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From:	General Secretariat of the Council
To:	Permanent Representatives Committee/Council
No. prev. doc.:	5618/26
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Subject:	Proposal for a Decision of the European Parliament and of the Council empowering Austria to amend its existing bilateral road transport agreement with Switzerland with a view to authorising cabotage operations in the course of the provision of international road passenger transport services by coach and bus in the border regions between the two countries - General approach

1. On 19 December 2025, the Commission adopted the above-mentioned proposal. The Commission made this proposal following an information from Austria, on 17 March 2025, that it would like to negotiate and conclude an agreement with Switzerland on cabotage operations in the course of international road passenger transport in the border regions of both countries. In the June 2025 meeting of the EU-Switzerland Inland Transport Committee, Switzerland confirmed its interest in such an agreeemnt. The intended bus operations may improve the economic efficiency of transport services through a higher load factor of the vehicles, and may strengthen the use of sustainable mobility offerings and cross-border integration.

2. Article 3(2) of the Treaty on the Functioning of the European Union (TFEU) establishes the Union exclusive competence for the conclusion of an international agreement when its conclusion is provided for in a legislative act of the Union. Regulation (EC) No 1073/2009 stipulates that coach and bus cabotage operations within the Union may be conducted, under certain conditions, exclusively by carriers holding a Community licence. So given the exclusive EU competence, the Union, as set out in Article 2(1) TFEU, should empower Austria to negotiate and conclude an agreement with Switzerland in order to allow for cabotage operations as described above, provided that there is no discrimination between carriers established in the Union and no distortion of competition.

3. The European Parliament designated the Committee on Transport and Tourism (TRAN) as the responsible committee on this proposal and Ms. Elissavet VOZEMBERG-VRIONIDI (EPP) as the rapporteur. The European Economic and Social Committee and the European Committee of the Regions have been invited to provide their opinion. The European Committee of the Regions informed Council that it will not issue an opinion.

4. The Commission presented its proposal to the Working Party on Land Transport on 13 January 2026. The Working Party finalised its discussions on 10 February 2026. Article 2(1) TFEU was removed from the citations of legal bases.[1] Some editorial changes were also agreed among delegations. The Commission will issue a statement.

5. The Council is therefore invited, subject to confirmation by the Permanent Representatives Committee, to adopt a general approach on the Commission proposal, as set out in the annex to this note.

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[1] See ST 5618/26.

ANNEX

2025/0407 (COD)

Proposal for a

DECISION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL

empowering Austria to amend its existing bilateral road transport agreement with Switzerland with a view to authorising cabotage operations in the course of the provision of international road passenger transport services by coach and bus in the border regions between the two countries

THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 91 thereof,

Having regard to the proposal from the European Commission,

After transmission of the draft legislative act to the national parliaments,

Having regard to the opinion of the European Economic and Social Committee[2],

Having regard to the opinion of the Committee of the Regions[3],

Acting in accordance with the ordinary legislative procedure,

Whereas:

[2] OJ C […], […], p. […].
[3] OJ C […], […], p. […].

(1) In accordance with Article 20(1) of the Agreement between the European Community and the Swiss Confederation on the Carriage of Goods and Passengers by Rail and by Road[4] (the 'Land Transport Agreement'), the transport of passengers by coach and bus between two points situated on the territory of the same Contracting Party by carriers established in the territory of the other Contracting Party, known as cabotage, is not authorised.

(2) In accordance with Article 20(2) of the Land Transport Agreement, existing cabotage rights under bilateral agreements concluded between Member States and Switzerland which were in force when the Land Transport Agreement was concluded, namely on 21 June 1999, may continue to be exercised, provided that there is no discrimination between carriers established in the Union and no distortion of competition. The bilateral road transport agreement between Austria and Switzerland of 22 October 1958[5] (the 'Austrian-Swiss Agreement') does not authorise cabotage operations during the provision of passenger transport services by coach and bus between the two countries. Therefore, the right to conduct such operations is not among the rights covered by Article 20(2) of the Land Transport Agreement.

(3) International commitments permitting carriers established in Switzerland to conduct cabotage operations within the Union are liable to affect Article 20 of the Land Transport Agreement, since that Article does not authorise such operations.

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[4] OJ L 114, 30.4.2002, p. 91, ELI: http://data.europa.eu/eli/agree_internation/2002/309(3)/oj.

[5] BGBl. (Austria) Nr. 123/1959

(4) Furthermore, under Regulation (EC) No 1073/2009 of the European Parliament and of the Council[6], cabotage operations within the Union may be conducted, under certain conditions, exclusively by carriers holding a Community licence. International commitments permitting third-country carriers, not holding such a licence, to conduct operations of that kind are liable to affect that Regulation.

(5) Consequently, such commitments fall within the Union's exclusive external competence. Member States may negotiate or enter into such commitments only if empowered to do so by the Union in accordance with Article 2(1) of the Treaty on the Functioning of the European Union (TFEU).

(6) Cabotage operations carried out within the Union by third country carriers not holding a Community licence in accordance with Regulation (EC) No 1073/2009 affect the functioning of the internal market for coach and bus services, as established by that Regulation. It is therefore necessary that any empowerment under Article 2(1) TFEU be granted by the Union legislator, in accordance with the legislative procedure referred to in Article 91 TFEU.

(7) By letter dated 17 March 2025, Austria requested an empowerment from the Union to amend the Austrian-Swiss Agreement with a view to authorising cabotage operations in the course of the provision of passenger transport services by coach and bus in the border regions of the two countries.

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[6] Regulation (EC) No 1073/2009 of the European Parliament and of the Council of 21 October 2009 on common rules for access to the international market for coach and bus services, and amending Regulation (EC) No 561/2006 (OJ L 300, 14.11.2009, p. 88, ELI: http://data.europa.eu/eli/reg/2009/1073/oj).

(8) Cabotage operations allow the load factor of the vehicles to be increased, which increases the economic efficiency of passenger transport services by coach and bus. It is therefore appropriate to authorise such operations in the course of the provision of international passenger transport services by coach and bus in the border regions of Austria and Switzerland. This could further strengthen the close integration of those border regions.

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

(10) For the same reason, cabotage operations should only be authorised in the border regions of Austria in the course of the provision of passenger transport services by coach and bus between Austria and Switzerland. To this effect, it is necessary to define the border regions of Austria for the purposes of this Decision in a manner that takes due account of the functioning of Regulation (EC) No 1073/2009, while allowing the efficiency of the operations concerned to be increased,

HAVE ADOPTED THIS DECISION:

Article 1

Austria is hereby empowered to amend the bilateral road transport agreement between Austria and Switzerland of 22 October 1958 (the 'Austrian-Swiss Agreement') with a view to authorising cabotage operations in the border regions of Austria and Switzerland in the course of the provision of passenger transport services by coach and bus between the two countries, provided that there is no discrimination between carriers established in the Union and no distortion of competition.

The administrative districts of Bludenz, Bregenz, Dornbirn, Feldkirch in the region of Vorarlberg and the district of Landeck in the region of Tyrol shall be considered to be border regions of Austria within the meaning of the first subparagraph.

Article 2

Austria shall inform the Commission of the amendment to the Austrian-Swiss Agreement pursuant to Article 1 of this Decision and shall notify the Commission of the text of the amended agreement. The Commission shall inform the European Parliament and the Council thereof.

Article 3

This Decision is addressed to the Republic of Austria.

Done at,

For the European Parliament	*For the Council*
The President	*The President*