



KEY POINTS OF EU-UK AGREEMENT

On 24 December 2020, the EU and UK concluded a deal on a draft EU-UK trade and cooperation agreement. The draft agreement can be downloaded [here](#).

According to the latest Brexit deal, unlimited bilateral transport will be possible, permits will not be needed as of 1.1.2021. For furnishing guarantees for customs duties and taxes, hauliers can use either CTC or TIR. The UK customs authorities (HMRC) have successfully tested TIR for transport between the EU and the UK and confirmed their readiness to continue handling it effectively as of 1 January 2021.

The draft agreement includes extensive provisions on the trade of goods, cooperation in the field of customs, and road goods and passenger transport. It includes a commitment of the two Contracting Parties to align their respective rules as much as possible to facilitate trade and the provision of services. The introduction of discriminatory measures is also prohibited.

1. Goods transport by road

Goods transport by road is covered by Part two, Heading Three, Title I and by Annex ROAD-1 of the draft agreement. Annex ROAD-1 includes the rules on access to the profession for companies providing services covered by the agreement, the model of the operating licences for companies (the Community Licence and the equivalent UK Operating Licence), the applicable rules on the posting of drivers, the professional competence and training requirements for drivers, the model of the driver qualification cards, driving and rest times provisions, working time for mobile workers, the use of tachographs, rules on weights and dimensions for the vehicles used and road transport enforcement cooperation.

a) Market access

The provision of the following services will be possible without additional permits:

- Bilateral, cross-border services** to and from the other contracting party.
- Transit** through the territory of the other contracting party to the own territory (example: transit through the UK from the Republic of Ireland to France) or to a third country (example: transit through the EU from the UK to Switzerland).
- Cross-trade for companies established in the UK** between two or more EU Member States will be limited to two journeys consecutive to a bilateral, cross-border journey from the United Kingdom.

- **Cabotage for companies established in the UK** on the territory of a single EU Member State will be limited to one journey consecutive to a bilateral, cross-border journey from the United Kingdom and should be done within seven days after the unloading of the goods of the incoming cross-border journey.
- **Cabotage for UK companies established in Northern Ireland** on the territory of the Republic of Ireland will be limited to two journeys consecutive to a bilateral journey from Northern Ireland and should be done within seven days after the unloading of the goods of the incoming cross-border journey.
- **Companies established in the UK** can only do two journeys with a vehicle (or combination) within the territory of the European Union (cross-trade and cabotage) before that vehicle has to return to the United Kingdom.
- **Cabotage for companies established in the EU** on the territory of the United Kingdom will be limited to two journeys consecutive to a bilateral, cross-border journey from the territory of the European Union and should be done within seven days after the unloading of the goods of the incoming cross-border journey.
- **From 21 February 2022**, the market access rules will apply to the use of vehicles above 2.5 tonnes.
- Any transport of goods by road without direct or indirect remuneration and without income for the driver of the vehicle or others and which are not linked to a professional activity shall be considered as transport of goods for a non-commercial purposes.
- The provision of a number of goods transport services, such as universal mail services and own account transport, is exempt from the obligation to have a Community Licence or its UK equivalent.

b) Drivers

Drivers should:

- Should hold a Certificate of Professional Competence (CPC).
- Comply with the driving and rest time rules, working time and tachograph.
- The AETR rules will only apply to international journeys undertaken in part outside the territory of the contracting parties for the entire journey.
- Posting of workers rules will apply to drivers under the provisions laid down in Annex ROAD-1. Drivers will be exempt from posting when they undertake bilateral journeys or transit. Drivers undertaking cross-trade and cabotage will be subject to posting rules. Implementing and enforcement measures will have to be notified by 30 June 2021.

c) Taxation

- There will be an exemption of taxes and charges on the possession and circulation of vehicles in the territory of the other party.
- This exemption will not apply to energy taxation and road user charges.
- The fuel and lubricants contained in the standard tank of the vehicle and used for propulsion and the operation of a refrigeration system will be exempt from customs duties and other taxes and levies.

2. Trade and Customs

The trade and customs provisions are covered by Part two, Heading one, Title I of the draft agreement and in several annexes. Chapter 3 of Title I contains the measures for sanitary and phytosanitary controls.

- In terms of customs, the draft agreement lays down a framework for close customs cooperation and alignment of customs rules of the respective contracting parties.
- The Withdrawal Agreement (including for transitory measures for goods already in movement before the end of the transition period) and the Northern Ireland Protocol of the Withdrawal Agreement also contain provisions on customs procedures and movement of goods.

The following elements are positive:

- The agreement ensures a level playing field between companies established in the two contracting parties.
- The provisions are very close to those applying to the EU Single Market.
- The agreement contains safeguards against discriminatory measures.
- Close alignment of the rules of the respective contracting parties are strongly encouraged.

Source: IRU