

Written evidence submitted by the Road Haulage Association (FRE0044)

Thank you for your letter of the 7 May asking our Chief Executive, Richard Burnett for evidence regarding the future relationship with the EU. I am replying on behalf of Mr Burnett as he is on leave.

The Road Haulage Association is very happy to assist the committee with evidence regarding the progress of negotiations with the EU. We are willing to assist the committee in any way we can.

The RHA represents commercial road haulage companies. We have over 7,000 members, many provide international services. Our members operate lorries which are highly regulated at a national and international level. Some members also operate vans as well as lorries.

With Brexit our aim has been, and remains, to help our members manage the transition to new arrangements and to advise authorities on the practical steps needed to ensure that the fluidity of freight movements across our borders by road after the transition period ends.

The future relationship will be critical for all businesses, including road haulage businesses. In answering the questions below I have focused on the negotiations for a new relationship and have attempted not stray into areas outside this until the later questions.

Questions and Responses

Q1. What are your sector's key asks of the UK Government in the negotiations? What things must the negotiations deliver for your sector? Are there things while not essential the negotiations could helpfully address?

International road haulage is currently regulated through international (UN), EU and domestic legislation. Broadly speaking this works well with regulatory requirements for vehicles and drivers well understood. The main area of discord in the sector is around cabotage operations (cabotage is where an operator from one EU State does domestic haulage in another EU Member State within defined limits).

The RHA has looked at what is needed to maintain high quality, predictable and reliable road freight operations between the UK and the EU. This is in the interest of UK and EU haulage operators and their customers.

In simple terms the RHA has asked for appropriately licensed road hauliers from the UK and the EU to have unimpeded access to, from and through the UK and EU for all international road haulage movements without the need for additional permits. To facilitate this, international road haulage should follow agreed international rules – in effect this will be the recognised combination of UK, EU and UN rules that evolve over

time. (for example, speed limits are domestic, many other rules international operations would be EU / UN set such as vehicle standards).

We have asked that the definition of International road haulage should cover goods moved in a continuous ongoing journey that are used temporarily at multiple locations before being returned to the country of origin (such as concert tours or sporting event).

There needs to be ongoing co-operation on enforcement and on regulations of mutual interest.

There need to be a symmetry in the relationship, fair, without discrimination against UK or EU operators.

Our number 1 priority is the preservation of international haulage without additional permits and complexity. The ability to undertake cross-trade (that is moving shipments between two countries, neither of which is the country of establishment) and cabotage (that is moving shipments between 2 destinations in a single country which is not the country of establishment) with appropriate regulation would be desirable.

Q2. How did the Government consult with your sector about its needs? What evidence can you show that the Government has understood the needs of your sector?

The Department for Transport has led on the issues relating to negotiation of a future relationship with the EU. Engagement has been comprehensive with trade bodies and some individual companies from around the sector. Regular meetings and exchanges of views have been an ongoing feature. The Border Delivery Group and other Government departments have been consulted and engaged with too.

We believe they have an accurate picture about what is required to achieve a good outcome for UK and EU operators. We are not convinced the EU authorities have a clear and pragmatic view about the correct priorities for international land transport to, from and through the UK and EU, even for EU operators.

In terms of negotiations of a new agreement for UK EU road haulage I believe no more could have been done to consult with the sector in the UK.

However, there has been a big hole in respect of Ireland and Northern Ireland. Engagement on issues in this area have been poor, cursory at best.

Many of our concerns have been reflected in the draft agreement published by the UK Government. The need for market access by UK and EU hauliers is clearly considered.

However, there are gaps. Cabotage is ignored in the UK Government text. Also, arrangements for the international movement of goods involving the temporary use of

goods at various points in a continuous and ongoing journey has likewise been overlooked in the UK's draft agreement. (Failing to deal with this issue will have dramatic impact on the ability to run concert tours effectively for both UK and EU industries).

Q3. Has the Government asked businesses and representative bodies about the effect of any of its or the EU's proposals on your sector? How concerned are you about the proposals on transport in the EU's draft legal text? What problems arise from the text as drafted? Have you seen any draft legal text from the UK Government?

The Government has engaged on the impacts of the UK and EU proposals.

The EU text is discriminatory, heavily favouring EU operators. The EU text does not permit UK operators to transit through the EU to third countries without further authority or permits, this impedes the operation of UK vehicles across the EU. The UK proposals would allow EU operators to transit freely in similar circumstances.

We are still fully evaluating the UK draft legal text.

Q4. How is the Government updating your sector on the outcome of negotiating rounds and has it involved your sector in planning for future rounds?

We have ongoing discussions with the Department for Transport and are fully involved. Some conversations are regular (weekly or as needed).

Q5: How is your sector trying to lobby the Commission or influence its thinking? What input has your industry/sector had into the discussions of the MEPs, including members of the relevant EP committees, who are considering and helping to develop the EU position?

Our focus has been to work through the International Road Union. That is an organisation with an international membership of trade bodies representing commercial road transport operators. There is an IRU Brexit group involving haulage trade bodies from around Europe who consider Brexit issues, the RHA is engaged with that group and IRU officials. Early on it was clear to us that EU officialdom did not wish to engage with UK organisations. MEP's from other EU States were very cautious in their engagement, the RHA has not been in contact with MEPs since the UK left the EU.

Q6: What evidence can you identify to show that your sector is able to prepare for the end of the transition period in December? What do you see as the biggest opportunities and how confident are you that your sector can take advantage of them? What evidence can you point towards to show that the Government understands and is mitigating the main risks?

The end of transition is going to be dominated by new customs and other border

related processes.

Preparation for the new border controls (Customs and other checks) between the UK and EU has been dreadful. Time after time the haulage sector has been provided with incomplete or incomprehensible information by HMRC. This has paralysed preparation for many, in particular those without customs experience.

In February industry was supposed to be provided with operational models with the detailed processes for road haulage through ro-ro ports. This has still not happened. Business cannot get ready properly if HMRC persist in not providing the information needed for businesses to put in place processes to transit the UK – EU border.

More UK information is expected soon from HMRC/Border Delivery Group, we hope it is complete enough to allow businesses to prepare for the end of transition so freight can flow by road freight in a reliable and predictable way.

It is also important to recognise that the border operates on both sides – there are two bureaucracies that need to be satisfied for every shipment. Some EU States have done a much better job than the UK on describing the processes to applied for international road haulage.

There are opportunities. The requirement for customs formalities will provide some businesses with a very strong competitive advantage if they have customs experience. The need for clearance agents will provide a business opportunity too. Risks around staff skills, staff numbers, regulatory compliance and IT are very high.

Government supported training has been put in place but is hampered by the absence of clear operating models which discourages take up. Timing also acts against this training as

there is currently too long a lead time between the training and the requirement for the work to be done.

We do not believe most businesses can be ready for a 1.1.21 border given the time remaining to put in all that is required.

Q7: How much time does your sector need to prepare for any new arrangements? Is there an absolute cut-off date by when businesses in your sector need to know what the new arrangements will be if they are to prepare successfully?

There is no absolute cut-off date for new arrangements. For many it is probably too late already.

The sector is very adaptable, what it needs to adapt is clear rules and procedures. Without that dealing with the issues of skills, understanding and infrastructure is all but impossible.

We are concerned about port and near port infrastructure too. With new processes to implement, new IT, likely construction needed and space to deal with problems we cannot

see all issues can be resolved now for 1.1.21.

Q8. The pandemic has the potential to change fundamentally the transport industry and travel patterns. How best can the two sides ensure they are negotiating for a settlement that will reflect such changes?

The transport of goods is and will remain a major sector. We all need to eat, we all need goods and that does not change as a result of the pandemic.

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Committee on the Future Relationship with the European Union

House of Commons, London, SW1A 0AA

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07 May 2020

Richard Burnett
Chief Executive
RHA

Dear Mr Burnett,

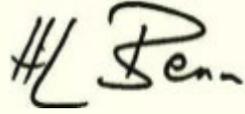
The House of Commons Committee on the Future Relationship with the European Union is inquiring into the progress of the negotiations between the UK and the EU. Under normal circumstances, the Committee would hold regular oral evidence sessions in Westminster. However, measures to prevent the spread of the coronavirus make this difficult.

The Committee wishes to gather as much evidence as possible to inform its deliberations and I am writing to you to ask whether you would be willing to help us with our work by making a written submission. We welcome general responses to our [call for evidence](#), which was published on 4 March. We also hope that you would be willing to answer the more specific questions set out below on issues that fall within your area of expertise. Submissions need not address every bullet point and can include other matters that you think are relevant to the negotiations and should be drawn to the attention of the Committee.

- What are your sector's key asks of the UK Government in the negotiations? What things must the negotiations deliver for your sector? Are there any things that, while not essential, the negotiations could helpfully address?
- How did the Government consult with your sector about its needs? What evidence can you identify to show that the Government has understood the needs of your sector?
- Has the Government asked businesses and representative bodies about the effect of any of its or the EU's proposals on your sector? How concerned are you about the proposals on transport in the EU's draft legal text? What problems arise from the text as drafted? Have you seen any draft legal text from the UK Government?
- How is the Government updating your sector on the outcome of negotiating rounds and has it involved your sector in planning for future rounds?
- How is your sector trying to lobby the Commission or influence its thinking? What input has your industry/sector had into the discussions of the MEPs, including members of the relevant EP committees, who are considering and helping to develop the EU position?
- What evidence can you identify to show that your sector is able to prepare for the end of the transition period in December? What do you see as the biggest opportunities and how confident are you that your sector can take advantage of them? What evidence can you point towards to show that the Government understands and is mitigating the main risks?
- How much time does your sector need to prepare for any new arrangements? Is there an absolute cut-off date by when businesses in your sector need to know what the new arrangements will be if they are to prepare successfully?
- The pandemic has the potential to change fundamentally the transport industry and travel patterns. How best can the two sides ensure they are negotiating for a settlement that will reflect such changes?

The Committee staff will be happy to discuss the inquiry, any issues raised, or the process for submitting written evidence. You can contact them at freu@parliament.uk.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'H/ Benn'.

Hilary Benn
Chair of the Committee