



Press Release

For immediate release
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COLIBI, COLIPED, ECF and ETRA call on European Commission to reduce VAT rates on all bicycle products and services

In view of the European Commission's adoption of a legislative proposal on VAT rates in the summer of 2008, COLIBI, COLIPED, ECF and ETRA sent a joint letter to European Taxation Commissioner, Mr László Kovács to again defend their plea in favour of a reduced VAT rate for all bicycle products and services.

The European associations strongly believe that the environmentally friendliness of services and products is a very important argument in favour of reduced rates. Several Member States, among which the United Kingdom and France, share this view.

Yet, the effect of reduced rates on other European policies and objectives should also be considered. The bicycle can contribute effectively to the realisation of goals in several areas, such as (non-exhaustive list): environment (air & noise pollution), energy saving and energy efficiency, public health & safety, mobility (especially in urban areas) & safety, liveability of towns and cities, social inclusion, economy, urban and regional development and growth, tourism and culture.

The loss of revenues resulting from applying a reduced VAT rate to all bicycle products and services will automatically be compensated by the growth of bicycle mobility and thus jobs in this labour-intensive sector. Furthermore, Member States will make considerable savings at different levels: public health, environment, road infrastructure, transport costs, road safety,

Therefore, COLIBI, COLIPED, ECF and ETRA believe that **ALL bicycle products and services** should benefit from a permanent reduced rate of VAT.

Every cyclist in Europe contributes to his own personal well-being, as well as to that of Europe.

COLIBI: Association of the European Bicycle Industry
COLIPED: Association of the European Two-Wheeler Parts' & Accessories' Industry
ECF: European Cyclists' Federation
ETRA: European Twowheel Retailers' Association

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