

The impact of the Schengen Area on the free movement of passengers and goods in the EU

IRU Position on the impact of the Schengen Area on the free movement of passengers and goods in the EU.

I. IRU POSITION

Controls at intra-EU Schengen borders cause excessively long waiting times for road passenger and goods transport operators. As several EU Member States have not yet been allowed to join the Schengen Area, unnecessary checks and long waiting times at the Romanian and Bulgarian borders are hampering the efficient functioning of the single market.

Based on the European Commission's recommendation for Romania and Bulgaria's accession to the Schengen Area and to facilitate the collective mobility of people and the fluidity of logistics chains in the EU, IRU calls for border facilitation measures for commercial road transport. These measures should consist of priority treatment at borders for the transport of passengers and goods by road, with the aim of reducing waiting times to an absolute minimum.

IRU suggests the following concrete measures:

Measures applicable to road goods transport

- Priority lanes for road goods transport should be established at dedicated border crossings based on the "Green Lanes" concept established during the COVID-19 pandemic to guarantee the free movement of goods. The priority lanes should apply to outgoing and returning vehicles whether they are loaded or not.
- Professional drivers and accompanying mobile workers should be prioritised for the necessary Schengen entry requirements checks. Priority should also be granted to drivers and mobile workers returning to their country of habitual residence.
- The European Commission should intervene against any Member States not complying with the provisions of Regulation (EC) No 1100/2008 on the elimination of controls performed at the frontiers of Member States in the field of road and inland waterway transport to remove systematic road transport-related controls at borders.

Measures applicable to collective passenger transport

- The lowering of the administrative burden in relation to visa applications through an advance exchange of relevant identity/immigration information.
- After the three-year grace period foreseen by the Schengen European Travel and Authorisation System (ETIAS), authorised professional drivers or accompanying mobile workers, such as tour guides, should continue to be exempted from double-checking passengers in the EU Entry/Exit System (EES) and ETIAS.

II. ANALYSIS

1. General

The Schengen Area ensures the free movement of people in a substantial part of the European Union and extends to several non-EU countries, such as Norway, Iceland, Liechtenstein and Switzerland. Being an EU Member State does not automatically make a country part of the Schengen Area. Today, the Republic of Ireland, Cyprus, Bulgaria and Romania are not part of the Schengen Area. In the Schengen Area, people can move freely without identity or immigration checks, which are instead carried out at its external borders. In 2022, of the 900 million tourists who visited Europe, 585 million visited Schengen countries. Moreover, the Schengen Area accounts for 23 million businesses and 15% of global GDP¹.

Identity and immigration checks require any type of vehicle to stop at a border, which has a negative impact on the free movement of people and goods, one of the fundamental principles of the Treaty on the Functioning of the European Union (TFEU).

The impact of the Schengen-related checks on commercial road passenger and goods transport operations is considerable, as explained in the chapters below. To facilitate the collective mobility of people and logistics chains in the EU, IRU calls for border facilitation measures for commercial road transport. These measures should consist of priority treatment at borders for the transport of passengers and goods by road, with the aim of reducing waiting times to an absolute minimum.

2. Impact on commercial road transport

In 2022 alone, the total trade of transport services within the Schengen Area amounted to approximately EUR 270 billion². Identity and immigration controls carried out at external Schengen borders which are intra-EU or EEA borders hamper trade and form a barrier to the free movement of people and goods. This inevitably impacts the EU's commercial road transport sector. Excessively long waiting times at external Schengen borders cause unnecessary costs for the commercial road passenger and goods transport sector. Currently, the longest queues and respective waiting times within the EU are at the Bulgarian and Romanian borders. These hinder not only the free movement of people, but they also form an unacceptable barrier to the intra-EU and EEA free movement of goods and hamper the efficient functioning of the single market.

a) Road goods transport

In 2022, in the concrete cases of Romania and Bulgaria, through the 18 border crossing points with Hungary and Bulgaria, 3.9 million truck crossings were registered, entering/exiting Romania (excluding transit). Waiting times at the border crossing points with Bulgaria and Hungary vary between 30 minutes and 72 hours, with an average of 6 hours per crossing. Consequently, each year, trucks spend 23.5 million hours waiting at borders. Time is money. Waiting time at the border crossing points with Hungary and Bulgaria translates into a loss of potential revenues of EUR 2.32 billion in 2022. In addition, there are the actual costs of EUR 90 million. Consequently, the direct losses of Romanian road hauliers caused by Romania's non-accession to Schengen amounts to EUR 2.41 billion³. This is financially unsustainable. Some Member States have also started to organise systematic road transport-related checks at borders, including compliance with weights and dimensions rules. IRU notes that according to Regulation (EC) No 1100/2008, Member States are no longer allowed to carry out systematic checks of road transport-related rules at borders.

By spending an excessive number of hours at border crossings, professional drivers lose precious working hours. This causes delays in the delivery of goods to customers, affecting logistics chains, production processes, and city supplies. Ultimately, this leads to increased costs for road transport companies and their customers. The recently

¹ European Commission Communication on the State of Schengen, May 2023.

² European Commission Communication on the State of Schengen, May 2023.

³ National Union of Road Hauliers from Romania (UNTRR), 2023.

adopted European Parliament resolution emphasises that trade costs for the entire Schengen Area caused by identity checks totals between EUR 6.5 and 13 billion per year⁴.

In addition, excessive border waiting times create considerable stress for professional drivers and add unnecessary pressure on compliance with working time and EU driving and rest time rules. In some cases, heavy fines are already being imposed on road transport operators for reasons that are beyond their control. Moreover, drivers encounter serious difficulties accessing adequate sanitary and resting facilities. This has a considerably negative impact on the image of the profession. Unattractive working conditions make it difficult to attract younger talent to the profession. Without action to make the driver profession more accessible and attractive, Europe could lack over two million drivers by 2026⁵. IRU recommends the introduction of facilitation measures at the intra-EU Schengen borders. EU Member States still carrying out identity and immigration checks should apply the principles of the “Green Lane” concept, as laid out in two 2020 European Commission Communications⁶, to provide priority treatment at borders, reduce waiting times to an absolute minimum, and ensure the free movement of goods.

IRU calls for:

- Priority lanes for road goods transport to be established at dedicated border crossing points based on the “Green Lane” concept to guarantee the free movement of goods. The Green Lanes should be established according to what outlined down in two European Commission Communications in March and October 2020 and supported by the Council and the European Parliament during the COVID-19 pandemic. The priority lanes should apply to outgoing and returning vehicles whether they are loaded or not.
- Professional drivers and accompanying mobile workers, with the necessary Schengen entry requirements, should be prioritised for compliance checks. Priority should also be granted to drivers and mobile workers returning to their country of habitual residence.
- Compliance by Member States with the provisions of Regulation (EC) No 1100/2008 on the elimination of controls performed at the frontiers of Member States in the field of road and inland waterway transport to remove systematic road transport-related controls at borders. The European Commission should intervene against any non-complying Member States.

b) Road passenger transport

Bus and coach operators are also affected by the functioning of the Schengen Area, the most visited region by tourists worldwide. Entering the Schengen Area does not only imply rights and obligations for travellers but also for the bus and coach operators and their drivers. The Schengen Convention, created on 26 March 1995, outlines rules on carrier liability for passengers found on board without valid identity and entry papers. Carriers and drivers have always been obliged to check identity and immigration papers and deny boarding to non-complying passengers. Compared to the maritime, air and rail sectors, this obligation poses considerable challenges for bus and coach operators that do not have support from authorities or the infrastructure to adequately check passengers’ travel documents at every bus or coach pick-up point. The drivers are also not adequately trained to recognise worldwide travel documents and necessary entry papers for the EU and Schengen Area.

⁴ European Parliament resolution on the accession to the Schengen area (2023/2668(RSP), July 2023.

⁵ IRU Europe Driver Shortage Report, November 2022.

⁶ Communication of the European Commission of 23/03/2020 on the implementation of the Green Lanes under the Guidelines for border management measures to protect health and ensure the availability of goods and essential services; Communication of the European Commission of 23/10/2020 on the upgrading of the Green Lanes.

Since the end of 2017, the application of the new Entry/Exit System Regulation (EU) 2017/2226 has added new obligations for bus and coach companies. The Entry/Exit System (EES) obliges bus and coach operators to check, at least 48 hours prior to their departure, whether passengers hold valid visas or have not overstayed their welcome in the EU. This obligation poses an additional challenge because passengers can buy tickets and board regular international bus or coach services until the last minute of departure. Drivers will have to be authorised to access the carrier interface. It is also not straightforward for an authorised bus or coach driver to access the carrier interface from the vehicle during an ongoing service.

Further additional obligations for the Schengen Area will be introduced with the entry into force of the European Travel Information and Authorisation System (ETIAS).⁷ This system will require all travellers from visa-exempt countries to apply online for a prior Schengen Area entry authorisation. It will affect travellers from 59 countries worldwide. Bus and coach operators will have to check compliance with this obligation before allowing passengers to board. Boarding must be denied in case of non-compliance. There will be exemptions from checks when groups of passengers are carried. The exemptions will apply for a three-year period following the start of ETIAS.

EU Member States to which EES/ETIAS systems apply include Romania, Bulgaria and Cyprus. Therefore, travellers going to these countries will practically be subject to the same obligations in terms of pre-registration than those entering the Schengen Area.

Until the Council decides to resume Schengen accession talks, IRU emphasises the serious need for short and medium-term measures to ease and facilitate the free movement of passengers in the EU.

IRU calls for:

- The lowering of the administrative burden in relation to visa applications through an advance exchange of relevant identity/immigration information.
- A three-year exemption for complying with ETIAS requirements for groups of passengers is welcomed. This will avoid insurmountable challenges in having to implement EES and ETIAS requirements at the same time. Even after this grace period, authorised professional drivers or accompanying mobile workers, such as tour guides, should not have to double-check passengers in the EES and ETIAS.

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⁷ Regulation (EU) 2018/1240