

# New opportunities for small transport businesses, including collaborative business models

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The European Parliament adopted by 497 to 76, with 38 abstentions, a resolution on new opportunities for small transport businesses, including collaborative business models.

Members recalled that small transport undertakings **play a crucial role in the proper functioning of mobility in Europe**, but often encounter difficulties in accessing or maintaining their place within the market, notably due to the presence of monopolies on that market.

A recent study by the Commission showed that 17 % of European consumers have used services provided by the sharing economy, and 52 % are aware of the services offered. Consumer expectations seek easily accessible and flexible ways to use transport services while prices are maintained in line with the actual costs of provision as well as easy access to reservations and secure payment for services provided. A collaborative economy in the transport sector can actively promote the development of sustainable forms of mobility.

**Challenges to small transport businesses:** Parliament stated that transport businesses face considerable challenges in order to respond to the increasing demand for mobility within the constraints of **limited infrastructure and increasing environmental requirements**:

- changing vehicle emission standards too frequently can prove particularly problematic for smaller transport companies as can the complex nature of the transport sector, which is characterised by multi-level governance still largely compartmentalised by mode of transport;
- the sector is subject to heavy regulation, particularly regarding access to the profession, activities concerned and the development, use and marketing of transport services (exclusive rights, capping of the number of licenses);
- despite the new opportunities afforded by new collaborative business models, there are also anti-competitive practices resulting from the uneven application of EU rules across Member States, in particular as regards pay and social security systems, which may lead to serious distortions such as social dumping, as well as security challenges.

The Commission and the Member States are called on to:

- step up law enforcement: Members considered that any change to the legislation concerning social and working conditions must respect all EU fundamental freedoms, must not restrict fair competition based on objective competitive advantages, and must not create any further administrative burdens or additional costs for small transport businesses;
- **consider the pooling of small transport companies**, which would facilitate the development of partnership between such companies and help customers locate the desired small transport company services according to their needs;
- **come up with a roadmap on connected and automated vehicles**, and to analyse the potential effects that widespread use of this technology could have on the European transport sector, especially on SME.

**Recommendations: how to transform the challenges into opportunities:** Parliament considered that fostering an **integrated and coordinated European mobility system** is the best way of properly integrating all companies offering all modes of transport into a common dynamic process.

The resolution called:

- for efforts to be pursued with a view to **completing the single European transport area**: any legislation which imposes new requirements on small businesses, particularly tax-related, social and environmental measures, should be proportionate, simple and clear, not hampering their development and reflecting where necessary regional and national characteristics in different Member States;
- for the possibilities offered by the European Fund for Strategic Investments (**EFSI**) to be exploited in order to help SMEs in the transport sector develop new mobility solutions;
- for appropriate action to be taken to **combat anti-competitive practices** by large integrated groups in order to tackle discrimination and market access restrictions, regardless of size or type of enterprise, especially regarding new business models;
- **improved dialogue**, especially in new and potential markets, between carriers and ordering parties, as well as a solution to the problem of bogus self-employed persons;
- **for the improvement of transparency, for the review and harmonisation of the rules on access to regulated occupations** and activities in Europe and of checks on those occupations, so as to enable new operators and services linked to digital platforms and the collaborative economy to develop in a business-friendly environment;
- for the establishment of a **modernised multimodal regulatory framework** that fosters innovation and competitiveness as well as the protection of consumers and their data, safeguarding workers' rights and ensuring a level playing field for different operators;
- on the Member States to assess the need to **bring their national labour law up to date with the digital age**, taking into account the features of collaborative economy models and each country's individual labour laws;
- national authorities to be allowed to ask for the information they deem necessary from the intermediation platforms in order to **facilitate compliance by all parties with their tax and social security obligations**, as well as to guarantee that service providers using the platforms are competent and duly qualified (so as to ensure consumer protection);
- for the establishment of **cooperation structures** between small transport businesses, scientific research institutes and local and regional authorities, with a view to improving the organisation of sustainable urban and interurban mobility.

The Commission, in cooperation with national, regional and local authorities in the Member States, to:

- develop **cooperation and communication platforms** in order to advise and train SMEs with regard to different funding schemes, grants and internationalisation;
- **promote innovations in the sharing economy**, which will themselves be facilitated by the emergence of collaborative business models, e.g. car sharing, bicycle sharing, shared cargo transport, shared taxis, car-pooling, and buses on demand, and the interconnection of these modes of transport with public transport;
- ensure that employment and social policies keep pace with the **digitalisation** of the transport labour market.

Members are of the opinion that legislative requirements should be proportionate to the nature of the business and size of the company. However, they raised concerns about whether there continue to be grounds for **exempting light commercial vehicles (LCVs)** from application of a number of European rules, given the increasing use of LCVs in the international transport of goods.