







European Commission *Commissioner Adina Valean* Rue de la Loi 200 1049 Brussels Belgium

10 November 2023

## Clear, harmonized, and enforceable cabotage rules for busses needed in the EU!

Dear Commissioner, dear Mrs. Valean,

We, the industry associations representing bus companies in Denmark, Sweden, Norway and Iceland, urge the Commission to clarify Regulation 1073/2009, with the objective of achieving a consistent interpretation of cabotage rules throughout the entire European Union. This is of paramount importance to ensure fair competition and a well-functioning internal market, which is currently hampered by unclear and unenforceable regulations.

Today, the rules governing cabotage operations lack clarity, resulting in current practices that have led to unrestricted cabotage operations performed by companies from Member States with lower wages than in the Nordic countries and indeed in other EU Member States as well. We find that this misalignment is incongruent with the regulation governing access to the international market for bus transport, as outlined in Regulation No. 1073/2009.

According to the regulation, cabotage transport is defined as national road passenger services carried out temporarily by a carrier in a host EU country. Without a clear and enforceable definition of "temporary basis," this essentially equates to the full liberalization of cabotage.

The enforcement of the current cabotage regulation presents a significant challenge to road transport authorities, not least as an ineffectful cabotage enforcement undermines the enforcement of the Posting of Drivers directive. The impossibility of enforcing cabotage operations and thus the posting directive will potentially lead to domestic transport companies being outcompeted on price through practices that are considered as social dumping and unlawful.

On top of this the enforcement of the cabotage regulation remains a formidable task due to the absence of a clear control document, unlike the case of freight transport, where a CMR-document is required. We therefore strongly call upon the Commission to enhance enforcement capabilities and facilitate digital enforcement for cabotage operations. In this regard, we find that the development of a new digital journey form tailored to the needs of road inspectors, while minimizing administrative burdens on companies would show the way forward.







Certain Member States, including Denmark, have already attempted to clarify the ambiguous rules by introducing the so-called "7-day rule", which allows foreign buses to engage in cabotage operations for a maximum of seven consecutive days within a calendar month. In Iceland they have currently clarified the rules by allowing cabotage operations for a maximum period of 10 days within a calendar month. When it comes to Norway, it is proposed a limit of 20 days with a cool down period of 10 days.

We firmly believe that the Commission's approach in initiating an infringement procedure against any country, demanding an abortion of established cabotage definitions is fundamentally misguided. Rather than pursuing the infringement procedure, we urge the Euroepan Commission to proactively work towards establishing and implementing a clear and restrictive definition of the term temporary basis, instead of the current unclear and unenforceable definitions used in the Regulation and guidance notes, such as "temporary basis", "temporary when not permanent", "temporary equals approximately two to three months".

We the undersigned therefore fully encourage the European Commission to be inspired by the Nordic definitions and urge the European Commission to implement something in line with these best practices. Having a clear and enforceable definition would not only ensure good social conditions to drivers, but also address the challenges related to enforcement and fair market competition.

We trust that you and your services will amend this situation in the very near future and stand at your disposal to find the best possible solutions.

Yours sincerely,

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