

**Panel 2 (Keir Fitch) – Road Transport Solutions to Ensure Efficient Market Operations
between the EU and its Neighbours**

Introduction

Prime Minister, Ministers, Ladies and Gentlemen,

It gives me great pleasure to expand upon the subject of road transport relations between the EU and its neighbours. The geographical vicinity being obvious when it comes to road transport, it is perhaps worth considering the notion of "EU neighbours" not from the geographical perspective but from the perspective of their closeness to the EU rules / standards / acquis.

In this context, the EEA countries and Switzerland represent our closest neighbours, as the EEA Treaty and the EU-Switzerland agreements ensure levels of market opening and compliance to the EU acquis almost equivalent to those of an EU Member State.

The countries which are candidates or potential candidates to the accession to the EU (Turkey and Western Balkans countries) come next, as the accession process supposes an increasingly higher degree of convergence with EU legislation.

The six countries covered by the EU's Eastern Partnership (Armenia, Azerbaijan, Belarus, Georgia, Moldova and Ukraine) follow. Ukraine and Moldova currently register the most notable progresses in taking over the EU aquis.

With the Russian Federation, the common rules in the road transport sector are being defined bilaterally or by reference to multilateral rules (usually those established in the framework of UNECE).

It is in the interest of both the EU and all of its European neighbours to develop a wider European transport area based on the efficient sharing of the infrastructures, by connecting them to the Trans-European Transport Network (TEN-T), and on the use of common rules in the diverse fields of road transport (roadworthiness, social rules, technical rules, etc). When it comes to the interaction of markets and possibly their reciprocal opening, the EU modulates its action in accordance with the previously mentioned categorization: the higher the degree of conformity with and implementation of EU acquis, the greater the access to the EU market.

Extension of EU acquis

The extension of the internal market rules to countries outside the EU is one of the cornerstones of the external transport policy of the EU. The Commission is currently studying the potential impact of gradual road market opening with selected neighbouring countries. In the future, it may propose to the Member States negotiation mandates for the conclusion of EU comprehensive road transport agreements with 3rd countries.

At present, the road transport relations between Member States and third countries (except for Switzerland) are governed by bilateral agreements. In addition to these agreements there are mainly

two international organisations involved in road transport, which have developed their activities in parallel with the Common Transport Policy.

The first is the Economic Commission for Europe of the United Nations (UNECE) which has developed a number of rather technical agreements - type approval of vehicles, inspections of vehicles, and the AETR agreement. The second is the International Transport Forum which has established a system of multilateral road permits giving access to the market.

It is important therefore that the development of a truly EU approach as regards the transport agreements with third countries is pursued and strengthened in parallel with the existing cooperation within the UNECE and ITF. In this sense it is worth mentioning that recently and with the aim of enhancing the quality of its system, the ITF has taken the initiative to incorporate into its rules some important parts of the EU legislation. The relevant discussions are still on-going and there is a clear intention of approaching the EU acquis.

Eastern Partnership

The Eastern Partnership offers the framework for an EU approach to road transport issues. Transport cooperation is a valuable contribution to the overall Eastern Partnership cooperation. An EaP dedicated summit will take place on 27-28 November in Vilnius and it is expected that Ukraine and Moldova may sign their Association Agreements and/or the Deep and Comprehensive Free Trade Agreements (DCFTA) with the EU. A key provision underpinning the Association Agreements sets out the concept of gradual approximation (specific timelines are set) of the concerned country's legislation to EU norms and standards.

The Eastern Partnership transport cooperation has progressed well and its first tangible results are close. Following a successful meeting of the EaP Transport Panel in July 2013, the Transport Ministers of the EaP countries will meet the EU representatives in Luxembourg on 9 October 2013 and endorse the EaP regional transport network, which indicates connections between EaP countries and the Trans-European Transport Network (TEN-T).

Efficient border crossings

The framework of the Eastern Partnership transport cooperation has been useful for strengthening the border crossings efficiency, as the Commission had set as an objective to strengthen the customs cooperation with Belarus, Moldova and Ukraine to facilitate border crossings. The Strategic Framework for EU-Moldova customs cooperation was endorsed on 14 October 2011 and for EU-Ukraine customs cooperation on 22 June 2012. The implementation of these agreements is followed at technical level. A similar framework can be established with Belarus based on its readiness and interest.

As regards the border with the Russian Federation, the smooth operation of border controls depends on the correct application of the TIR Convention, which is not always the case, as illustrated recently by the unilateral decision of the Russian Federal Customs Service to require a transit guarantee different from the TIR carnet. The EU is fully committed to the application of the TIR Convention, to which the EU, together with all its Member States, are Contracting Parties.

In this context, the IRU initiative on the TIR Electronic Pre-Declaration and the Green Lanes should be encouraged as it allows trucks transporting goods under TIR customs seals to benefit from speedy customs controls, leading to an important reduction of border waiting times and transport costs

UNECE issues – AETR

At UNECE level, the EU is currently dealing with two initiatives which aim at extending existing EU instruments.

The first initiative concerns the EU digital tachograph and social rules, which are reflected in the text of the European Agreement concerning the Work of Crews of Vehicles engaged in International Road Transport (AETR). In order to improve the decision making process regarding the digital tachograph by involving all Contracting Parties to AETR, the EU submitted in February 2013 to the UNECE Secretariat a formal proposal for the modification of the AETR agreement. The proposal also foresees the accession of the EU to the AETR and is currently being negotiated in the UNECE competent fora.

In relation to the EU tachograph acquis, it is worth mentioning that the EU had assisted the AETR Contracting Parties in the introduction of the digital tachograph. EU-financed TRACECA Land Safety and Security and TAIEX have been accessed to organise trainings for the neighbouring countries to facilitate tachograph deployment. This allowed Georgia to become a Contracting Party to the agreement in 2012. All the countries sharing a land border with the EU have successfully deployed the digital tachograph.

UNECE issues – Omnibus vs Interbus

A second initiative at UNECE level concerns negotiations for a so-called Omnibus Agreement. This initiative is the reflection of the EU Interbus Agreement on the international occasional carriage of passengers by coach and bus. The Commission shares the view that such an agreement covering regular lines is necessary, however it is the Commission's view that the Interbus Agreement is a better framework for developing the EU-third countries common rules in relation to international carriage of passengers by coach and bus.

In this respect, in 2010, the Commission tabled a proposal to the Council to have an authorisation to open negotiations for an agreement enlarging the geographical scope of the Interbus Agreement, as well as to open negotiations to cover the international regular carriage of passengers by coach and bus.

It is worth mentioning that Ukraine acceded to the Interbus Agreement in March 2013 and other EaP countries are encouraged to follow the same path (the Western Balkan countries and Moldova are already contracting parties).

Conclusion

In recent years the EU has continued to develop more actively its external competence, in particular in air transport. The Commission believes that in the field of road transport too, it is time for the EU to exercise its external competence in order to create a common framework which would be more coherent than the diversity of existing bilateral agreements.