

EUROPEAN COMMISSION

> Brussels, 17.6.2022 COM(2022) 308 final

2022/0200 (NLE)

Proposal for a

## **COUNCIL DECISION**

on the conclusion, on behalf of the European Union, of the Agreement between the European Union and Ukraine 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 Ukraine 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 has become very difficult in Ukraine. Important transport routes for the carrying of goods via the Black Sea are blocked or have been destroyed by Russian military forces, and the Ukrainian airspace is closed for civilian transport. The rail network is currently prioritised for the transport of passengers and refugees and it remains very vulnerable to the Russian bombardments.

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

Road transport is seen as one of the main alternatives to allow Ukraine to export its products, including grains. This would support the Ukrainian economy but would also be crucial to other economies as the export of Ukrainian products such as grain, fuel, foodstuffs and other goods is becoming more and more needed in view of the increasing concerns of food security in the world. At the same time the increased use of the number 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 Ukraine and given via the ECMT within the International Transport Forum.

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

In addition, following the start of Russia's war of aggression against Ukraine, many Ukrainian drivers are no longer able to follow the administrative procedures related to driver documents such as international driving permit applications or issuances of new documents in the event of lost or stolen documents. This Agreement will enable the two Parties to address these issues under exceptional circumstances. It is thus important to provide for measures that exempt drivers from the requirement to present an international driving permit, recognise decisions taken by Ukraine to extend the administrative validity of driver documents and facilitate the exchange of information between the competent authorities of the two Parties with the aim of combatting fraud and forgery of driver documents.

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

### Consistency with existing policy provisions in the policy area

The Agreement was also foreseen in the EU-Ukraine Solidarity Lanes<sup>1</sup> action plan which aims to facilitate Ukraine's agricultural export and bilateral trade with the EU. This action plan expresses the commitment of the European Union to support Ukraine's economy and economic recovery and contribute to stabilising world food markets and improving global food security.

### • Consistency with other Union policies

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

The conclusion of an agreement on the carriage of goods by road with Ukraine would also be in line with the Association Agreement signed on 27 June 2014 between the Union and Ukraine, as it envisages in its Article 136 possible future special road agreements with a view to assuring a coordinated development and progressive liberalisation of transport between the Parties.

## 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 EU-Ukraine road transport relations, since it removes the existing limitations imposed by the quotas and permits systems.

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 should on the opposite reduce the administrative burden for both the industry and the Member States. In addition, it will delete 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 Ukraine 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.

<sup>1</sup> COM(2022) 217 final

## Stakeholder consultations

Not applicable.

## • Collection and use of expertise

Not applicable.

## • Impact assessment

Not applicable.

# 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

In Articles 6 and 7, this Agreement includes a review mechanism with a view of assessing the need and duration of its renewal. To this purpose, Article 6(2) and Article 7(2) lays 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 the consent of the European Union to be bound by the Agreement.

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

#### 2022/0200 (NLE)

### Proposal for a

## **COUNCIL DECISION**

#### on the conclusion, on behalf of the European Union, of the Agreement between the European Union and Ukraine 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 Ukraine 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 Ukraine caused by the war of aggression undertaken by Russia, it is necessary to find alternative routes by road for Ukraine to export its stocks of grain, fuel, foodstuffs and other relevant goods.
- (3) Given that Member States' ECMT permits and bilateral agreements between Member Ukraine do not allow for the necessary flexibility for Ukrainian road haulage operators to increase and plan ahead their operations through and with the EU, it is crucial to liberalise transport of freight by road for bilateral operations and transit.
- (4) Russia's war of aggression against Ukraine has compromised the possibility for many Ukrainian drivers to follow the administrative procedures related to driver documents such as international driving permit applications or issuances of new documents in the event of lost or stolen documents. It is thus important to address these exceptional circumstances by providing for specific measures that exempt drivers from the requirement to present an international driving permit, recognise decisions taken by Ukraine to extend the administrative validity of driver documents and facilitate the exchange of information between the competent authorities of the two Parties with the aim of combatting fraud and forgery of driver documents.
- (5) The Agreement should be approved on behalf of the European Union.

HAS ADOPTED THIS DECISION:

### Article 1

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

The text of the Agreement is attached to this Decision.

#### Article 2

The Commission shall proceed, on behalf of the European Union, to the notification provided for in Article 13 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