



**COUNCIL OF
THE EUROPEAN UNION**

**Brussels, 28 May 2014
(OR. en)**

10371/14

TRANS 292

INFORMATION NOTE

From:	General Secretariat of the Council
To:	Council
Subject:	Any Other Business Outcome of the lunch debate of the Informal Transport Ministerial meeting (Athens, 8 May 2014) - Information from the Presidency

Road haulage: Working Lunch of the Informal Council

Summary

Road transport is part of the lifeblood of the European economy. It delivers goods across Europe fast, efficiently, flexibly and cheaply. Road transport is a vital economic sector in its own right. It is one of the most dynamic sectors of the European economy, with small firms operating alongside big international transport groups.

The EU internal market for transporting freight by road has been reformed, and the EU has progressively established a comprehensive set of uniform rules to ensure fair competition among road transport operators and to ensure a homogeneous national regulatory framework for its member states. The open internal market created the possibility for transport operators to supply services across national borders with a set of common rules applicable to all those operators.

The direction along which the road freight transport market has evolved since the liberalisation process started in the nineties has not resulted in the desired convergence between, on the one side, the increased competition and, on the other side, a parallel process of social harmonisation across the EU Member States in the employment and working conditions for road freight transport workers.

On the contrary, road freight transport sector is actually facing a significant divergence between these two components as evidenced by a general deterioration of social working conditions, worsened by a global and regressive downward trend in wage levels. Significantly wide remain, in particular, the differences in terms of labour and social market structures amongst the EU. This creates gaps that can end up in encouraging disloyal competition and social dumping practices instead of providing opportunities for social and economic growth.

Globally, it must be noted that this deterioration in the working environment affects both resident and non-resident drivers. EU legislation as it is nowadays seems to be substantially adequate to secure an appropriate level of social rights to professional drivers, although abuses and disloyal practices take advantage of some ambiguity and loop holes that persist in the European legislation.

In this respect, certainly problematic appears to be the current degree of enforcement which still lacks an effective control mechanism in the Member States against those transport undertakings that are responsible for illegal or disloyal employment practices. This is further associated to a low level of application and harmonization with regards to enforcement practices, sanctions and penalties across the EU Member States. Therefore, there is a need to increase enforcement mechanisms and cooperation between Member States to guarantee that social legislation is applied and that drivers' social rights are fulfilled across all Europe.

To this end, it is crucial to:

- **Strengthen enforcement mechanisms in the Member States.** This would require increasing and making more effective the controls and enforcement mechanisms,

- **Introduce reporting mechanisms on the application of the Directive concerning the posting of workers (Directive 96/71/EC).** Enforcement may be more effective whether supported by constantly updated data and information about the state-of-the-art related to the implementation of the various norms.
 - **Enhance co-operation between Member States and between different authorities of the same Member State.** Efficient and transparent cooperation amongst Member States (and between them and the EC or relevant stakeholders) is a pre-requisite for an effective intra-community enforcement of the EU social legislation in the commercial road transport sector.
 - **Create a European register of transport companies,** which would include a black list of those companies that have been found responsible for illegal or disloyal practices. Such companies would consequently be targeted with increased controls.
 - **Examine the creation of new structures for road transport** after evaluating existing ones and within the context of optimum use of resources.
-