

Joint Position UNICE, European Shippers' Council and International Road Transport Union on the

Report from the Commission to the Council and the European Parliament on the
application of Regulation (EC) 2679/98 [COM (2001) 160 final]

Brussels, 6 June 2001

UNICE, ESC and IRU welcome the Commission report on the application of Regulation 2679/98 (referred to below as the Regulation), governing Member States' obligations in guaranteeing the free movement of goods in the European Union. The above organisations, in their position paper of December 2000¹, have recently expressed their concerns about the growing annual number of obstacles to the free movement of goods and the enormous cost this is generating for European business – transport undertakings and shippers alike - and are happy to see that the Commission is addressing the issue.

UNICE, ESC and IRU fully support the Commission's conclusions regarding the failure of Member States to comply with the provisions of the Regulation, particularly concerning:

- the obligation to provide adequate and timely information on expected or ongoing obstacles;
- the provisions laid down in the Council Resolution² concerning the obligation to ensure the availability of rapid and adequate procedures for damage compensation (without territorial limitation)³ and to inform the operators involved about the same.

With respect to the three scenarios the Commission envisages (maintaining the status quo, a more dynamic approach in applying the Regulation, or amending the Regulation), we would like to make the following comments:

Any of the measures mentioned in each of the three scenarios would improve the current situation (particularly number 3, which would clarify and extend the scope of the Regulation), and can therefore naturally count on our support. However, we consider that the most important issue is that Member States start taking the existing Regulation, and comply with its letter and spirit. That would be a major gain as compared with the current situation and, in our view, the very minimum that should be expected from the Member States. Additionally, we would encourage Member States and the European Parliament to support and contribute to any Commission initiatives that may be forthcoming, to further improve the Regulation's effectiveness.

¹ UNICE/IRU/ESC position on revision of Regulation 2679/98 ("Strawberry Mechanism"), December 2000

² Resolution of the Council and of the Representatives of the Governments of the Member States, meeting within the Council, of 7 December 1998 on the free movement of goods

³ "The Commission also believes that this right to compensation should not be limited only to material damage suffered on French territory. Such an interpretation would call into question Member States' fundamental responsibility for infringements of Community law, which ensures the full effectiveness of Community legislation and the effective protection of the rights recognised therein." (From Commissioner Bolkestein's written reply dated 20 March 2000 to the question asked by Ms Karla Peijs (E-0331/00) referring to the situation in France, where operators who had suffered damage from blockades on French territory were excluded from damage compensation on the ground that their material damage was suffered outside French territory.

We would like to stress once again that blockades of roads, seaports or airports are violations of the principle of the free movement of goods, and that the failure of Member States to prevent them and/or to quickly remove them is causing billions of Euros in damage to European business each year. Annexed is an overview of the blockades we have registered for 1999 and 2000, as well as a description and estimate of the damage caused.

Finally, and independently of any Regulation, we call on Member States to ensure that, if blockades do occur, at least one alternative route is kept free for international traffic, and that the stakeholders involved are adequately and promptly informed thereof.

Annex 1: Statistics on obstacles since December 1998

Source: *Transport en Logistiek Nederland (TLN)*

Cntr.	Start date	Duration	Group
1999			
F	March/9	4 days	French farmers, diverse actions
GB	March/22	2 days	English transporters blockade London
F	April/7	2 days	French pig farmers
F	May/5	2 days	French truckers/ blockade Fréjus
GB	May/18	2 days	BRHU blockade London
B	May/31	4 days	Belgian truckers
B	June/9	2 days	Belgian farmers B/F border
F	Oct/5	3 days	Trade unions
F	Oct/26	2 days	French farmers at Calais
2000			
F	Jan/10	3 days	FNTR/UNOSTRA/TLF/CSD, over 80 blockades
S	Jan/25	2 days	Spanish farmers, blockade Cadiz and Algeciras
F	Jan/31	2 days	Trucker trade unions, over 110 blockades
I	May/9	2 days	Customs Chiasso
I	June/19	4 days	CUNA/UTI, blockade frontiers, tunnels, roads
A	June/23	2 days	Transitforum Tirol, blockade Brenner Autobahn
Gr	July/16	2 days	OFAE members
GB	Aug/1	1 day	Farmers and transporters, blockade Dover
F	Aug/30	2 days	Fishermen, blockades ports Atlantic and Med. coasts, transporters, blockades refineries
F	Sep/4	7 days	FNTR, taxis, farmers, blockades around Paris, ports, all frontiers closed, over 110 blockades
B	Sep/10	5 days	FABETRA/SAV/UPTR, blockade Brussels, after two days all frontiers closed
NL	Sep/11	4 days	Minor "spontaneous" blockades
IR	Sep/14	2 days	"spontaneous" blockades ports
G	Sep/14	2 days	BGL actions in Berlin
GB	Sep/15	8 days	Transporters blockades refineries and depots
IR	Sep/15	3 days	IRHA
GR	Sep/25	11 days	OFAE, blockades all connection roads, ports, traffic whole country paralysed
Lux	Oct 1	1 days	Syndicates various countries, all frontiers blocked
S	Oct/1	5 days	CETM, Spanish/French border totally closed
F	Oct/2	1 days	French drivers block Calais
I	Oct/4	5 days	"spontaneous" strikes, all traffic paralysed
A	Oct/11	6 days	Farmers and environmentalists block border with Czech Republic
Total		103 days	

Note: this overview does not include numerous "unofficial actions", which are generally spontaneous and short, and therefore difficult to locate and register

Annex 2: Description and estimate of damage caused by obstacles

- driver's salary
- driver's expenses

- injuries of drivers
- costs of standstill transport material (depreciation on rolling stock, insurance)
- costs of renting additional trucks and drivers
- damage to freight (perishables)
- damage to vehicles
- loss of turnover and customers
- alternative and longer routes are chosen to avoid blockades (which causes additional transport costs and may result in loss of customers because of delays)
- goods are delivered by more expensive air freight transport
- costs due to problems caused in buyer's production process as a result of late delivery

To get a true notion of the impact of road blockades, it is important to assess the whole logistics chain involved: shippers, transporters and buyers of goods.

The amount of damage caused is therefore very difficult to estimate, amongst other reasons because much of the damage is not expressed in any statistics (keeping trucks at home, delays or loss of customers). We therefore do not wish to give cost estimates for the road blockades mentioned in the overview, simply because we lack information to do so in an accurate manner. However, we do include a few estimates of operational transport costs, referring to the situation in France, that may serve to give an idea of the magnitude of the costs of these protest actions.

It is estimated (source: Transport en Logistiek Nederland) that around 22,000 non-French trucks circulate daily on French territory. The average operational cost of one truck per day is around €450. The value of the goods they transport is estimated at around €950 million (€43,000 per truck). If, say, a third of these trucks come to a standstill because of road blockades, this incurs a direct operational cost of €3,300,000 per day. A week (seven days) of standstill in this situation causes a loss of €3,150 per truck, and over €23 million for these foreign trucks. Even this excludes the costs to French transport companies (an estimated 400,000 French trucks circulate daily on French territory), and seeks only to illustrate that the operational cost of 103 days of actions in two years has cost hundreds of millions of Euros. If we take into account the losses sustained in the entire logistics chain, and thus by the EU economy as a whole, we are most probably looking at billions of Euros in damage.