



## **Brexit Update - Permits for International Operators**

**19 February 2019**

**Things are moving about on access to the European Union for road hauliers in the event of a no deal Brexit, and it is easy to lose the thread of what is going on and where we are. The following is a summary of the situation right now (19 February) in the event of a no deal Brexit on the 29 March 2019.**

**ECMT permits** are the only certain access to and from the EU for UK operators after Brexit. These are quota limited permits issued under an old system never designed to deal with the sort of volume of haulage movements that exist between the UK and the EU. For UK operators only about 10% of the market demand can be met by ECMT permits.

The Government is part way through allocating the permits. The allocation is being done in such a way that it will allow those allocated permits to decline them without further payment if they are not needed. We are waiting for confirmation that further applications will be taken (including from operators of Euro V lorries).

**The most likely** arrangement on a no deal exit from the EU is that there will be an agreement in place that will allow UK operators to move goods between the UK and EU without the need for permits. This is based on a proposal made by the European Commission that has to be agreed by the European Parliament and the Council (of Member States). The Parliament has agreed part of this but it needs to go through a consolidating process before a final proposal is submitted to the Council and Parliament for final agreement.

As the proposal stands now, transit to non-EU countries is not included, nor is cross-trade allowed between EU States and cabotage is not permitted for UK operators. Some elements of this relating to cross trade and even cabotage may change – however, we suggest no one should plan for permit free cross-trade or cabotage yet. (ECMT permits are likely to be needed to transit to non-EU states).

On the basis of the Commission proposal, the UK Government has already agreed to allow EU operators to transport goods between the UK and the EU. The UK Government has left the issue of cabotage open – saying they will allow some cabotage if the EU does the same. The assumption made by the UK Government is that the EU will pass its measure to allow UK operators to work to/from the EU permit free. If that does not come to pass then we would expect the agreement to allow EU operator access without permits be revisited.

We expect the legislative process to move swiftly, but do not expect final confirmation on this until early March.



# The Road Haulage Association

**The fall back** will be a mixture of bilateral permits agreed between the UK and individual EU Member States and ECMT permits. This is of course complicated and would result in a patchwork of requirements across the EU for UK operators. It would also be complex for EU operators too.

There is no concrete information to share on which States will agree bilateral arrangements and which will not. It is not likely that any more will be known about bilateral agreements until mid-March.

**The RHA advises** operators to monitor progress carefully. We will communicate through our usual channels on the RHA [web site](#), the [RoadwayLive](#) newfeed, international group newflashes and our weekly update email.

Right now, the only certain access to the EU for UK road haulage operators is through ECMT permits – if you have not applied for permits and the bid round reopens as expected we suggest you apply for permits in line with your business requirements. If, as expected, the Commission proposal comes into law you can decide later if you need the permits or not.

19 February 2019