the world road transport organisation



## **IRU POSITION ON**

## THE PROPOSAL FOR A DIRECTIVE OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL ON SERVICES IN THE INTERNAL MARKET

IRU Position on a Commission Proposal to liberalise services in the European Internal Market - COM(2004)2 final

## I. ANALYSIS

- In March 2004, the Commission adopted a new Proposal for a Directive aiming at liberalising services in the internal market where barriers still exist.
- Transport services are not covered by this Proposal, as they are covered by legislation passed under the Transport Chapter of the Treaty.
- All bus and coach services, regular or occasional, are exempted from this Proposal because they are covered by legislation emanating from the Transport Chapter of the Treaty.
- Taxi services are not covered by the Transport Chapter of the Treaty and could, therefore, be included in the scope of this Proposal.
- The reason why taxi services have never been covered by the Transport Chapter of the Treaty is that they never had a major impact on the functioning of the Internal Market.
- The taxi sector in the EU is highly diversified and covered by national or even local rules in the different Member States.
- 98% of the taxi services are purely domestic and they have little or no impact on the functioning of the Internal Market. International taxi services are almost non-existent. This has always been recognised by the European Commission, the European Parliament and the Member States and, for this reason, has never been subject to Community rules relating to access to the market.
- Maintaining the taxi sector within the scope of this new Proposal would lead to rapid and uncontrolled deregulation of this sector in the EU.
- Scientific research and experience have shown that rapid and uncontrolled liberalisation in the taxi sector has led to a substantial negative impact on the quality of services, thus jeopardising the vital role taxis play in the mobility chain.

 Liberalisation cannot be undertaken before the introduction of strict quality rules on access to the profession at EU level. Such rules would guarantee the necessary service quality in the taxi sector.

## II. IRU POSITION

- Taxi services should be excluded from the scope of this Proposal. The principle of subsidiarity should be fully respected when it comes to decisions on rules relating to access to the market.
- Strict quality rules on access to the profession based on the criteria good repute, financial standing and professional competence should be introduced for the taxi sector in all EU Member States.