\_ the world road transport organisation



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# IRU Resolution to reduce the impact of the economic crisis on road transport

adopted unanimously by the IRU General Assembly in Geneva on 3 April 2009.

IRU Resolution to reduce the impact of the economic crisis on road transport.

# The International Road Transport Union (IRU), representing truck, bus, coach and taxi operators through its 180 Members in 74 countries on the 5 continents,

#### Considering that:

In today's globalised economy, professional road transport is no longer merely a mode of transport but a vital production tool for goods transport and tourism programmes, interconnecting every business to all world markets and providing safe, environmentally-friendly and affordable mobility for all

Due to the severe financial crisis which has started to turn into an economic crisis, the demand for vital road freight transport services has slowed down dramatically and the speed of the decline is even accelerating. Compared to the situation at the end of 2007, data for the last quarter of 2008 obtained from road freight transport associations and government sources point to:

- > a decrease in road freight transport activity of up to 50%;
- > a doubling of the number of bankruptcies;
- ➤ a dramatic increase in unemployment (permanent or temporary layoffs), which already amounts to 140,000 jobs in the EU, 120,000 jobs in the CIS countries and 200,000 jobs in North America.

The forecasts for transport for 2009 are extremely worrying. Haulage tariffs are generally in decline in the first quarter of 2009.

According to the tourist market, the same worrying situation will apply to the passenger transport market. Indeed, the taxi industry has already witnessed a 20% decrease in airport pick-up services.

## Urgently calls upon competent authorities to:

- (a) ensure open markets and strive for the completion of the WTO Doha round;
- (b) intensify efforts to eliminate neo-protectionist barriers to international road transport;
- (c) reassess and reduce current taxes;
- (d) stop creating new taxes and charges and, in particular, stop the decision on the third Eurovignette Directive and the implementation of any discriminatory road user charges anywhere as they threaten economic development and competitiveness;

- (e) stop and/or reassess unnecessary and restrictive environmental legislation which penalises road transport;
- (f) change insolvency legislation to strengthen the rights of road transport companies in economic distress allowing them to apply the instruments of the insolvency legislation for the reduction of transport capacity and the continuation of profitable business operations instead of liquidating the entire company;
- (g) induce financial institutions to provide adequate credit lines so that transport operators can finance their investments and operations;
- (h) induce financial institutions through national central banks to introduce a moratorium on interest on debts and leasing contracts;
- (i) provide business incentives to transport operators to allow them to continue to invest in innovative and clean vehicles;
- (j) use economic stimulus packages to invest rapidly in new road infrastructure to remove bottlenecks and their unnecessary related costs;
- (k) take preventive measures to avoid the reappearance of waiting times at borders, whereby procedural streamlining at low costs can provide important economic returns in these difficult times by implementing Annex 8 of the UN border control harmonisation convention (1982);
- (I) recognise buses, coaches and taxis as economically and environmentally friendly transport modes and vital parts of the overall sustainable mobility chain;
- (m) adopt a business-friendly 12-day driving derogation for international coach tourism both in the EU driving and rest time rules and in the UNECE AETR Agreement;
- (n) create a legal and administrative framework which would allow the road transport industry to place skilled personnel temporarily on inactive status, without having to lay them off, in order to maintain skilled professionals in the sector.

## Calls upon transport operators to:

- (a) transport only if a profit can be made, if costs can be passed on and empty trips can be avoided;
- (b) stabilise market prices by reducing transport capacities and place skilled personnel temporarily on inactive status without losing them as they will be needed when the crisis is over.

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