How can the problem of "letterbox firms' in the road sector be tackled effectively?

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Transport en Logistiek Nederland

The Dutch Transport and Logistics Association (TLN) connects members and works to ensure
a fairer and more equal playing field for transport companies in Europe

- Represents 90% of Dutch transport sector: almost 6000 members
- Responsible for collective labour agreement
- Focus on individual advice and services for companies, representation on different political levels and working on sector improvement (focus on innovation)
- TLN head office in Zoetermeer; offices in Rotterdam, Tilburg, Apeldoorn and Brussel
- 100 employees
- FENEX (Dutch freight forwarders) since 2013 part of TLN

Developments in the EU

DUE TO FINANCIAL CRISIS, GLOBALISATION, INTERNATIONALISATION and MIGRATION

- More disagreement between Member States
- More protectionism
- Different interpretation of EU Legislation
- Discussions on the social dimension of EU
- Brexit…

Problem letterbox companies

Is there a problem with letterbox firms?

- Data? How many?
- problem with definition of establishment?
- problem with definition of subsidiary?

Level playing field Europe

What about Europe?

- Lack of cooperation between MS in monitoring compliance with stable and effective establishment: No harmonized and uniform approach towards compliance

- Every MS conducts its own set of criteria to comply with if we look at the definition of stable and effective establishment

Solution to tackle letterbox firms

Clear definition and acknowledged set of criteria that should be enforced throughout EU in the same way

1. Definition establishment is unclear
2. Definition does not meet technological developments, as digitalization
3. No uniform and harmonized requirements to start a business

TLN solution

Checklist requirements to check for a real establishment:

- Does the company have a VAT number?
- Is the invoicing address also the address of the company?
- Is the personnel employed at the establishment itself?
- Are the trucks registered at the establishment?
- Is there a logical relation between the number of operating vehicles/personnel and the need of the presence of the transport manager at the premises itself?
- Is there a relation between the size of the company and the number of trucks?
- Are the core data of the company such as CMR waybills, contracts, driving and rest time data available upon request?
- Are there any facilities for personnel?
- To whom does one report in case of illness etc.?

TLN proposal

To avoid fraud and letterbox companies:

Create a vehicle registration system

- Belgium has this already, the Netherlands is now preparing this
- License agency and enforcements officers can check the number of permitted vehicle registrations and authorization certificates (does the size of the vehicle fleet corresponds with vehicle registration system)
- Makes cooperation between license agency of different MS possible

TLN proposal (II)

What is a vehicle registration system and what can it do:

- Type in the number plate of the vehicle stopped on tablet
- It shows the company to which the number plate is linked
- Whether the company has an operational/authorization license
- Whether the vehicle is being driven for that company at the time of the inspection
- Whether the number plate is recorded as 'active' when it was entered.

  - NO go: license registration on authorization/operational certificate, since this gives less flexibility to hire vehicles/trailers