

## UNION OF ROAD TRANSPORT ASSOCIATIONS IN THE BLACK SEA ECONOMIC COOPERATION REGION (BSEC-URTA)

RES/GA05/HUN/04 Bucharest, 24 June 2004

## BSEC-URTA RESOLUTION \* on the New Transit Taxes in Hungary

The General Assembly:

**Acknowledging** that the distinguished Hungarian national authorities decided to increase the transit taxes collected from the taxable transit permits issued by this country as of 1 May 2004;

**Fully respecting** that it is within the authority of national authorities to make such decisions about the level of taxes levied in their country;

**Stressing** that this, however, does not remove the responsibility of governments not to introduce direct or indirect barriers before the free flow of trade, and therefore the transport;

**Being concerned** that Hungarian authorities reportedly implement less transit taxes for certain countries on the basis of bilateral agreements, which clearly leads to conditions of unfair competition between the foreign hauliers carrying the international trade by choosing or having to choose the Hungarian territory as transit;

**Also being concerned** that a standard transit tax of extremely high level is implemented without any consideration about the distance driven and the real costs caused to the road infrastructure and environment within the Hungarian territory, thus leading to utmost negative impacts for the industry;

**Highlighting** that the abovementioned concerns remove any justification for environmental considerations as a basis of such an increase in transit taxes in Hungary;

**Emphasizing** that relevant Hungarian legislation and its implementation do not correspond to Hungary's obligations under the GATT, of which this country is a Contracting Party;

- 1. <u>Calls on</u> the IRU to take this issue as a priority on its agenda and undertake immediate initiatives before the European Commission, the World Trade Organization and the respectful Hungarian national authorities with a view to decreasing the existing level of taxes to justified levels only,
- Appeals the fellow Hungarian national association, member of the IRU, to assist the international haulage profession in the abovementioned initiatives and bridge the common concerns of profession for reaching a common solution within the abovementioned principles of free flow of traded goods,
- 3. <u>Instructs</u> the BSEC-URTA International Secretariat to take all necessary initiatives and set all useful contacts against the spirit, content and conditions of implementation of this unjustifiable decision introduced by the respectful Hungarian authorities.

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<sup>\*</sup> Adopted in Bucharest on 24<sup>th</sup> June 2004, by the Fifth Meeting of the BSEC-URTA General Assembly, with the abstention of ASMAP and AIRCU.