



The Road Haulage Association

Mr David Rees AM,
Chair of the External Affairs and Additional Legislation Committee,
National Assembly for Wales,
Cardiff Bay,
Cardiff,
CF99 1NA (by email)

24 September 2018

Mr Rees,

I would like to thank you for the opportunity to comment on the preparation for Brexit.

We are now in the peak negotiating period and matters may change rapidly. To some extent, they have changed since your letter so I will be responding to the spirit of your letter rather than the questions themselves.

There is uncertainty for everyone regarding the UK exit from the European Union, at this time we see three core scenarios that we have to consider – our answers depend on which of these scenarios come to pass.

These core scenarios are exit with no deal with the EU and no transitional arrangements, a deal over trade which will require customs and other controls with a transition period to 31 December 2020, and a deal which allows no customs and related controls at the border. I realise there are subsets for each of these scenarios, but for simplicity I am dealing with the core scenarios only.

The no deal, no transition scenario will result in major procedural change in the handling of lorries at Welsh ports from the 29 March 2019. All importers, exporters, lorry operators, ferry operators, ports, Border Force, HM Customs and other official bodies in the UK and the Ireland will need to adapt to new operating methods and bureaucratic requirements. Few of the parties who will have to introduce new processes, or obtain new permissions (such as EORI numbers for importers and exporters, or road haulage permits for operators), are able to take meaningful action to prepare while the negotiations are still ongoing.

I was going to go into further detail on this, but frankly it is much simpler to give the overall picture. Until meaningful negotiations conclude there is limited preparation that can be done as no one knows what they are preparing for. UK and EU road hauliers, the overwhelming majority of their customers and UK and EU officialdom are not ready, and will not be ready for a no deal, no transition scenario. There is not, and will not, be sufficient trained and competent customs clearance agents or sufficient resources within UK and EU border agencies. It will not be possible to put



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systems in place, and to train sufficient people to deal with border processes in the UK or the EU by 30 March 2019.

Delays at ports will be inevitable – what cannot be known is how UK and EU Governments would react in this scenario. Welfare and security for drivers and goods will be a critical and urgent priority – as will finding ways to facilitate the movement of goods. We see little evidence of effective preparation to deal with these issues at this time – this will need to change if progress in negotiations stall.

The Road Haulage Association has already said that this will be a catastrophe for UK and EU businesses, this scenario is unacceptable. Regardless of the outcome of the negotiations, the RHA believes that a transition period to December 2020 is essential.

The second core scenario, a trade deal requiring customs clearances from 31 December 2020, will still be a major challenge for the operators and businesses of the UK and the EU. There will still be disruption and friction caused, however, with a transitional period solutions and mitigations for many issues will be possible.

The key point under this scenario is that Welsh ports, and the UK and EU road haulage operators that use them, need to know at the outset of the transition period what they need to do to prepare. If there is uncertainty over future rules and requirements throughout the transition period, the period will be wasted.

If the third of the scenarios comes to pass (a comprehensive deal with no need for Customs Controls or other substantial border checks), I would expect Welsh ports and the logistics operations of hauliers to be well set. It is a matter of political judgment as to the likelihood of this option.

In summary, current preparations are insufficient to avoid catastrophic disruption to supply chains. A transition period is essential.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Duncan Buchanan', is written over a light blue circular background.

Duncan Buchanan
Policy Director – England and Wales
Road Haulage Association
d.buchanan@rha.net.uk
+ 44 1932 838924