European business calls for Mobility Package I
that benefits road transport, industry, climate and the economy

Industries across Europe have been closely engaged in the discussions on the Mobility Package 1, calling for rules that enhance social conditions of drivers and ensure cost efficiency, sustainability and the smooth functioning of the EU single market, stressing that efficiency and quality of our road transport networks directly impact mobility, trade flows and the competitiveness of Europe.

As the Mobility Package 1 proposals have now entered the trilogue negotiations after more than two years of deliberations by the EU institutions, we are very concerned that certain amendments substantially deviate from the above-mentioned objectives.

In particular, the proposed obligation to return a vehicle to the Member State of establishment raises serious concerns about compatibility with the general principles of economy and efficiency as well as climate protection goals. The requirement would generate significant costs for all affected businesses, including road transport users. It would also hinder the efforts by transport and logistics sectors to reduce empty runs and the number of trucks on the road, to lower fuel consumption and CO2 emissions. According to the International Road Transport Union (IRU), an obligation for trucks to return every three to four weeks would significantly increase the mileage of heavy goods vehicles, which would additionally generate up to 100 000 tons of truck CO2 emissions per year[1]. Thus, this new market restriction would directly run counter the key aims of the EU's common transport policy, Single European transport area, Low emission mobility strategy and joined efforts to implement ambitious competitiveness and climate policies.

Moreover, we wish to emphasize that the proposal of the Mobility Package in the first reading position of the European Parliament contains general provisions regarding the Rome I Regulation and the place where or from which work is habitually carried out which may create confusion regarding the choice of law rules that apply and mandatory provisions on the law applicable to the employment contract of drivers which are contrary to the basic principle of freedom of choice of applicable law which is a main feature of the Rome I Regulation.

In other words, Rome I regulation used in Mobility Package 1 will hinder the free choice of law applicable to the employment agreement, the law applicable to the registered office of the employer and in consequence hamper the basic European freedom to provide services in the EU single market. Dedicated provisions in Mobility Package

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[1] IRU Open letter on the potential consequences of obligatory return of the truck, 26 October 2018: https://www.iru.org/system/files/Open%20letter%20on%20the%20potential%20consequences%20of%20obligatory%20return%20of%20the%20truck.pdf

1, related to the Rome I regulation, will not only lead to a restriction of freedom to provide services but will also change the nature of freedom of establishment.

From the point of view of European businesses, the EU institutions should not support legal solutions which are clearly inconsistent with the European legal system and its basic freedoms.

European industries require a viable and efficient road transport sector and a well-functioning single market. Therefore, we call upon the negotiators - the European Parliament, the Council of the European Union and the European Commission – to carefully assess multiple impacts of the Mobility Package 1 proposals and to come to a balanced, future-proof solution that would benefit the Europe's road transport sector and our economy as a whole.

Signatories:

Federation of German Industries (BDI)
Employers Confederation of Latvia (LDDK)
Bulgarian Industrial Association (BIA)
Polish Confederation Lewiatan
Lithuanian Confederation of Industries (LPK)
Estonian Employers Confederation
Confederation of Finnish Industries (EK)
Romanian Employer's Confederation Concordia
Confederation of Swedish Enterprise (SN)