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**Intervention at UNECE hosted WebEx on
Multidisciplinary Advisory Group Meeting on Transport
Responses to the COVID-19 Crisis**

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Ladies and Gentlemen,

It is an honour to speak to you on behalf of the world's road transport organisation - IRU is the voice of over 3.5 million road transport operators worldwide. Today, I would like to give you a brief update on the dramatic economic impact that COVID-19 has had on our industry, highlight the lack of global coordination and address the lessons learnt and needs moving forward.

COVID-19 and corresponding restrictions have had an enormous impact on commercial road transport operators and those they serve. IRU has established a 24/7 service to map border crossing issues worldwide and has worked very closely with UNECE on the border crossing observatory.

Some facts and figures from a goods transport perspective:

- Revenue has declined by up to 50% during the confinement period.
- Many transport operations such as transport of automotive parts, clothing, flowers and construction materials have been decimated by up to 100%.
- Empty running has increased by up to 40%.
- New contracts have declined by up to 90%.

For passenger transport these figures actually look much worse.

It is important to remember that commercial road transport represents up to 5% of the nominal GDP and nearly 6% of all employed people worldwide work in road transport, largely in small and medium sized companies, which cannot cope with the economic impacts of COVID-19 alone. If we don't act now, we put these companies at risk of bankruptcy within the coming months.

In our industry revenue has declined by €600bn worldwide so far. The most important lesson learned is that, in fact, governments have put up more obstacles than facilitation measures.

Some of the facilitation measures which proved to be successful include:

- Exemptions on rules governing driving and rest times, and,
- Extensions of the validity of driving licences and certificates.

Obstacles have been created when it comes to border crossing procedures, including:

- Insufficient implementation of green lanes.
- Quarantine obligations for truck drivers, even if they do not show COVID-19 symptoms, and,
- Mandatory truck convoys for transit.

Regarding the financial situation, well-functioning commercial road transport services are fundamental in driving the overall economic recovery from the impacts of COVID-19 in all countries. This is the reason why IRU has launched a recovery plan for the road transport industry, which outlines the measures and steps to be taken by governments, including:

- Facilitation of financial grants and new loans for road transport companies.
- Refinancing existing credits at low or 0% interest rates.
- Extension of payment deadlines, reduction or waiving of taxes, road user charges and duties including corporate taxes, social contributions or fuel tax, etc.

However, no concrete, or at best, very insufficient support can be seen so far, which is why IRU would like to call on all governments to step up in their efforts to implement economic stimulus packages for road transport operators, in line with our recovery plan.

We continue to work closely together with the UNECE and other partners on providing information and guidance to transport operators and governments. However, our biggest frustration remains the lack of global coordination in response to this global crisis.

More and better coordination is for example needed when it comes to communicating updates on enforcement procedures, which keep changing. We need to keep cross-border logistics flows open at all times. In addition, we must make the transport system as a whole more resilient. This can be achieved, and we encourage the use of the UN TIR Convention and related IT tools and “print-at-home” solutions, which allow for transport in a secure load compartment under customs control and therefore does not require physical checks and minimises contact between people at borders.

TIR is an indispensable tool for faster, safer and cheaper transport. TIR is intermodal and a key solution for trade facilitation in all cases. We therefore fully support the UNECE and the TIR Contracting Parties in implementing this tried and tested trade and transport facilitation tool to its full potential.

The world has seen and understood that the interruption of trade flows and vehicles blocked at borders is unacceptable. Border issues will continue to remain beyond COVID-19, and the road transport industry will remain the backbone of global supply chains, which is again why we need to work together now and fast. Our industry needs financial help in order to get the global economy back on its feet as quickly as possible.

The IRU stands ready to work together with all of you.

Thank you

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