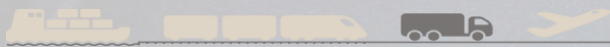


*NICOLETTE VAN DER JAGT, DIRECTOR GENERAL*

# **APPLYING THE POSTING OF WORKERS DIRECTIVE TO INTERNATIONAL ROAD FREIGHT TRANSPORT?**



# 1 AGENDA

- ✓ Role of the Freight Forwarders
- ✓ Challenges in border related issues for trade/transport
- ✓ The application of PoW to road transport
- ✓ Implications



**YEARS CLECAT**  
moving forward since 1958

CLECAT represents the interests of companies in logistics, freight forwarding and customs services.

Multinational, medium and small freight forwarders are all within its membership.

European freight forwarders:

- ✓ Clear around 90% of all goods in Europe
- ✓ Handle 65% of cargo transported by road
- ✓ 95% of cargo transported by air and
- ✓ 65% of cargo transport by ship.

# 3 THE ROLE OF THE FREIGHT FORWARDER

- ✓ Choosing, buying, arranging and planning of different transport modes
- ✓ Consolidation, storage, handling, packing and distribution
- ✓ Dealing with customs, fiscal matters and declaring goods for other official purposes
- ✓ Procuring insurance and collecting payments or (value) documents
- ✓ Safety and security related services for food, medicine, high value- and dangerous goods



# 4

## CHALLENGES FOR FREIGHT FORWARDERS

- ✓ Freight forwarders rely on efficient and reliable road freight transport operations
- ✓ A fragmented market with national regulations
- ✓ Road transport initial and final stage of freight transport
- ✓ Need for more competition, innovation and service quality in all modes
- ✓ Driver shortage, ageing society, more complex operations



## 5

# CURRENT CHALLENGES IN BORDER RELATED ISSUES

- ✓ Safety and security issues – cargo theft!
- ✓ Increased trade barriers
- ✓ Anti-(tax)fraud and evasion measures
- ✓ increasing food-, health- and environmental regulations
- ✓ More & smaller transactions/shipments
- ✓ Growth of international trade
- ✓ Implementation new Customs Code together with 35 pan-EU IT projects



- ✓ “The Commission considers that the *application of the minimum wage to certain international transport operations having only a marginal link to the territory of the host Member State cannot be justified*, as it creates disproportionate administrative barriers, which prevent the internal market from functioning properly.”
- ✓ What constitutes a ‘clear link’ that is not of a marginal nature? The Commission introduced an arbitrary threshold

- ✓ The application of the posting of workers to international road transport in any of the proposed time thresholds will entail applying different national legislations with different
  - remuneration systems
  - right to minimum paid holidays
  - social entitlements
  - compositions of minimum wages, collective agreements etc





Whatever the outcome of the negotiations will be...

- ✓ It will lead to an increase in administrative burdens since all hauliers in all 28 Member States that are engaged in cross-border transports and exceed the [arbitrary] threshold must comply and file a declaration of posting.
- ✓ Regardless of whether they already pay their employees higher wages than the applicable levels in the 'host country'



# 9 THE IMPACT OF LEX SPECIALES

## Annual compliance costs for 2035 [million €/year]:

	3 day threshold	5 day threshold	7 day threshold	9 day threshold
EU28	480	155	107	77
EU15	16	4	3	2
EU13	<b>464</b>	151	105	75

SMEs will be more affected by measures that introduce constraints to transport operations due to their reduced flexibility in organizing and adapting their operations.

- ✓ Reduction of 63% for the 5 day threshold (from 423 million €/year to 155 million €/year).
- ✓ Regarding the 7-days and the 9-days threshold, the decrease would represent a reduction of 75% and 82% respectively.
- ✓ **Nonetheless, the 3-days threshold will increase compliance costs by 13%**

Whatever the outcome of the negotiations will be...

- ✓ administrative jungle
- ✓ compliance costs
- ✓ organisation of international road transport market & logistics
- ✓ increase of self-employed drivers
- ✓ increased liability and costs
- ✓ competitiveness of the EU
- ✓ Better social conditions?
- ✓ Less fraud?



CLEARLY, THERE ARE THINGS WE REALLY SHOULD HAVE DISCUSSED SOONER!!

# 11 THE IMPACT OF LEX SPECIALES

Whatever the outcome of the negotiations will be...

- ✓ Shall international transports be regulated or should it be excluded from the application of the Directive?
- ✓ And if so why only international road transport and not also international transport regardless of mode of transport?
- ✓ Is there a difference between flying a passenger from Berlin to Lisbon and transporting cargo by road the same distance?



# 12 THE IMPACT OF LEX SPECIALES

Whatever the outcome of the negotiations will be...

- ✓ Large companies will have more possibilities to adopt
- ✓ Increase empty runs with more environmental damage
- ✓ Weaken economic growth not only in EU 13 but also in the peripheral countries



**THANK YOU FOR YOUR  
ATTENTION**

