

# European Communities

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## EUROPEAN PARLIAMENT

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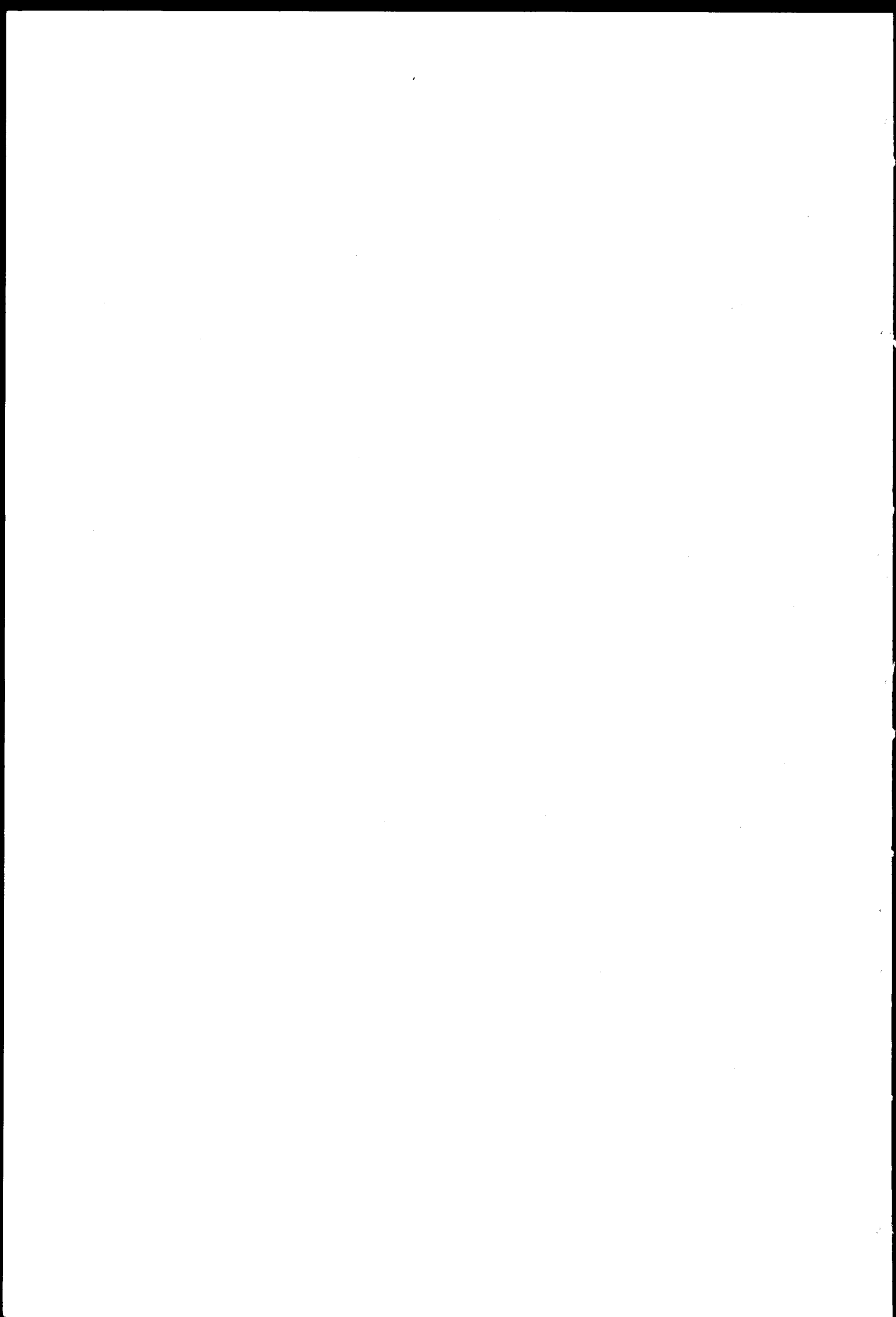
## Report

drawn up on behalf of the Committee on Public Health and the Environment

on the Proposal from the Commission of the European Communities to the Council (Doc. 17/74) for a recommendation to the Member States regarding cost allocations and action by public authorities on environmental matters

Rapporteur: Mr André JARROT

PE 36.731/fin.



By letter of 19 March 1974 the President of the Council of the European Communities requested the European Parliament, pursuant to Article 235 of the EEC Treaty, to deliver an opinion on the proposal from the Commission of the European Communities to the Council for a recommendation to the Member States regarding cost allocations and action by public authorities on environmental matters.

On 28 March 1974 the President of the European Parliament referred this proposal to the Committee on Public Health and the Environment as the committee responsible and the Committee on Economic and Monetary Affairs for its opinion.

The Committee on Public Health and the Environment appointed Mr Jarrot rapporteur on 19 March 1974.

It considered this proposal at its meetings of 19 April and 24 May 1974.

At its meeting of 24 May 1974 the committee unanimously adopted the motion for a resolution and the explanatory statement.

The following were present: Mr Jahn, vice-chairman and acting chairman; Mr Scott-Hopkins, vice-chairman; Mr Jarrot, rapporteur; Mr Adams, Mr Antoniozzi, Mr Albertsen, Mr Brégégère, Mr Cousté (deputizing for Mr Rivierez), Mr Martens, Mr W. Müller, Mrs Orth, Mr Petersen, Mr Rosati and Mr Walkhoff.

The opinion of the Committee on Economic and Monetary Affairs will be distributed separately.

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The Committee on Public Health and the Environment hereby submits to the European Parliament the following motion for a resolution together with explanatory statement:

MOTION FOR A RESOLUTION

embodying the opinion of the European Parliament on the proposal from the Commission of the European Communities to the Council for a recommendation to the Member States regarding cost allocations and action by public authorities on environmental matters.

The European Parliament,

- having regard to the proposal from the Commission of the European Communities to the Council (COM(74) 233 final),
- having been consulted by the Council pursuant to Article 235 of the EEC Treaty (Doc. 17/74),
- having regard to the report of the Committee on Public Health and the Environment (Doc.114/74) and the opinion of the Committee on Economic and Monetary Affairs,

1. Reaffirms that it approves the 'polluter pays' principle;
2. Regrets the Commission's delay in submitting its recommendation and invites the Commission to submit a timetable for the detailed rules of application;
3. Approves the recommendation in principle, while noting that more specific proposals will follow;
4. Invites the Commission, therefore, to submit these proposals as soon as possible;
5. Considers that quality objectives should be set on a regional basis and requests the Commission to bear this in mind when formulating its specific proposals;
6. Reserves the right to consider and comment on the proposals when the Commission has submitted them;
7. Requests the Commission to take into consideration pollution that crosses Community frontiers;

8. Invites the Commission of the European Communities to make the following amendments to its proposal, pursuant to the second paragraph of Article 149 of the Treaty establishing the EEC;
9. Requests its appropriate committee to check carefully whether the Commission of the European Communities adopts the European Parliament's amendments to its proposal and, if necessary, to report to Parliament on this matter;
10. Instructs its President to forward this resolution and the report of its committee to the Council and Commission of the European Communities.



Once collected, the levies may be used either to finance collective purification infrastructures or to provide grants for major polluters to set up such equipment; in the latter case the grants should be calculated in such a way as to cover the services these polluters render the community but without passing to the community the cost of the investment which the polluters themselves must bear to ensure that their own pollution is eliminated.

Where the total revenue from levies exceeds the sum of the collective and individual purification charges, the difference should preferably be used by each government within the framework of its environmental policy.

As far as possible, Member States should endeavour to standardize methods of calculating the levies. Harmonization of the incentive levies would seem desirable to avoid distortion of competition in the Community.

Unchanged

Where the total revenue from levies exceeds the sum of the collective and individual purification charges, the difference should (one word deleted) be used by each government within the framework of its environmental policy.

Member States must standardize methods of calculating the levies. Harmonization of the incentive levies would seem desirable to avoid distortion of competition in the Community.

Paragraphs 5(c), 6 and 7 unchanged

Draft recommendations unchanged



EXPLANATORY STATEMENTIntroduction

1. Under the European Communities' programme of environmental action, adopted by the Council in July 1973, the Commission was to submit to the Council by 31 December 1973 a proposal on cost allocation in respect of anti-pollution measures and on the application of the 'polluter pays' principle.

The Commission is late in submitting its proposal, seeing that its draft Council recommendation to the Member States (COM(74) 233 final) is dated 25 March 1974.

2. The draft recommendation sets forth the principles and methods of application for cost allocations and action by public authorities on environmental matters. Member States will be advised to make their provisions on cost allocation in environmental matters laid down by law, regulation and administrative action comply with these principles because 'any divergences between national legislations give rise to differences in the financial burdens which Community undertakings have to bear in order to meet the obligations imposed on them in the field of environmental protection' (Doc. 9/72). The Commission reserves the right, however, to submit more specific proposals at a later date.

General remarks

3. When asked to deliver its opinion on the Community's programme of environmental action (Doc. 106/73), the European Parliament approved the above principles while suggesting that the 'polluter pays' principle should be interpreted in the widest possible manner and, in particular, so that the polluter should be obliged to bear the costs of any damage caused by him and to make good such damage and eliminate the causes of the pollution.

4. Paragraph 3 of the Communication from the Commission is very vague when it says that 'the cost of the anti-pollution measures should in principle be borne by the producer or by the person providing the service', and 'the cost of the anti-pollution measures should in principle be borne by the user' and that, even if finding the real polluter proves impossible, the 'cost allocation should be carried out by whatever legal or administrative means offered the best solution from an economic and administrative point of view.'

5. The Commission text (Doc. 17/74) does not mention pollution which crosses Community frontiers. Your committee suggests, however, that account should also be taken of this in the Commission's proposal, in view of the fact that Article 228 of the EEC Treaty authorizes the Community to conclude agreements with international organizations and third countries.

The draft Council resolution on a Community environmental programme (Doc. 62/73, p.I, 4) states that 'In the spirit of the Declaration on the human environment adopted in Stockholm, care should be taken that activities carried out in one Member State do not cause degradation of the environment in another State.'

6. Two exceptions to the 'polluter pays' principle could be authorized:
- (a) where there is difficulty in adapting to environmental quality standards, particularly for economic, technical or social reasons;
  - (b) where other policies (regional, social, research) clash with the environmental protection policy.

In the Communication from the Commission to the Council on a European Community environmental programme (OJ No. C 62, 26.5.1972), the Commission stated that 'there could, however, be exceptions or special arrangements, particularly for transitional periods, provided they did not cause major distortions in international trade and investments'.

Your committee hopes that these exceptions will be defined more precisely when the Commission submits its specific proposals, bearing in mind also that the European Parliament (OJ No. C 19, 28.2.1972) insisted on the fact 'that Community provisions should be based on the principle that those responsible for atmospheric pollution should bear the cost of the measures to eliminate it while financial action by public authorities should be limited to solving special problems'.

7. Your committee considers that, when anti-pollution standards are being established, account should be taken of regional differences; in other words, standards for industrial areas will be different from those for recreation areas. It is hoped that when the Commission presents its future proposals it will take due account of this recommendation.

#### Conclusion

8. The Committee on Public Health and the Environment approves the recommendation under consideration. It will draw up a detailed report on the proposals promised by the Commission, which it hopes will be submitted as soon as possible.