Dear President of the European Parliament, Dear President of the European Commission, Dear President-elect of the European Commission, Dear Commissioner for Transport, Dear Commissioner-designate for Transport, Dear President of the European Council, Dear President-elect of the European Council Dear Presidency of the Council of the European Union,

Road haulage is the invisible heart of the European single market and a key enabler of the free movement of goods, one of the four fundamental freedoms of the European Union.

As representatives of key European haulage trade associations, we recognise the need for EU action to harmonise rules for the road transport sector and welcome efforts to make systems and processes more efficient and enforceable and to provide greater clarity on the EU's legal framework for the haulage industry. As such, we fully support the European Commission's aims in presenting the Mobility Package I.

We are in favour of fair and proper working conditions for drivers; reducing CO₂ emissions, air pollution and congestion; cutting red tape for businesses and eliminating legal uncertainty due to current national measures and loopholes. However, we must stress that these objectives will not be met through the current proposals put forward by the Council of the EU and the European Parliament, which are now subject to ongoing interinstitutional 'trilogue' negotiations.

On the contrary, some of the proposed measures will lead to legal uncertainty, increase the environmental footprint of the haulage industry (at a time when the upcoming European Commission is advocating for a Green Deal), increase prices for consumers and decrease the global competitiveness of the European Union while failing to improve working conditions for drivers.

It should also be noted that most of the proposed measures lack a comprehensive impact assessment. The haulage industry has decided to address this gap and has commissioned several studies that have recently been undertaken by leading independent European academic experts¹ and business

¹ <u>Mobility Package I, Impact on the European Road Transport System</u>, Prof. Peter Klaus, D.B.A/Boston University, Friedrich-Alexander-University Erlangen-Nürnberg, Germany; <u>The impact of the 1st mobility package on European</u> <u>road Freigh Transport</u>, with special focus on peripheral countries, Tim Breemersch, Transport and Mobility Leuven

consultancies². These studies have provided alarming results which demonstrate that, inter-alia, looking solely at the impact of the obligatory return of vehicles every four weeks on one country, this would lead to a 1% increase per year in total greenhouse emissions generated by this Member State's national transport sector. For this reason, we call upon European legislators to carefully assess the impact of each newly proposed measure (as they vary significantly from the Commission's original proposals) in order to ensure that the Mobility Package delivers on its promise to protect drivers, haulage companies, consumers and the European environment.

Following their accession to the EU in 2004 and later, many Member States have worked hard to ensure that they meet European standards, opening up their economies and providing services that have benefitted all Europeans, such as competitive long-distance haulage. However, some of the measures proposed by the Council and the Parliament discriminate against these Member States by undermining one of their critical industries' efforts and investments. We believe that the Mobility Package should serve all European transport companies, from all Member States, and should seek to promote the strengths of each of them to build a more resilient European economy.

After a long period of intense engagement with policymakers and industry stakeholders, and as the EU institutions have just completed the second round of trilogue negotiations, we are committed to continuing to play a constructive role and engage with all the institutional stakeholders in order to achieve a balanced and effective Mobility Package. Therefore, we call on you to ensure that all of the proposed measures are carefully analysed and examined against their impact on the environment, Internal Market, employment, consumers and transport companies as well as that the final provisions are proportionate and fit for purpose.

In order to achieve this, we have drafted together a number of concrete proposals, which we would like to share with you in the hope that this will help to reach a compromise acceptable for all parties involved.

Posting of drivers in the road transport sector

- We welcome the Commission's intention to clarify the application of minimum wage rules and improve the situation for drivers. However, we believe that more sector-specific solutions are needed. Applying posting rules to the transport sector as suggested by the Parliament and the Council will negatively impact predominantly micro and small enterprises (90% of all European companies). Therefore, we believe that the number of cross trade operations excluded from posting rules should be increased to 5 in order to ensure the economic sustainability of the haulage sector, reduce the environmental footprint of the industry and ensure fair competition between European companies. This increased flexibility will also allow for the establishment of an effective level playing field with operators from third countries.
- Transport operators, Members States and the European Commission need sufficient time to implement new rules. Therefore, a transition period of 2 years would be reasonable. This would enable the European Commission to develop the Internal Market Information System (IMI) for transport operations and provide for the application of smart tachographs, which is crucial for effective enforcement.

² The Bulgarian haulage sector. Market study. An impact assessment of Mobility Package I, KPMG, 8 October 2019

Pursuing the occupation of road transport operator and access to the international road haulage mark

- As studies have shown, the obligation for the vehicle to go back to the Member State of establishment would force thousands of vehicles to travel empty every day with significant negative consequences for the environment, road traffic and the operator of the vehicle. We therefore oppose the obligation for vehicles to return to the Member State of establishment.
- We stress that the currently proposed rules discriminate against specific business models and transport operations such as cabotage or cross trade.
- We recognize the importance to combat letterbox companies and we support efforts to strengthen the criteria of establishment. However, these criteria should be proportionate and not discriminatory, and, for this reason, we believe that reference to a direct link between the Member State of establishment and the operation, as well as reference to the Rome I Regulation and the Rome Convention, should be deleted. On the latter, we emphasize that this will change the legal nature of the Rome I Regulation by imposing the choice of law applicable to the employment contract and the law applicable to the registered office of the employer.
- Cabotage operations increase the load factor of heavy-duty vehicles and reduce empty runs, thus
 contributing to reducing the environmental footprint and increasing the effectiveness of the road
 transport industry in Europe. Cabotage rules should therefore be as simple as possible to enable
 enforcement. In that spirit, we would like to support the European Commission's original proposal
 of 5 days without operation limits or the Council proposal to stick to the current rules.
- Studies show that introducing a so-called cooling off period will increase the environmental footprint of the European haulage industry and will discriminate against haulage companies from countries on the geographical periphery of the EU. The cooling-off period also goes against the provisions included in the European Commission's White Paper on Transport, which calls for the removal of restrictions on cabotage. As an alternative, we call for reducing the cooling-off period from 5 days (Council's proposal) to 3 days, thus balancing the environmental and economic sustainability of the haulage industry with the need to make sure that cabotage operations are not carried out in a way that creates a permanent or continuous activity within the Member State concerned.

Minimum requirements on maximum daily and weekly driving times, rest periods and tachographs

- On the organisation of the resting periods, we call for increased flexibility for drivers in order to
 enable them to spend more time at home. We believe that drivers should have the option to
 return to their home country every 4 weeks to spend their weekly rest. However, drivers should
 also have the freedom to choose where to take their weekly rest, as obliging a person to leave a
 Member State of the European Union in this way is in direct contradiction to the freedom of
 movement principle, a key pillar of the Single Market.
- We call upon Member States to build a sufficient network of dedicated safe parking areas as this is the only way in which we can significantly improve drivers' working conditions. The implementation period for this legislation should reflect the need to develop this infrastructure, which is crucial to enable full compliance with its provisions by the road transport industry.

We would, of course, be very happy to provide you with any further information or clarifications on the above recommendations, should this prove helpful.

In working together, we must strive to ensure that this legislation is fit for purpose and establishes the foundations for a competitive and successful European haulage sector for years to come.

Yours sincerely,



Mr. Pop Virgil Adrian President, APTE 2002 - Romania



Mr. Gábor Dittel Executive Secretary General, Federation of National Private Transporters - NiT Hungary



Mr. Maciej Wroński President, Transport i Logistyka Polska - TLP



Mr. Yordan Arabadzhiev *Executive Director, Union of International Haulers - Bulgaria*



Mr. Jan Buczek *President, Association of International Road Transport Carriers in Poland*