example:

- the British Vehicle Rental and Leasing Association (BVRLA) told the Balance of Competencies review that this was “a good example where the right balance for businesses was not struck”.⁴⁸
- the UK motorcycle industry, while being a strong supporter of the single market, expressed concern about the depth of detailed technical regulation, that the EU had over-reached on road safety issues, had damaged the availability of motorcycle training in the UK and halved the number of test candidates entering into motorcycling.⁴⁹
- the FTA said that the medical rules for vocational drivers below the age of 45 were over-prescriptive.⁵⁰

There is also the issue of driving licence exchange: at the moment if you move permanently from one EU country to another you can exchange your driving licence without having to take a test in the new country. This would be unaffected if the UK joined the EEA. If it did not it could be the case that it would be up to the remaining individual Member States to decide whether to permit exchange on these terms – the UK for example permits exchange of licences from a number of countries outside the EU and EEA who satisfy our driver licensing and testing requirements.⁵¹

Finally, in terms of the EU symbol on the UK driving licence, this would likely be phased out as licenses are replaced and renewed, though nothing definite has been said on this matter as yet.

5.3 Vehicle standards

The setting of common standards in many areas of EU legislation, such as vehicle standards, has generally had positive impacts in terms of helping to reduce costs and allowing for the free flow of vehicles.

⁴⁸ Op cit., [Review of the Balance of Competences between the United Kingdom and the European Union Transport](#), p45

⁴⁹ Ibid., p56

⁵⁰ Ibid., p52

⁵¹ Details of these countries can be found in DVLA, [Driving in Great Britain \(GB\) as a visitor or a new resident \(INF38\)](#) [accessed 17 November 2016]

The FTA told the Balance of Competencies review that, on balance, the EU “creates a level-playing field of technical requirements for the construction, maintenance and operation of road vehicles. Although complex and sometimes cumbersome the EU rules are infinitely better than 27 variants all designed to protect the home markets of indigenous producers”.⁵² Further, harmonisation of vehicle design and construction standards helps with economies of scale, thus keeping costs down.

In terms of vehicle standards, the Royal Academy of Engineering, said that it is “hugely beneficial that the EU sets standards for road vehicles. EU approval processes make it possible for a car manufacturer to obtain approval against a set of standards knowing that the car is then free to travel or be sold across the EU without further inspections”.⁵³ The AA and RAC highlighted that the EU Type Approval legislation has also given additional benefits such as economies of scale, increased competition between manufacturers and has reduced the general price differential between Member States. This benefit is evidenced in falling purchase prices in real terms.⁵⁴

The Senior European Experts Group (SEEG) contrasted the situation for hauliers before and after EU-wide standardisation:

... there were approximately 100,000 sets of technical regulations in the then EU Member States in the mid-1980s that were subsequently replaced by EU level regulations. To transport a lorry load of goods from London to Milan in 1988 required 88 separate documents; the internal market replaced them all with one piece of paper.⁵⁵

While there has been some criticism of the EU-wide type approval process for vehicle in the wake of the VW emissions scandal, a return to UK-only type approval, with some sort of mutual recognition scheme for all other countries, seems unlikely and has not been suggested.⁵⁶

The issue of displaying the EU symbol on a number plate, along with the national identifier will likely be dealt with in the same way as the EU symbol on driving licences – they will be phased out as plates are scrapped. Some sort of national identifying symbol may replace it, but at this stage it is too early to say. It has been possible to opt to display a national symbol on a registration plate since 2009.⁵⁷

5.4 Blue Badges

The Blue Badge scheme provides a national arrangement of parking concessions for disabled people. A separate scheme operates in London. There are reciprocal arrangements for disabled drivers allowing them to

⁵² Op cit., [Review of the Balance of Competences between the United Kingdom and the European Union Transport](#), p38

⁵³ Ibid., p38

⁵⁴ Ibid., p38

⁵⁵ Ibid., p38

⁵⁶ e.g. this is not suggested in the Transport Select Committee’s recent report: [Volkswagen emissions scandal and vehicle type approval](#) (third report of session 2016–17), HC 69, 15 July 2016

⁵⁷ More details can be found in HC Library briefing paper [SN1328](#)

park across the EU. The Blue Badge scheme does not apply to off-street car parks, whether local authority- or privately-owned.⁵⁸

In 1998 EU Member States made an informal agreement to recognise badges of a common format issued in EU countries.⁵⁹ This is made clear in the Government's February 2012 guidance to local authorities:

There are currently no formal reciprocal arrangements in place for disabled parking badges issued outside the UK. The UK Government has informal reciprocal agreements in place with other European Union Governments to accept Blue Badges from these countries [...] Disabled parking badges from countries outside the EU vary in design and it would be hard for local enforcement officers to verify their authenticity.⁶⁰

Switzerland and Norway also recognise the standard format 'disabled parking card' (the 'Blue Badge' in the UK). Though the EU does not advertise this in [its guide](#) to using the parking card across the EU, it is included in the [AA's guide](#).

It seems unlikely that Brexit would necessitate the UK changing the format of the Blue Badge, so there is no obvious reason why it would not continue to be recognised across Europe in the same way as those issued in Switzerland and Norway and, conversely, the UK would continue to recognise the badges of the 28 other countries in turn.

⁵⁸ More details can be found in HC Library briefing paper [SN1360](#)

⁵⁹ [Recommendation 98/376/EC](#), as amended by [Recommendation 2008/205/EC](#)

⁶⁰ DfT, [The Blue Badge Scheme Local Authority Guidance \(England\)](#), February 2012, section 8.3

6. Maritime issues

6.1 Shipping

Access to the European single market has greatly benefitted the UK shipping industry. Over 50% of the UK's international trade is conducted with other EU Member States and 40% of goods traded within the EU are moved by sea. UK shipping companies are also active in a global marketplace and have long been seeking consistency in the application of rules to ships from all Flag States to allow companies to compete on a level playing field. This consistency has been achieved over decades through the participation of Flag and Port States in international forums such as the IMO, the ILO, the OECD and UNCITRAL. In this environment the EU's sometimes unilateral approaches to maritime policy making have been a challenge.

UK shipping post-Brexit is likely to be concerned about general policy areas such as employment law, immigration, border controls and contract law. More specifically on transport issues, it is likely to be concerned about the following:

- **Freedom to trade:** OECD rules could preclude any change insofar as ships being able to call at an EU or a UK port and load and unload cargo or passengers regardless of its flag and regardless of the nationality of its owner. UK-flag ships could, however, lose their right to operate in the domestic trades of those EU Member States who maintain flag-based cabotage restrictions.
- **Safety and the environment:** Vessels and companies operating in EU waters would mostly still have to comply with EU (and IMO) regulations since the EU would continue to apply their rules to vessels irrespective of their flag or ownership.
- **Tonnage Tax:** Corporate tax is a national responsibility, outside the scope of EU law. So the UK tonnage tax regime and those aspects of corporation tax that are specific to ships (chiefly, roll-over relief and capital allowances) are unaffected. All the EU does is set a broad framework in which those taxes must fit (i.e. State Aid guidelines – see section 2, above).
- **Security:** The EU's counter-piracy Operation Atalanta EU NAVFOR is UK-based and -led with an existing mandate until December 2016, albeit with an intention to renew it for a further two years. The renewal under a UK lead will now be more difficult to achieve.

The British International Freight Association (BIFA) has said that container lines are likely to continue to call directly at UK ports as UK volumes are "more than large enough to justify" direct calls with mainline vessels, mainly in the South of England ports. However, their main concern is of potentially losing the benefits of free trade and customs harmonisation with the EU single market. It states that a return to tariffs for UK merchandise exports and imports, if this is the outcome

would be “detrimental to UK trade with the EU, and may result in a small reduction in UK-EU maritime volume”.⁶¹

6.2 Ports

At present, over 90% of UK trade is handled by ports and the EU is the UK’s largest trading partner. However, the UK ports sector, being largely privately owned and competitively run, is very different to those of many other EU Member States. Consequently, it has long had concerns about public subsidy in other EU countries distorting competition, particularly between the larger international ports.⁶²

The greatest concern for UK ports over the past decade or so has been the repeated attempt by the EU to legislate on port services, which they have argued would impose disproportionate and potentially harmful regulation in an area where the UK is already competitive.⁶³ The proposed ‘Port Services Regulation’ was cited several times during the referendum campaign as a reason to leave the EU.⁶⁴

More generally, Oxera has said that changes to the costs of trade with the EU are “likely to affect the volumes and patterns of freight activity at ports, while the need for new customs checks on imports and exports is likely to cause considerable congestion at UK and mainland European ports”. It suggests that any negative impact could be mitigated through EEA membership or free trade agreements, although delays in negotiations could mean a significant period trading under WTO agreements.⁶⁵

There may be some positive consequence for UK ports on the east coast if difficulties emerge around Dover and Folkestone due to changes to border controls at Calais.⁶⁶ This could see an uptick in passenger and freight traffic though London, Grimsby, Tyneside or the Forth, though at present it is far too early to say.

In November 2016 the Centre for Policy Studies published a new paper arguing that EU law “has long held back the potential of British ports” and that so-called ‘free ports’ (i.e. areas that, although inside the geographic boundary of a country, are considered outside the country for customs purposes) could create more 86,000 jobs for the British economy if they were as successful as those in the United States.⁶⁷

⁶¹ BIFA, [What Brexit means for UK shipping](#), July 2016

⁶² [Report of the exchange of views between ports CEOs and Transport Commissioner Bulc 19 January 2015 Brussels](#), p7

⁶³ More details can be found in HC Library briefing paper [CBP7457](#)

⁶⁴ e.g. “[It’s not just the plot to let in 1.5 million Turks... DANIEL HANNAN outlines ten bombshells the EU’s keeping secret until after you’ve voted](#)”, *Daily Mail*, 14 June 2016

⁶⁵ Oxera, [Agenda - Brexit: implications for the transport sector](#), June 2016

⁶⁶ e.g. “[French politicians tell Britain ‘take back your borders’ after EU vote](#)”, *Daily Telegraph*, 26 June 2016

⁶⁷ CPS, [The Free Ports Opportunity](#), 14 November 2016

7. Appendix: Key EU legislation

There is a significant amount of transport law and regulation in the UK that applies as a direct result of our membership of the EU. The **key** legislation is as follows:⁶⁸

⁶⁸ HMG, [*Key EU transport legislation*](#), 14 May 2013

7.1 Aviation

Key EU legislation	Treaty base in TFEU	Description of legislation
ECONOMIC		
Regulation (EC) No 1008/2008 of the European Parliament and of the Council of 24 September 2008 establishing common rules for the operation of air services in the Community (Recast).	Article 96(2) TFEU (ex Article 80(2) Treaty establishing the European Community)	Common rules for the operation of air services. This instrument regulates the licensing of EU air carriers, their access to the market and the pricing of air services.
Council Directive 96/67/EC of 15 October 1996 on access to the groundhandling market at Community airports.	Article 84 (2) TEC (Article 104 TFEU)	Ground-handling. Opens up the groundhandling market to offer airlines a choice of providers. Due to be replaced by a regulation in the 'Better airports Package'.
Council Regulation (EEC) No 95/93 of 18 January 1993 on common rules for the allocation of slots at Community airports	Article 84 (2) TEC (Article 104 TFEU)	Slots. Due to be replaced by a new regulation in the 'Better airports Package'.
Regulation (EC) No 868/2004 of the European Parliament and of the Council of 21 April 2004 concerning protection against subsidisation and unfair pricing practices causing injury to Community air carriers in the supply of air services from countries not members of the European Community	Article 80 (2) TEC (Article 100 (2) TFEU)	State aid for airlines. The regulation provides for redressive measures to be imposed when non-EU air carriers are subsidised directly or indirectly or when they carry out unfair pricing practices on one or more routes to or from the EU.
Regulation (EC) No 785/2004 of the European Parliament and of the Council of 21 April 2004 on insurance requirements for air carriers and aircraft operators	Article 80 (2) TEC (Article 100 (2) TFEU)	Defines insurance obligations for air carriers
SOCIAL		
Reg (EC) No 216/2008 of the European Parliament and of the Council of 20 February 2008 on common rules in the field of civil aviation and establishing a European Aviation Safety Agency	Article 80 (2) TEC (Article 100 (2) TFEU)	Safety - Established European Aviation Safety Agency (EASA)

Key EU legislation	Treaty base in TFEU	Description of legislation
Regulation (EC) No 1108/2009 of the European Parliament and of the Council of 21 October 2009 amending Regulation (EC) No 216/2008 in the field of aerodromes, air traffic management and air navigation services and repealing Directive 2006/23/EC	Article 80 (2) TEC (Article 100 (2) TFEU)	Safety - Empowers EASA to develop implementing rules to give effect to the essential requirements. The implementing rules are adopted through Commission Regulations. EASA is also given responsibility for the type certification of aircraft and for issuing approvals to third country organisations.
Directive 2003/42/EC of the European Parliament and of the Council of 13 June 2003 on occurrence reporting in civil aviation	Article 80 (2) TEC (Article 100 (2) TFEU)	Safety - Deals with the reporting of occurrences that have endangered or which would have endangered if they had not been corrected, an aircraft, its occupants or any other person.
REGULATION (EC) No 2111/2005 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 14 December 2005 on the establishment of a Community list of air carriers subject to an operating ban within the Community and on informing air transport passengers of the identity of the operating air carrier, and repealing Article 9 of Directive 2004/36/EC	Article 80 (2) TEC (Article 100 (2) TFEU)	Safety
REGULATION (EU) No 996/2010 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 20 October 2010 on the investigation and prevention of accidents and incidents in civil aviation and repealing Directive 94/56/EC	Article 100 (2) TFEU	Safety - aims for efficient, quality aviation safety investigations across Europe.
Regulation (EC) 549/2004 – Framework for the creation of the single European sky (the Framework Regulation)	Article 80 (2) TEC (Article 100 (2) TFEU)	Airspace – SES framework regulation
Regulation (EC) 550/2004 – Provision of air navigation services in the single European sky (the Service Provision Regulation)	Article 80 (2) TEC (Article 100 (2) TFEU)	Airspace – SES Service Provision regulation
Regulation (EC) 551/2004 – Organisation and use of airspace in the single European sky (the Airspace Regulation)	Article 80 (2) TEC (Article 100 (2) TFEU)	Airspace – SES Airspace regulation
Regulation (EC) 552/2004 – Interoperability of the European Air Traffic Management network (the Interoperability Regulation)	Article 80 (2) TEC (Article 100 (2) TFEU)	Airspace – SES Inter-operability regulation
Regulation (EC) N° 1070/2009 of the European Parliament and of the Council of 21 October 2009 amending regulations (EC) N° 549/2004, (EC) N° 550/2004, (EC) N° 551/2004 and (EC) N° 552/2004 in order to improve the performance and sustainability of the European aviation system	Article 80 (2) TEC (Article 100 (2) TFEU)	Airspace – SES second package “SES II” Regulation amending SES I Regulations

Key EU legislation	Treaty base in TFEU	Description of legislation
Council Regulation (EC) N° 219/2007 of 27 February 2007 on the establishment of a Joint Undertaking to develop the new generation European air traffic management system (SESAR)	Article 171 TEC (Article 187 TFEU)	Establishing 'SESAR' – Airspace – Established a Joint undertaking to develop the next generation of air traffic management systems
DIRECTIVE 2009/12/EC OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 March 2009 on airport charges	Article 100 (2) TFEU	Sets common principles for the levying of airport charges at community airports
Regulation (EC) No 300/2008 of the European Parliament and of the Council ('EC300') which establishes common rules and basic standards in the EU to protect civil aviation against acts of unlawful interference.	Article 80 (2) TEC (Article 100 (2) TFEU)	Framework regulation on common rules in the field of security in civil aviation
Commission Regulation (EC) No 272/2009	Regulation (EC) No 300/2008 (and having regard to TFEU)	Security – Supplements the common rules in EC 300/2008
Commission regulation (EU) No 185/2010	Regulation (EC) No 300/2008 (and having regard to TFEU)	Security – Detailed measures for the implementation of the common rules in EC 300/2008
Council Directive 2000/79/EC of 27 November 2000 concerning the European Agreement on the Organisation of Working Time of Mobile Workers in Civil Aviation	Article 139 TEC (Article 155 TFEU)	Workers rights – Sets minimum standards for the organisation of working time for mobile workers in civil aviation
Council Regulation (EC) N° 1361/2008 of 16 December 2008 amending Regulation (EC) N° 219/2007 on the establishment of a joint undertaking to develop the new generation European air traffic management system (SESAR)	Article 171 & 172 TEC (Articles 187 & 188 TFEU)	Passenger rights – Gives the SESAR joint undertaking the legal status of a community body with legal personality
REGULATION (EC) No 261/2004 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 11 February 2004 establishing common rules on compensation and assistance to passengers in the event of denied boarding and of cancellation or long delay of flights, and repealing Regulation (EEC) No 295/91	Article 80 (2) TEC (Article 100 (2) TFEU)	Passenger rights – Establishes common rules on compensation and assistance to passengers in the event of denied boarding and of cancellation or long delay of flights.
REGULATION (EC) No 1107/2006 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 5 July 2006 concerning the rights of disabled persons and persons with reduced mobility when travelling by air	Article 80 (2) TEC (Article 100 (2) TFEU)	Passenger rights – Prohibits operators from refusing reservation or boarding to persons because of their reduced mobility or disability
Regulation (EC) No 2027/97 as amended by Regulation (EC) No 889/2002 of the European Parliament and of the Council of 13 May 2002 on air carrier liability in respect of the carriage of passengers and their baggage by air	Article 84 (2) TEC (Article 104 TFEU)	Passenger rights – Sets out various requirements concerning air carrier obligations to passengers in the event of damage or loss of baggage and injury or death of passengers

Key EU legislation	Treaty base in TFEU	Description of legislation
Council Directive 90/314/EEC of 13 June 1990 on package travel, package holidays and package tours	Article 100 (a) TEEC	Passenger rights – The Package Travel Directive requires package tour operators to provide refunds and repatriation in the case of failure. ATOL is our method of complying in aviation, though ATOL predates the PTD.
Regulation (EC) No 80/2009 of the European Parliament and of the Council of 14 January 2009 on a Code of Conduct for computerised reservation systems and repealing Council Regulation (EEC) No 2299/89.	Articles 71 and 80 (2) TEC	This Regulation aims to establish a harmonised code of conduct regarding the use of computerised reservation systems in order to ensure fair competition and to protect consumers' rights
ENVIRONMENT		
Directive 2003/87/EC of the European Parliament and of the Council establishing a scheme for greenhouse gas emission allowance trading within the Community and amending Council Directive 96/61/EC	Article 175 (1) TEC (Article 192 TFEU)	Establishes Emissions trading scheme
Directive 2004/101/EC of the European Parliament and of the Council amending Directive 2003/87/EC establishing a scheme for greenhouse gas emission allowance trading within the Community, in respect of the Kyoto Protocol's project mechanisms	Article 175 (1) TEC (Article 192 TFEU)	Links ETS credits and targets with those of the UNFCCC and the Kyoto protocol
Directive 2008/101/EC of the European Parliament and of the Council amending Directive 2003/87/EC so as to include aviation activities in the scheme for greenhouse gas emission allowance trading within the Community	Article 175 (1) TEC (Article 192 TFEU)	Extends ETS to include aviation
Directive 2009/29/EC of the European Parliament and of the Council amending Directive 2003/87/EC so as to improve and extend the greenhouse gas emission allowance trading scheme of the Community	Article 175 (1) TEC (Article 192 TFEU)	Improves ETS processes and implementation. Makes targets more ambitious
EC Directive 2006/93 on the Regulation of the Operation of Aeroplanes covered by Part II Chapter 3 Volume 1 of Annex 16 to the Convention on International Civil Aviation	Article 80 (2) TEC (Article 100 (2) TFEU)	A consolidated Directive of obligations contained in 3 earlier Directives. Prohibits Chapter 2 aircraft (the oldest and noisiest aircraft) from operating in Europe
EC Directive 2002/30 on the establishment of rules and procedures with regard to noise related operating restrictions at large UK airports	Article 80 (2) TEC (Article 100 (2) TFEU)	Noise – Due to be replaced by a regulation in the 'Better airports Package'
Council Regulation (EC) No 71/2008 of 18 December 2007 setting up the Clean Sky Joint Undertaking.	Articles 171 & 172 TEC	Environment - Establishes a private/public research partnership to develop clean, innovative and competitive air transport solutions

EXTERNAL RELATIONS		
Regulation (EC) No 847/2004 of the European Parliament and of the Council of 29 April 2004, on the negotiation and implementation of air service agreements between Member States and third countries.	Article 80 (2) TEC (Article 100 (2) TFEU)	Aims to establish legal certainty to the bilateral air services agreements concluded between Member States and third countries

7.2 Railways

Key EU legislation	Treaty base in TFEU	Description of legislation
ECONOMIC		
The "First Railway Package" of 3 directives: Directive 2001/12 of the European Parliament and of the Council on the development of the Community's railways, amending Directive 91/440	Article 91 (ex Article 71 TEC)	Opens the international rail freight market. Establishes a general framework for the development of European railways which imposes certain separation requirements between bodies responsible for the management of infrastructure and the operation of transport services. Sets out the role of independent national regulators including to monitor competition and guarantee fair access to the rail network and services.
Directive 2001/13/EC of the European Parliament and of the Council on the licensing of railway undertakings, amending Directive 95/18	Article 91 (ex Article 71 TEC)	Sets out common criteria that must be met in order to be granted a licence to operate passenger or freight services on the European rail network. Member States must also designate an independent body responsible for issuing EU licences. Provides for the mutual recognition of EU licences.
Directive 2001/14 of the European Parliament and of the Council on the allocation of railway infrastructure capacity and charging for the use of railway infrastructure and safety certification	Article 91 (ex Article 71 TEC)	Introduces a defined policy for capacity allocation and charging of fees for the use of railway infrastructure
Directive 2004/51 of the European Parliament and of the Council on the development of the Community's railways, amending Directive 91/440 (part of the "Second Railway Package")	Article 91 (ex Article 71 TEC)	Extends the scope of the initial Railways Directive to all freight traffic (national and international) thereby completely opening the market for rail freight transport across the EEA from 2007
Directive 2007/58 of the European Parliament and of the Council amending Directives 91/440 and 2001/14 (part of the "Third Railway Package")	Article 91 (ex Article 71 TEC)	Opens up international passenger services to competition within the EU from 2010
Regulation 913/2010 of the European Parliament and of the Council concerning a European railway network for competitive freight	Article 91	Sets out the legislative framework for the establishment of international, market-oriented rail freight corridors. It is intended to increase international rail freight's attractiveness and efficiency so that rail can increase its competitiveness and market share in the European transport market.
Directive 2012/34 of the European Parliament and of the Council establishing a single European railway area (recast). (A list of repealed Directives and successive amendments is set out in Annex IX of Directive 2012/34)	Article 91	Consolidates the First Railway Package (as amended) into a single Directive and strengthens some provisions. In particular, it aims to increase competition, strengthen the national rail regulator and encourage investment.

Key EU legislation	Treaty base in TFEU	Description of legislation
Directive 2007/59/EC of the European Parliament and of the Council on the certification of train drivers operating locomotives and trains on the rail network in the EU (the "Train Driver Directive", part of the "Third Railway Package")	Article 91 (ex Article 71 TEC)	Sets minimum standards on skills, fitness and training and harmonises the licensing system for train drivers across the EU to make it easier for cross-border rail services to operate. Creates a more flexible labour market for EU train drivers while maintaining a high level of safety.
Commission Decision 2010/17 EC on the adoption of basic parameters for registers of train driving licenses and complementary certificates provided for under the Train Driver Directive	Article 91 (Directive 2007/59)	Establishes basic parameters for national registers of train driving licenses and for registers of train drivers' complementary certificates.
Commission Regulation 36/2010 on Community modals for train driving licences, complementary certificates, certified copies of complementary certificates and application forms for train driving licenses under the Train Driver Directive	Article 91 (Directive 2007/59)	Sets out the content, physical characteristics and format of the documents and registers associated with train driver licences.
Commission Decision 2011/765 on criteria for the recognition of (1) training centres for train drivers and (2) examiners of train drivers; and criteria for the organisation of examinations in accordance with the Train Driver Directive	Article 91 (Directive 2007/59)	Lays down common criteria for training centres, examiners and the organisation of examinations.
Directive 2008/57 of the European Parliament and of the Council on the Interoperability of the rail system within the Community (Recast) ¹	Articles 91 and 172 (ex 71 and 156 TEC)	Increased technical harmonisation and standardisation through adoption of EU technical specifications for interoperability (TSIs). Covers conventional and high speed rail networks and vehicles likely to travel on those networks. The scope of TSIs is to be progressively extended to the whole EU rail system. Also simplifies the procedure for placing vehicles into service in the EU.
Commission Directive 2009/131/EC & Commission Directive 2011/18/EU amending Directive 2008/57	Articles 91 and 172 (Directive 2008/57)	Directive 2009/131/EC amends Annex VII of Directive 2008/57 (parameters to be checked for vehicles which do not conform to TSIs and classification of national rules) Directive 2011/18/EU amends Annex II (on subsystems), Annex V (declaration of verification of subsystems) and Annex VI (verification procedure for subsystems)
Commission Decision 2011/107/EU	Articles 91 and 172 (Directive 2008/57)	Common specifications for the national vehicle register

Key EU legislation	Treaty base in TFEU	Description of legislation
Commission Decision 2011/155/EU	Articles 91 and 172 (Directive 2008/57)	Publication and management by the European Railway Agency of a document which cross references all the national rules applied by Member States for authorisation of vehicles which do not conform to TSIs (as referred to in Article 27(4) of Directive 2008/57).
Commission Regulation (EU) 201/2011	Articles 91 and 172 (Directive 2008/57)	Model of declaration of conformity to an authorised type of railway vehicle
Commission Implementing Decision 2011/633/EU	Articles 91 and 172 (Directive 2008/57)	Common specifications for the national register of railway infrastructure to be published and updated by Member States
Commission Implementing Decision 2011/665/EU	Articles 91 and 172 (Directive 2008/57)	Specifications for the European register of authorised types of railway vehicles to be developed and maintained by the European Railway Agency (as referred to in Article 34 of Directive 2008/57). National Safety Authorities to supply information on the type of authorisations they have granted. Harmonises national restriction codes.
Various Decisions and Regulations (see www.gov.uk/government/uploads/system/uploads/attachment_data/file/4026/tsi-catalogue.xls for more information)		Common technical standards across every aspect of the railway system (vehicles and infrastructure)
SOCIAL		
Directive 2004/49/EC of the European Parliament and of the Council on the safety of the Community's railways, amending Directive 95/18 and Directive 2001/14 (the "Safety Directive" in the Second Railway Package). (The Commission is proposing to recast this Directive (as amended) in the Fourth Railway Package)	Article 91 (ex Article 71 TEC)	Establishes a common regulatory framework for harmonising safety standards and requirements. In particular it defines common principles for the management, regulation and supervision of railway safety and defines responsibilities between various actors (including the new European Railway Agency).
Regulation 881/2004 of the European Parliament and of the Council establishing a European Railway Agency (part of the "Second Railway Package") (This Regulation was amended by Regulation 1335/2008 to increase the scope for the ERA to formulate common solutions for safety and rail interoperability)	Article 91 (ex Article 71 TEC)	Establishes a European Railway Agency whose objective on safety is to develop a common approach to safety on the European railway system to help create a single market for rail transport services and guarantee a high level of safety.

Key EU legislation	Treaty base in TFEU	Description of legislation
Commission Regulation (EC) No 653/2007 on the use of a common European format for safety certificates and application documents in accordance with the Safety Directive. (This Regulation was amended by Commission Regulation (EU) No 445/2011)	Article 91 (the Safety Directive)	Provides a harmonised format for safety certificates and applications for safety certificates
Directive 2008/110/EC of the European Parliament and of the Council amending the Safety Directive	Article 91 TFEU (ex Article 71 TEC)	Requires an entity in charge of maintenance to be identified for each rail vehicle and registered on the national vehicle register. It also establishes a formal maintenance regime for the entity in charge of maintenance to ensure rail vehicles for which it is responsible are safely maintained.
Commission Decision 2009/460/EC of 5 June 2009 on the adoption of a common safety method for assessment of achievement of safety targets as referred to in Article 6 of the Safety Directive	Article 91 (the Safety Directive)	Establishes a Common Safety Method to be used by the European Railway Agency for calculating and assessing the achievement of Common Safety Targets.
Commission Directive 2009/149/EC of 27 November 2009 amending Directive 2004/49/EC as regards Common Safety Indicators and common methods to calculate accident costs	Article 91 (the Safety Directive)	Introduces a revised methodology to calculate Common Safety Indicators which provide an overview of the safety performance of a Member State's railway and economic impact of accidents.
Commission Regulation 1158/2010 of 9 December 2010 on a common safety method for assessing conformity with the requirements for obtaining railway safety certificates	Article 91 (the Safety Directive)	Establishes a common safety method for assessing conformity with requirements for obtaining safety certificates (required by railway undertakings).
Commission Regulation 1169/2010 of 10 December 2010 on a common safety method for assessing conformity with the requirements for obtaining a railway safety authorisation	Article 91 (the Safety Directive)	Establishes a common safety method for assessing conformity with requirements for obtaining safety authorisations (required by infrastructure managers).
Commission Regulation 445/2011 of 10 May 2011 on a system of certification of entities in charge of maintenance for freight wagons and amending Regulation 653/2007	Article 91 (the Safety Directive)	Establishes a system of certification of entities in charge of maintenance for freight wagons.
Commission Decision 2012/226/EU on the second set of common safety targets as regards the rail system	Article 91 (the Safety Directive)	Establishes the second set of Common Safety Targets for the rail system based on National Reference Values.
Commission Regulation 1077/2012 on a common safety method for supervision by national safety authorities after issuing a safety certificate or safety authorisation	Article 91 (the Safety Directive)	Establishes a common safety method for national safety authorities to monitor compliance of railway undertakings and infrastructure managers following the issue of a safety certificate or safety authorisation.
Commission Regulation 1078/2012 on a common safety method for monitoring to be applied by railway undertakings, infrastructure managers after receiving a safety certificate or safety authorisation and by entities in charge of maintenance	Article 91 (the Safety Directive)	Establishes a common safety method for railway undertakings, infrastructure managers and entities in charge of maintenance to develop a common and transparent framework for monitoring the safety of structural and operational subsystems.

Key EU legislation	Treaty base in TFEU	Description of legislation
Regulation 1371/2007 of the European Parliament and of the Council on rail passengers' rights and obligations (part of the "Third Rail Package")	Article 91 (ex article 71 TEC)	Ensures minimum rights for passengers, for example, on compensation for delays, cancellations or lost/damaged baggage, the provision of information by railway undertakings, ticketing, complaints handling, minimum insurance and rights for disabled passengers and passengers with reduced mobility. The provisions of the Regulation are built on the existing system of international law established by COTIF ²
EXTERNAL RELATIONS		
Agreement dated 23 June 2011 between the Intergovernmental Organisation for international carriage by rail ("OTIF") and the EU on the accession of the EU to COTIF	Articles 91, 171 (Trans- European Networks), 216 (International Agreements)	EU accession to COTIF to assist OTIF in pursuing its objectives of promoting, improving and facilitating international rail transport and facilitating the development of a uniform legal system for the international carriage of passengers and freight. For decisions in matters where the EU has exclusive competence, the Union exercises the voting rights of its Member States under COTIF. In matters where the EU shares competence with Member States, either the Union or its Member States vote. A written declaration by the EU under article 7 of the Agreement indicates in general terms the scope of the competence of the EU.

7.3 Roads and public transport

Key EU legislation	Treaty base in TFEU	Description of legislation
ECONOMIC		
First Council Directive 80/1263 EEC of 4 December 1980 on the introduction of a Community driving licence. (First driving licence directive)	Article 95 (ex. Article 75)	This sets standards across the EU and allows mutual recognition of driving licences.
Council Directive 91/439/EEC of 29 July 1991 on driving licences. (Second driving licence directive)	Article 95 (ex. Article 75)	
Third Council Directive 2006/126/EC of 20 December 2006 on driving licences (Third Driving Licence Directive)	Article 91 (ex. Article 71)	
Commission Directive 2008/65/EC (Amending Directive 126)	Article 95 (ex. Article 75)	
Directive 2011/94/EU on format of the Driving Licence.	Article 91 (ex. Article 71)	
Directive 2012/36/EU (this amends the third driving licence directive 2006/126/EC)	Article 91 (ex. Article 71)	
Directive 2009/103/EC of the European Parliament and of the Council of 16 September 2009 relating to insurance against civil liability in respect of the use of motor vehicles, and the enforcement of the obligation to insure against such liability.	Article 114 of the TFEU (ex Article 95 of the TEU)	This consolidates five previous motor insurance directives. It sets minimum third party insurance requirements in all member states and allows an insurance policy issued in one MS to be valid for temporary visits to other member states.
Directive 1999/37/EC – the harmonisation of registration documents for vehicles	Article 95 (ex. Article 75)	This legislation aims to harmonise the documentation underpinning the vehicle registration system across the EU. That system is designed to ensure that, before a vehicle can be used on a road, a check is made that it fulfils all the relevant type or individual approval requirements guaranteeing an optimal level of safety and environmental standards
Directive 2005/36/EC (Recognition of professional qualifications)	Article 46 (ex. Article 40), Article 53 (ex. Article 47), Article 62 (ex. Article 55)	Driving instruction is not regulated by EU legislation but these Directives set out that the UK must allow qualified driving instructors from other EU states licence to practice in the UK.
Directive 2006/123/EC (Services in the internal market)	Article 53 (ex. Article 47), Article 62 (ex. Article 55)	
Directive 96/53/EC of 25 July 1996 on laying down for certain road vehicles circulating within the Community the maximum authorised dimensions in national and international traffic and the maximum authorised weights in international traffic.	Article 95 (ex. Article 75)	The Directive sets common masses and dimensions for vehicles used for international transport between MSs.

Key EU legislation	Treaty base in TFEU	Description of legislation
Regulation (EC) No 1072/2009 of the European Parliament and of the Council of 21 October 2009 on common rules for access to the international road haulage market.	Article 91 (ex. Article 71)	Common rules on the access to the road haulage market.
European Directive 2000/84/EC – (harmonised the dates when summer time begins and ends across EC Member States).	Article 114 (ex. Article 95)	Given that Member States apply summer time arrangements, it is important for the functioning of the internal market that a common date and time for the beginning and end of the summer time period be fixed throughout the Community.
Directive 98/34/EC as amended by 98/48/EC) technical standards and regulations on information society services	Article 245 (ex. Article 213), Article 49 (ex. Article 43), ex. Article 100a	
Directive 83/182/EEC on vehicle registration and licensing	Article 121 (ex Article 99)	Provides tax exemptions within the EU for certain means of transport temporarily imported into one Member State from another.
SOCIAL		
Directive 2008/96/EC of 19 November 2008 on Road Infrastructure Safety Management.	Article 91 (ex. Article 71)	The EC Directive requires that MS employ, by 19 December 2011, a certification process to demonstrate the necessary competency and training of Road Safety Auditors working on the TERN.
Directive 2011/82/EU of the European Parliament and of the council of 25 October 2011 facilitating the cross-border exchange of information on road safety related traffic offences.	Article 87 (ex. Article 30)	This enables MS to exchange motor vehicle keeper details with authorities in other MS.
Directive 91/671/EEC as amended (amending Directive 2003/20/EC)	Article 95 (ex. Article 75)	Requirement for child passengers over 3-years-old and of certain heights and weights to wear seat belts on passenger vehicles.
Directive 2008/96/EC on road infrastructure safety management	Article 91 (ex. Article 71)	The infrastructure directive places various requirements on MSs, including undertaking road safety audits; and road safety assessments of new road schemes. The directive has been implemented and I'm not aware of any plans to reconsider the issue.
Common road safety target. Commission Communication of 20 July 2010 to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions – "Towards a European road safety area: policy orientations on road safety 2011-2020" [COM(2010) 389 final – Not published in the Official Journal]	This is not strictly legislation. There is a target to halve the number of road deaths in the EU by 2020.	

Key EU legislation	Treaty base in TFEU	Description of legislation
Annex III to Directive 91/439/EEC and 2006/126/EEC	Article 95 (ex. Article 75)	This amends the rules in relation to driving with epilepsy, diabetes and defective vision.
Drivers' hours – Regulation (EC) No 561/2006 on harmonisation of social legislation relating to road transport (drivers' hours)	Article 91 (ex. Article 71)	Prescribes maximum limits on driving time and minimum requirements for breaks and rest periods on a daily and weekly basis for drivers of vehicles over 3.5 tonnes.
Tachographs – Council Regulation 3821/85 (consolidated) on recording equipment in road transport (tachographs)	Article 91 (ex. Article 71)	Requirement of installation of tachographs in in-scope vehicles in order to record hours driven.
Directive 2003/59/EC	Article 91 (ex. Article 71)	The initial qualification and periodic training of drivers of certain road vehicles for the carriage of goods or passengers
Regulation 383/2012, amending Directives to the third Directive, Commission decision on equivalences etc.	Article 91 (ex. Article 71)	Introducing requirements related to microchips inserted into driving licences issued in conformity with Directive 2006/126/EC. (Not yet implemented in the UK.)
Directive 2007/46/EC – the directive on the type approval of vehicles	Article 95 (ex. Article 75)	
Council Decisions 2004/919/EC and 2007/533/JHA	Article 36 (ex. Article 30) and Article 40 (ex. Article 34); Article 36 (ex. Article 30), Article 37 (ex. Article 31) and Article 40 (ex. Article 34)	<u>Schengen</u> – the UK is committed to enhance UK law enforcement and judicial co-operation under Council Decisions 2004/919/EC and 2007/533/JHA. DVLA is required to supply information relating to lost or stolen driving licences to the Home Office.

Council Regulation 2135/98 which amends Council Regulation 3821/85	Article 91 (ex. Article 71)	<u>TACHOnet</u> – This requires Member States to ensure the uniqueness of digital tachograph driver cards i.e. driver only holds one valid driver card at any one time.
EU Convention on Mutual Assistance in Criminal Matters 1959 and Convention on Mutual Assistance in Criminal Matters of the European Union 2000.		<u>Mutual Legal Assistance</u> – This allows certain authorities, such as courts and prosecuting authorities, to request for assistance with obtaining evidence that is located in the UK.
The EUCARIS Treaty 2000 is not part of EU legislation		<u>EUCARIS</u> – The EUCARIS Treaty 2000 is not part of EU legislation but it requires the UK to share information with participating MSs when registering imported vehicles and exchanging driving licences. This helps prevent stolen vehicles from being registered in other Member States and allows the validity of driving licences to be confirmed prior to exchange.
Commission Directive 2000/56/EC	Article 95 (ex Article 75)	This legislation sets out the content of theory and practical driving tests and how they must be conducted, including the ages for access to various categories of vehicles and the types of vehicle that are suitable to be presented for a practical driving test.

Key EU legislation	Treaty base in TFEU	Description of legislation
Directive 2003/59/EC (Driver CPC)	Article 91 (ex. Article 71)	Sets out the rules for professional drivers of buses and lorries for obtaining and holding a driver certificate of professional competence including the periodic training required to hold such a certificate.
Directive 2008/68/EC of the European Parliament and of the Council of 24 September 2008 on the inland transport of dangerous goods	Article 91 (ex. Article 71)	
Directive 2010/35/EU of the European Parliament and of the Council of 16 June 2010 on transportable pressure equipment and repealing Council Directives 76/767/EEC, 84/525/EEC, 84/526/EEC, 84/527/EEC and 1999/36/EC	Article 91 (ex. Article 71)	
2002/85/EC – amending Council Directive 92/6/EEC 5 November 2002 on the installation and use of speed limitation devices for certain categories of motor vehicles in the community.	Article 91 (ex. Article 71)	Installation and use of speed limitation devices for certain categories of motor vehicles in the community.
Directive 2002/15/EC of the European Parliament and of the Council of 11 March 2002 on the organisation of the working time of persons performing mobile road transport activities	Article 91 (ex. Article 71) and Article 153(2) (ex. Article 137(2))	This Directive provides for specific provisions concerning the hours of work in road transport in order to ensure both the safety of transport and to ensure the health and safety of mobile transport workers and self-employed drivers (Article 2(1))
Directive 2006/22/EC of 15 March 2006 on minimum conditions for the implementation of Council Regulations (EC) 561/2006 (previously (EEC) No 3820/85), and (EEC) No 3821/85 concerning social legislation relating to road transport activities and repealing Council Directive 88/599/EEC	Article 91 (ex. Article 71)	This specifies the enforcement regime (roadside and premises checks) that should apply when enforcing the drivers' hours regime by means of reference to tachograph records under EC Regs 3821/85 and 561/2006 (previously 3820/85)
Directive 2009/40/EC (and related 2010/47 and 2010/48) of the EU Parliament and of the Council of 6 May 2009 on roadworthiness tests for motor vehicles and their trailers Also Directives 2000/30/EC and 1999/37/EC	Article 91 (ex. Article 71)	To improve road safety throughout the EU by carrying out periodic roadworthiness tests.

INFRASTRUCTURE		
Directive 2010/40/EU of the European Parliament and the Council of 7 July 2010 on the framework for the deployment of Intelligent Transport Systems (ITS) in the field of road transport and for interfaces with other modes of transport.	Article 91 (ex. Article 71)	To coordinate and accelerate harmonised deployment of ITS across Europe.
Directive 1999/62/EC on the charging of heavy goods vehicles for the use of certain infrastructures, most recently amended by Directive 2011/76/EU	Article 91 (ex. Article 71) and Article 113 (ex. Article 93)	For HGVs, sets out minimum rates of Vehicle Excise Duty and, where a road user charge is in place, sets out the rules for that charge, for example in terms of maximum rates. The types of

Key EU legislation	Treaty base in TFEU	Description of legislation
		charge allowable are time- or distanced-based. Does not mandate hypothecation of revenue.
Directive 2004/52/EC on the interoperability of electronic road toll systems	Article 7(1)	The legislation sets out a framework for a European Electronic Toll Service (EETS) with the aim of achieving interoperability between electronic toll systems across the European Union.
COM(2012)199. Commission Communication. Not a Directive but provides guidance and refers to a couple of test cases in ECJ.	This is guidance rather than a directive. Based on principle of non-discrimination on the grounds of nationality (Article 18)	For light private vehicles, provides guidance on vignette (time-based) charges to ensure non-discrimination against non-resident drivers. Guidance refers to ECJ case law.

7.4 Maritime and shipping

Key EU legislation	Treaty base in TFEU	Description of legislation
ECONOMIC		
Council Regulation (EC) 718/1999	Article 75 TEC (Article 95 TFEU)	The purpose of this Regulation, on a Community-fleet capacity policy, is to promote inland waterway transport
Commission Regulation (EC) 411/2003		Amends the above
Council Directive 91/672/EEC	Article 75 TEC (Article 95 TFEU)	This Directive is to institute the reciprocal recognition of national boatmasters' certificates for inland waterway navigation between the Member States.
Council Regulation (EEC) 3921/91	Article 75 TEC (Article 95 TFEU)	The purpose of this regulation is to lay down the conditions under which non-resident carriers may have freedom to operate inland waterway transport services in a Member State.
Directive 96/50/EC	Article 75 TEC (Article 95 TFEU)	The aim of this Directive is to harmonise the conditions for obtaining national boat masters' certificates for inland waterway navigation between Member States in order to combat distortions of competition between carriers and to increase the safety of inland waterway navigation.
Council Regulation (EC) 1356/96	Article 75 TEC (Article 95 TFEU)	The aim of this Regulation, on common rules applicable to the transport of goods or passengers by inland waterway between Member States with a view to establishing freedom to provide such transport services, is to institute freedom to provide transport services between Member States.
Council Directive 96/75/EC	Article 75 TEC (Article 95 TFEU)	This Directive, on the systems of chartering and pricing in national and international inland waterway transport in the Community, aims to adapt the organisation of the turn-by-turnabout chartering systems to greater commercial flexibility in order to achieve a system of free transactions on 1 January 2000.
ENVIRONMENT		
Regulation (EC) 1013/2006	Article 175 TEC (Article 192 TFEU)	Shipments of waste. This Regulation aims to strengthen, simplify and specify the procedures for controlling waste shipments to improve environmental protection
Directive 2001/81/EC	Article 175 TEC (Article 192 TFEU)	Shipping emissions. Directive 2001/81/EC on national emission ceilings for certain atmospheric pollutants commits the Commission to report on the extent to which emissions from maritime traffic contribute to acidification, eutrophication and the formation of ground-level ozone
Council Directive 1999/32/EC	Article 130 TEC (Article 150 TFEU)	Shipping emissions. Directive 1999/32 relating to a reduction in the sulphur content of certain liquid fuels sets sulphur limits for marine distillate oil used in EU territorial waters.
Directive 2005/33/EC	Article 175 TEC (Article 192 TFEU)	Shipping emissions. This Directive extends the scope of Directive 1999/32/EC, which relates to a reduction in the sulphur content of certain liquid fuels, to all petroleum-derived liquid fuels used by ships operating within Member States' waters.

Key EU legislation	Treaty base in TFEU	Description of legislation
Regulation (EC) 782/2003	Article 80(2) TEC (Article 100(2) TFEU)	The purpose of this Regulation, on the prohibition of organotin compounds on ships, is to reduce the adverse effects on the environment caused by organotin compounds used on ships.
Directive 2002/84/EC	Article 80(2) TEC (Article 100(2) TFEU)	Prevention of pollution. The aim is to simplify the committee procedures through the replacement of the various committees set up under the Community legislation on maritime safety and the prevention of pollution from ships with a single committee to be known as the Committee on maritime safety.
Directive 2005/35/EC	Article 80(2) TEC (Article 100(2) TFEU)	This Directive, on ship-source pollution and on the introduction of penalties for infringements, states that ship-source polluting discharges constitute a criminal offence and this relates to discharges of oil or other noxious substances from vessels. The persons responsible for discharging polluting substances may be subject to criminal penalties, if they have acted with intent, recklessly, or with serious negligence.
Directive 2009/123/EC		Amends the above. Ship source pollution and penalties
Council Decision 2002/762/EC	Articles 61(c), 67(1) and 300(2) TEC (Article 67(3) TFEU)	Authorises the Member States, in the interest of the Community, to sign, ratify or accede to the International Convention on Civil Liability for Bunker Oil Pollution Damage, 2001 (the Bunkers Convention).
INFRASTRUCTURE		
Directive 2005/44/EC	Article 71(1) TEC (Article 91(1) TFEU)	This Directive establishes an EU framework for the implementation and use of harmonised river information services (RIS) in order to enhance the safety, efficiency and environmental friendliness of inland waterway transport as well as to ensure compatibility and interoperability with other modes of transport. This directive applies to all waterways of class IV or above across the EU.
Directive 2006/87/EC	Article 71(1) TEC (Article 91(1) TFEU)	This Directive, laying down technical requirements for inland waterway vessels and repealing Council Directive 82/714/EEC, is intended to promote European river transport by improving the technical harmonisation of vessels. It is designed to lay down a high level of safety equivalent to that for shipping on the Rhine. To achieve this, it provides for the introduction of a Community certificate for inland waterway vessels in each Member State, to be issued by the competent authorities, authorising them to operate on Community waterways including the Rhine.
Directive 2006/87/EC; Directive 2008/59/EC; Directive 2008/68/EC; Directive 2008/87/EC; Directive 2008/126/EC; Directive 2009/46/EC		Amend the above

SOCIAL		
Regulation (EC) 725/2004	Article 80(2) TEC (Article 100(2) TFEU)	The main objective of this Regulation, on enhancing ship and port facility security, is to implement EU measures aimed at enhancing the security of ships and port facilities in the face of threats of intentional unlawful acts.
Directive 2005/65/EC	Article 80(2) TEC (Article 100(2) TFEU)	The main objective of this Directive, on enhancing port security, is to introduce measures to improve security in EU ports in the face of threats of security incidents. To achieve this, the Directive aims to establish an EU framework to guarantee a high and comparable level of security in all European ports.
Commission Regulation (EC) 324/2008		This amends Regulation (EC) 725/2004 and Directive 2005/65/EC and lays down revised procedures for inspections in the field of maritime security
Directive 2008/68/EC	Article 71 TEC (Article 91 TFEU)	This directive, on the inland transport of dangerous goods, establishes a common regime for all aspects of the inland transport of dangerous goods, by road, rail and inland waterways within the EU.
Commission Decision 2011/26/EU		This Decision authorises Member States to adopt certain derogations pursuant to Directive 2008/68/EC on the inland transport of dangerous goods.

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