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Consultation Document

“Communication on a sustainable transport for the future: Towards an integrated, technology-led and user friendly system”

Response from:

LEASEUROPE

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General observations

Leaseurope brings together associations from across Europe that represent either the leasing, long term and/or short term automotive rental industries. As the scope of products covered by Leaseurope's members includes the rental of cars, vans and trucks, it has welcomed the Commission's recent Communication regarding sustainable transport for the future.

Leaseurope supports the Commission's efforts to develop an integrated transport approach which aims to improve the efficiency of all modes of transportation and at the same time strengthens co-modality. By providing flexible, sustainable and tailor-made customer solutions, the commercial vehicle rental industry is able to play an important role in Europe's future transportation network, while at the same time maintaining the highest safety and environmental standards.

In addition, commercial vehicle rental customers are able to have newer and cleaner trucks at their disposal when and where they are needed. This increased rationalization of vehicle usage not only leads to substantial fuel and costs savings, but also makes the sector better equipped to delivery of goods in urban or suburban areas.

The Commission rightfully points out in section 5 that *"the regulatory framework needs to evolve towards harmonized environmental obligations, effective supervision, uniform protection of workers conditions and users' rights"*. Unfortunately this is at present not the case for commercial vehicle rental companies in the EU which still face significant market barriers that pose an obstacle to the development of a Single Market for transportation services.

Comments on the legislative framework regarding market liberalization and establishment of a level playing field as outlined in section 5.4

While the European Commission has adopted in 2008 a new legislative package regulating road haulage within the EU, very little progress has been made with regards to the development of a Single Market for the rental of commercial vehicles.

Article 3.2 of Directive 2006/1/EC leaves Member States the option to exclude transport operations carried out by hired commercial vehicles with a total permissible laden weight of 6 tons and more. As a result, in a number of Member States such as Greece, Italy and Spain, severe limitations have been placed on the truck rental sector.

In Greece, rental companies established in another Member State have been granted only limited access to the market, whereas a full prohibition has been put in place on rental of commercial vehicles established within the territory of Greece. Clearly this runs contrary to Point 81 of the Communication which notes that *"The completion of the internal market with a strong enforcement of competition rules is essential"*.

Another point of contention is the inability for commercial vehicle rental operators to rent across borders. Unlike the road haulage of goods market which has been liberalized since 1998, it is still not possible for a company to hire a commercial vehicle from a rental company based in another Member State. It is clearly in the European Union's interest and within its remit to ensure level playing fields between existing and potential competitors, regardless of their nationality and location.

Establishment of a proper level playing field

Leaseurope believes that a greater liberalization of the commercial vehicle rental market within the European Union is required in order to establish a well-balanced transportation mix for the future. In line with the Communication recommendations as outlined in section 5.4, this will require harmonization of the rules of access to the market as well as the ability for the companies to use the services of rental operators in other Member States. The above mentioned measures would establish a truly harmonized transportation market which would ultimately be beneficial to both the industry and consumers alike.

About Leaseurope

Leaseurope represents around 8500 companies across Europe employing over 200 000 people, and is composed of 47 Member Associations in 35 countries. As a Federation, Leaseurope brings together associations from across Europe that represent either the leasing, long term and/or short term automotive rental industries. The scope of products covered by Leaseurope's members ranges from hire purchase and finance leases to operating leases of all asset types (automotive, equipment and real estate) and also includes the rental of cars, vans and trucks.

It is estimated that Leaseurope represents approximately 93% of the European leasing market. In 2007, 340 billion euros of new leasing volumes were granted by the firms represented through Leaseurope's members (a 13% increase compared to 2006), contributing to financing just under 20% of European investment. Moreover, these firms are responsible for the leasing and rental of around 17 million vehicles throughout Europe.