

Protocol

of the Hungarian-Latvian Joint Committee Meeting under the Agreement between the Government of the Republic of Latvia and the Government of the Republic of Hungary on International Passenger and Goods transport by road held in Budapest on 15th and 16th April 2004

At the invitation of the Ministry of Economy and Transport of the Republic of Hungary a meeting of the Hungarian-Latvian Joint Committee on Road Transport was held on 15th and 16th April 2004 in Budapest.

After the introduction of both delegations, whose composition is listed in the annex, the delegations agreed on the following agenda:

- 1. Development of trade relations between Latvia and Hungary**
- 2. Freight transport**
- 3. Passenger transport**
- 4. Miscellaneous**

1. Development of trade relations between Latvia and Hungary

The delegations exchanged information on the economic and commercial issues and the flow of traffic between and through the two countries in the recent years. It was commonly noted that according to available statistics the bilateral trade turnover has shown a developing tendency. Road transport has been playing a decisive role in performing the exchange of goods. The Hungarian delegation pointed out that the share of Latvian hauliers in the bilateral and transit road transport continues to be very high compared to the participation of Hungarian vehicles.

2. Freight transport

For the period January - April 2004 the parties exchanged the following quota:

- 500 permits valid for bilateral and transit operations by conventional vehicles
- 900 permits valid for bilateral and transit operations by „greener and safe” and „Euro 3 safe” vehicles
- 150 permits valid for third country, bilateral and transit operations by „greener and safe” and „Euro 3 safe” vehicles

The delegations informed each other on the utilization of the above quota of permits granted to their hauliers.

The Latvian delegation proposed to liberalise the market for third country transport operations not governed by Regulation 881/92/EEC as of 1 May 2004, or to examine the possibility of setting a quota of permits at the level adequate to the real needs of hauliers, namely to exchange additionally 300 third country permits. The Latvian side

requested furthermore to abolish the present restrictions regarding the ecological state of vehicles so that lorries irrespective of their technical standards could be involved in this third country traffic.

The Hungarian side explained that - for market protection reasons - it cannot agree on the Latvian proposals. Hungary can offer only a limited quota of such permits and due to the Government's intention to take every efforts for reducing environment-pollution and increasing traffic safety is not in a position to disregard certain technical requirements. It recalled furthermore that ECMT licences can be used for this kind of transports.

Finally the delegations agreed to continue to apply the permit system for third country operations under the bilateral agreement and to exchange preliminary 100 permits valid for third country operations for „greener and safe” and „Euro 3 safe” vehicles, to be used from the 1st May 2004. The compliance with „greener and safe” and „Euro 3 safe” lorry standards should be testified by providing the certificates in accordance with the requirements of ECMT Resolution CEMT/CM(2001)9/FINAL.

After the accession both sides will evaluate the situation on basis of the experiences gained and by 15 November the parties will come back to the question and finalise the quota. At the same time they will set the preliminary quota of third country permits for the year 2005.

The Latvian side acquainted with the Hungarian side that Latvia was granted a transitional period of „2+2+1” years regarding the opening of the cabotage market for hire and reward haulage services and transports on own account. Hungary was granted a „3+2” years long derogation. The Hungarian delegation stated that according to the official standpoint formed as a result of preliminary assessing discussions the Hungarian hauliers' industry would not make use of the liberalisation of this market for the time being, therefore the decision was made to maintain the present restrictions.

3. Transport of passengers

Both delegations discussed that no regular coach service is operating between the countries at the moment, but should there be a need concerning new bus lines the authorities will support the applications.

The Hungarian delegation reported on the elaboration of the new national legislation on regular passenger transport.

4. Miscellaneous

Both delegations shared the opinion that the Agreement between their respective countries on international road transport functioned well without any obstacles. It was further stated that neither Hungarian, nor Latvian hauliers infringed the provisions stipulated in the above Agreement.

Both delegations agreed that the agreement will remain in force after their countries' accession to the EU, except for some provisions thereof, which will be covered and automatically overruled by the EU acquis.

They consider important to maintain contact at an appropriate level - in the framework of the Joint Committee in order to exchange essential information on the international carriage of goods and passengers by road and all other matters pertaining to the efficient movement of such transport, and to coordinate policy, regulations and enforcement even after becoming full right members of the EU.

The delegations exchanged views on EU related matters. In this context they gave a brief survey on the state of play of legal alignment covering access to the market, fiscal, social harmonisation, technology, safety and environment, transitional periods granted as a result of the accession negotiations.

The delegations informed each other on their positions concerning the envisaged EU regulations aiming at the modification of social provisions (driving and rest periods, controls) and the planned introduction of digital tachograph.

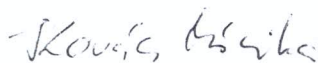
The delegations exchanged samples of Community licences and other documents issued by their respective bodies to national operators in accordance with the EU legislation.

The meeting was held in a constructive and friendly atmosphere.

The Latvian delegation invited the Hungarian delegation to Latvia for the next meeting of the Joint Committee. The exact date will be settled by correspondence.

Done in Budapest, on 16th April 2004, in two originals in English language.

Head of the Hungarian delegation:



Mónika KOVÁCS

Head of the Latvian delegation:



Julijs VAITUZS