



European business calls for Mobility Package 1 re-assessment to allow for a smoother recovery from the COVID-19 pandemic and to support the sustainable transformation of industry, logistics and transport in the future

Businesses across Europe attach critical importance to the outcome of discussions on the Mobility Package 1, calling for rules that enhance social conditions of drivers, reduce emissions, help to achieve a well-functioning single market, facilitate trade flows, strengthen EU value chains and thus contribute to the EU's global competitiveness. The business organisations undersigned are deeply concerned about the following issues that are crucial for the European industry, road transport and logistics sector.

Firstly, we regretfully note that regardless of the unprecedented pandemic emergency Europe is facing, with impacts of magnitude that today is difficult to predict, the European Parliament continues the legislative process of the Mobility Package 1, swiftly moving ahead with the second reading procedure. This clearly ignores the economic reality faced on the ground across the entire EU. Companies from all sectors, particularly in transport and logistics have been negatively impacted and are struggling to survive; and they will be particularly vulnerable when the crisis is over. Nevertheless, in these difficult times, road transport continues playing an especially vital role, ensuring the uninterrupted supply of essential goods such as medicines, medical equipment and food; something which under the conditions imposed by the Mobility Package 1, would have been more difficult to continue doing due to the administrative barriers it brings. **The adoption of the Mobility Package 1 as it stands today, in combination with the economic aftermath of COVID-19, will affect these sectors severely, by seriously threatening their existence and ability to serve the European economy during the crucial phase of economic recovery.**

Secondly, we deem it highly important to reiterate that restricting freedom to provide services by linking it with the state of establishment of the company and introducing numerous barriers, such as the obligation for the vehicle to return to the home country, would generate empty runs and would be extremely burdensome economically. The provisions go **against the ambitions of the European Green Deal** and would have to be implemented at the difficult economic situation that follows the aftermath of the COVID-19 outbreak, and complicating companies' contribution to sustainable economic recovery in Europe. As confirmed by several studies, the obligation to return trucks will result in additional empty runs, congestion, higher fuel consumption, higher road safety risks, pollution and an increase in CO2 emissions by millions of tons annually.¹As a result, the European businesses and transport system will face multiple inefficiencies, possible price hikes and chronic lack of transport

¹<https://www.iru.org/system/files/Open%20letter%20on%20the%20potential%20consequences%20of%20obligatory%20return%20of%20the%20truck.pdf> ; <https://www.its.waw.pl/10970,en,About-Mobility-Package-in-Brussels.html> ; https://tlp.org.pl/wp-content/uploads/2019/09/tlp_raport_en.pdf .

capacity, especially in Europe's major industrial and trade hubs. The obligation rightly raises concerns of the European Commission.

Thirdly, we are concerned that such provisions **would seriously undermine the Single Market** by disproportionately restricting access to these central hubs for transport companies, particularly SMEs, from peripheral EU Member States, including island regions. The basic freedom to provide services in the EU would also be endangered as the proposed provision on the place where or from work is habitually carried out will create confusion regarding the choice of applicable law. Companies cannot afford that our Single Market is undermined this way at time when its proper functioning becomes crucial for economic revival of the entire continent after the COVID-19 crisis. On the contrary, we need to strengthen the Single Market and fight protectionism.

European businesses are firmly convinced that at all times, EU laws, including the Mobility Package, must be future-proof and realistic, based on careful impact assessments prepared in advance, consistently upholding the legal principles and the guiding political ambition. This consistency remains a prerequisite for the functioning of the single market, sustainable transport and competitive industry, which are fit for a modern economy. Today, in these exceptional times, sticking to these principles and avoiding new burdens is as essential as never before, in order to allow as many companies as possible to survive this crisis and its severe after-effects.

The situation in Europe has changed dramatically due to the COVID-19 pandemic, forcing us to quickly react, adapt and jointly develop a long-term vision for a successful sustainable recovery. The transport sector is crucial to mitigate the effects of the current crisis, as well as for the future of our industries and the well-being of European citizens, and thus must be supported.

We therefore call upon EU decision makers not to ignore these unprecedented circumstances and to avoid approving the controversial provisions. The Mobility Package 1 should be carefully re-assessed and rendered consistent, balanced and legally sound, not standing in the way of economic recovery after the COVID-19 pandemic and the historical transition required towards sustainable mobility and economic growth in all parts of Europe.

Signatories:

Federation of German Industries (BDI)
Employers Confederation of Latvia (LDDK)
Bulgarian Industrial Association (BIA)
Polish Confederation Lewiatan
Lithuanian Confederation of Industrialists (LPK)
Estonian Employers Confederation
Romanian Employer's Confederation Concordia
Cyprus Employers & Industrialists Federation (OEB)
BUSINESSHUNGARY (MGYOSZ)
Malta Chamber of Commerce, Enterprise and Industry (MCCEI)