



EUROPEAN
COMMISSION

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Proposal for a

COUNCIL DECISION

on the conclusion, on behalf of the European Union, of the Agreement between the European Union and the Republic of Moldova on the carriage of freight by road

EXPLANATORY MEMORANDUM

1. CONTEXT OF THE PROPOSAL

• Reasons for and objectives of the proposal

On 16 June 2022, the Commission presented a proposal for a Council decision authorising the signing on behalf of the European Union of the Agreement between the European Union and Moldova on the carriage of goods by road.

The purpose of the present proposal is to approve the conclusion of the Agreement on behalf of the European Union.

Following the war of aggression carried-out by Russia against Ukraine, transportation of freight from the Republic of Moldova has become very difficult. Moldovan operators need to search for alternative routes to avoid transiting the territory of Ukraine which has been so far the only way to reach the third country markets in the East of Ukraine. The impossibility to transit Ukraine endangers the fulfilment of long-term contracts by Moldovan operators for the supply of goods (especially agricultural products) with their trading partners in the Eastern region. This is coupled with the fact that operators may now need to look for other business partners and may thus increase their bilateral transport operations with Member States of the European Union.

The road freight transport between the Union and the Republic of Moldova is currently governed by two main sets of mechanisms, namely bilateral transport agreements between Member States and the Republic of Moldova and permits granted in the framework of the European Conference of Ministers of Transport (ECMT) multilateral quota system within the International Transport Forum. Both of these mechanisms impose quotas on hauliers from both sides, regarding transit and bilateral trade.

Moldovan operators would therefore have to increase Moldovan operators would therefore have to increase transit through and bilateral road transport operations with the European Union. This would also support the Moldovan society and economy which has been significantly impacted by Russia's war of aggression and which has provisionally hosted more than 350,000 refugees coming from Ukraine and transiting to other countries. However, the increased use of transport operations by road compared to normal times would very likely go beyond the quotas set out in the bilateral agreements of Member States and the Republic of Moldova and given via the ECMT within the International Transport Forum.

This Agreement on road transport between the European Union and the Republic of Moldova would therefore replace existing bilateral transport agreements between Member States and Moldova and facilitate the use of alternative routes by road for operators, as bilateral operations and transit would be liberalised between the two Parties.

Therefore, it is appropriate to conclude an Agreement liberalising the transport of freight by road between the European Union and the Republic of Moldova in relation to bilateral operations and transit. This Agreement should be limited in time but with a possibility for renewal.

• Consistency with other Union policies

This Agreement is consistent with the current EU external relations policy with the Republic of Moldova. The Government of The Republic of Moldova has requested such an Agreement as an urgent measure.

The Agreement on the carriage of goods by road with the Republic of Moldova would also be in line with the Association Agreement¹, as it calls in its Article 82 for cooperation improving the movement of goods, increasing fluidity of transport flows between the Republic of Moldova, the EU and third countries in the region, by removing administrative, technical and other obstacles.

2. LEGAL BASIS, SUBSIDIARITY AND PROPORTIONALITY

- **Legal basis**

Article 91 of the Treaty on the Functioning of the European Union in conjunction with Article 218 (6) (a) thereof.

- **Subsidiarity (for non-exclusive competence)**

Not applicable.

- **Proportionality**

The Agreement is the most efficient instrument to enhance the road transport relations between the EU and the Republic of Moldova, since it removes the need for quotas and permits in bilateral agreements between Member States and the Republic of Moldova.

This Agreement will not impose any additional administrative or financial burden neither on Member States' authorities nor on the industry compared to the current situation. It will, on the opposite, reduce the administrative burden for both the industry and the Member States. In particular, it will remove the need for transport permits for EU hauliers for the indicated categories of transport rights (transit and bilateral rights), which will reduce the burden for the EU transport industry as well as for Member States authorities in relation to the administrative formalities linked to issuing and printing such permits.

- **Choice of the instrument**

International Agreement.

3. RESULTS OF EX-POST EVALUATIONS, STAKEHOLDER CONSULTATIONS AND IMPACT ASSESSMENTS

- **Ex-post evaluations/fitness checks of existing legislation**

Not applicable.

- **Stakeholder consultations**

Not applicable.

- **Collection and use of expertise**

Not applicable.

- **Impact assessment**

Not applicable.

¹ Association Agreement between the European Union and the European Atomic Energy Community and their Member States and the Republic of Moldova, signed on 27 June 2014, OJ L260 30.10.2014, p. 4.

- **Regulatory fitness and simplification**

Not applicable.

- **Fundamental rights**

Not applicable.

4. BUDGETARY IMPLICATIONS

The proposal has no implication for the budget of the Union.

5. OTHER ELEMENTS

- **Implementation plans and monitoring, evaluation and reporting arrangements**

This agreement includes a review mechanism provided in Articles 5 and 6 with a view of assessing the need and duration of its renewal. To this purpose, Article 5(2) and Article 6(2) lay down that the Joint Committee shall be convened at the latest three months before the expiry of the Agreement.

- **Explanatory documents (for directives)**

Not applicable.

- **Detailed explanation of the specific provisions of the proposal**

Article 1 approves the Agreement on behalf of the European Union.

Article 2 provides that the Commission shall proceed to the notification necessary to express consent of the European Union to be bound by the Agreement.

Article 3 provides for the entry into force of the proposed Decision.

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on the conclusion, on behalf of the European Union, of the Agreement between the European Union and the Republic of Moldova on the carriage of freight by road

THE COUNCIL OF THE EUROPEAN UNION,

Having regard to the Treaty on the Functioning of the European Union, and in particular Article 91, in conjunction with Article 218 (6)(a) thereof,

Having regard to the proposal from the European Commission,

Having regard to the consent of the European Parliament.

Whereas:

- (1) In accordance with Council Decision XXXX/XX the Agreement between the European Union and the Republic of Moldova on the carriage of freight by road was signed on XX, subject to its conclusion at a later date
- (2) In view of the important disruptions in the transport sector in the Republic of Moldova caused by the war of aggression undertaken by Russia against Ukraine, it is necessary for Moldovan operators to find alternative transit routes by road through the European Union and to find new markets to export their goods.
- (3) Given that permits granted in the framework of the European Conference of Ministers of Transport (ECMT) multilateral quota system within the International Transport Forum and existing bilateral agreements with the Republic of Moldova do not allow for the necessary flexibility for Moldovan road haulage operators to increase and plan ahead their operations through and with the European Union, it is crucial to liberalise the transport of freight by road for bilateral operations as well as for transit.
- (4) The Agreement should be approved on behalf of the European Union.

HAS ADOPTED THIS DECISION:

Article 1

The Agreement between the European Union and the Republic of Moldova on the carriage of freight by road is hereby approved on behalf of the Union.

The text of the Agreement is attached to this Decision.

Article 2

The Commission shall proceed, on behalf of the European Union, to give the notification provided for in Article 12 of the Agreement, in order to express the consent of the European Union to be bound by the Agreement.

Article 3

This Decision shall enter into force on the day of its adoption.

Done at Brussels,

For the Council
The President