## 22<sup>nd</sup> May 2025

**Ms Ursula von der Leyen** President of the European Commission

**Ms Roberta Metsola** President of the European Parliament

**Ms Li Andersson** Chair of the Committee on Employment and Social Affairs European Parliament

**Ms Elissavet Vozemberg-Vrionidi** Chair of the Committee on Transport and Tourism European Parliament

**Ms Thérèse Blanchet** Secretary-General The General Secretariat of the Council

**Ms Agnieszka Bartol** 

Permanent Representative of the Republic of Poland to the European Union

## **Ms Gabriele Bischoff**

Vice-Chair Group of the Progressive Alliance of Socialists and Democrats in the European Parliament European Parliament

We express our deep concern regarding the Council of the European Union negotiating mandate for the revision of Regulations No. 883/2004 and 987/2009 on the coordination of social security systems. A project from almost a decade ago, which was created in a completely different social and economic reality. This therefore constitutes a substantial step towards the finalisation of the legislative process concerning the amendment of the regulations.

The amendment introduces solutions which, in our opinion, may serve a political objective to limit the presence on the EU market of companies from Central and Eastern Europe, which, taking advantage of economic diversity, international specialization, complementarity of the EU economy and regional competence niches, successfully operate in sectors such as road transport.

Particular objections are raised by the eventual proposals contained in the amendment concerning new criteria for defining the "registered office or place of business of an undertaking" for the purpose of determining the applicable national legislation on social security for workers providing cross-border services (the so-called *pluriactivity*), as well as the introduction of the obligation to notify the sending country in advance of the intention to post a worker to another Member State (the so-called *prior notification*).

One of the key criteria for defining the company's registered office or place of business is to be the place where most of the turnover is obtained. In sectors such as international road transport, which are characterised by high route variability, this will mean that employees (drivers) may be subject to changes in the country responsible for social security even on an annual basis. This has serious consequences for both employers and employees.

For example, a driver could potentially be subject to three different legal regimes from three different countries: labour law (host country, e.g. in the case of *cross-trade* operations), social security law (the country where the company generates the majority of its turnover) and tax law (the driver's country of residence). An additional problem may be health insurance, which in some countries is integrally linked to the social security system.

The introduction of the need to administer employee affairs on the basis of the provisions of several different legislations, the legal uncertainty resulting from vague criteria for determining the registered office of a company, the inability to plan costs due to the changing jurisdiction in social security matters, and the need to use foreign consultants to work with foreign insurance institutions, all this will create barriers that destabilise the EU single market and hindering European trade.

Another problem is the introduction of the obligation to pre-notify (prior notification) the posting of workers to the institution responsible for social security of the sending country and the related obtaining of A1 certificates. This imposes additional bureaucratic burdens on entrepreneurs. It is estimated that this will generate between several hundred thousand and several million additional notifications in each Member State, which will have to be processed by national social security institutions.

In international road transport, the requirement to notify each time about the intention to send the driver will prevent flexible response to *ad hoc* spot orders. These orders, carried out even by companies with permanent contracts, allow for minimizing empty runs (reducing CO2 emissions) and more efficient use of transport resources.

We believe that this type of regulation is contrary both to the EU's declared desire to deregulate the economy and to the need to ensure its competitiveness.

It should also be noted that there are negative consequences for the employees themselves, whose interests are allegedly protected by the provisions of the amended regulations. In many social security systems, you are entitled to benefits after working for a certain period of time. In the case of drivers, frequent changes in social security systems, resulting from the specifics of the work performed, may result in the fact that they will be deprived of social protection for a significant part of their professional career.

In addition, once they reach retirement age, former employees will be forced to claim a cumulative pension from several different national social security institutions. This procedure may take several years and require the pensioner to incur additional costs related to the employment of translators and lawyers in order to obtain pension benefits adequate to the contributions paid.

Maintaining the proposed solutions regarding the rules for determining the registered office or place of business of an enterprise (pluriactivity) and prior notification will result, among other things, in:

- disruptions in international trade in goods and the risk of failures of supply chains across the EU, caused by the limited availability of transport services;
- an increase in the costs of trade in goods and supplies, and thus a further decline in the competitiveness of the EU economy and a decrease in the wealth of the European society:
- a significant reduction in international road transport activities carried out by carriers from Central and Eastern Europe;
- the destabilisation of labour markets, in particular the labour market of drivers, due to the deterioration of their social protection and legal uncertainty;

## Therefore, we call for:

- to take all necessary actions and measures to reject the proposed amendment to EU Regulations 883/2004 and 987/2009, which is detrimental to the EU economy as a whole, or
- to reconsider the current position of the European Parliament and the Council of the European Union, taking into account the rejection of solutions concerning pluriactivity and prior notification.









Road Carriers (UHCP)

