

Opening Statement from Eugene Drennan, President Irish Road Haulage Association
before the Oireachtas Joint Committee on European Affairs

Dublin 1 March 2023

Chairperson, Deputies and Senators,

Thank you for the invitation to appear before the Committee to discuss the impact of Brexit on trade and connectivity between Ireland, the UK and Continental Europe.

I am Eugene Drennan, President of the Irish Road Haulage Association and I am joined today by my colleague John Nolan, both members of the Irish Road Haulage Association Management Committee.

For many people Brexit has faded from their minds. A bit like Y2K or the introduction of the Euro – a flash in the pan and something that we will all get over. I have even heard some of the Port operators say that many of the impacts have been minimal and that things are largely back to normal.

While we would agree that Covid 19 was certainly highly disruptive of freight and the movement of goods, the changes brought by Brexit remain significant and enduring.

As licensed hauliers we are at the fore of dealing with the impacts of Brexit.



We are the people who have to take the longer routes to Continental markets.

We have to queue for the checks and inspections at ports and deal with the added cost and expense that Brexit has brought for us and our customers.

To put this into perspective please consider that delays of up to 4 days have been experienced by hauliers and drivers because of Brexit. This is due to the many checks imposed by the different agencies, who do not have an integrated efficient approval system. We have the possibility of being delayed with each and all of these agencies. And then this delay is multiplied by two for the UK side as well if a haulier is travelling to or through the UK.

And all of these impacts are coming at a time of unprecedented challenge for our members with a mix of driver shortages, hugely inflated operating costs, extremely stiff competition and a regulatory regime which seems to target the compliant rather than the non-compliant.

A strong, competitive, dynamic, and versatile indigenous national road haulage fleet is imperative for Ireland.

As an island State Ireland requires a reliable national haulage fleet to keep the wheels of commerce moving. The disruption inflicted by both the pandemic and Brexit have emphasised just how important a function Irish Road Haulage Association members play in the efficient and timely delivery of goods throughout Ireland and with our major trading partners.

Any interference in the effectiveness of our haulage sector will lead to shortages in the availability of basic goods, damage to the interests of trade and industry and significant interruption in our international mercantile trade.

At the outset let me detail some of the biggest changes that Brexit has brought about for our sector.

In many senses the changes that Brexit has brought have been revolutionary for our sector, primarily as a consequence of the changes in direct connectivity between Ireland and Continental Europe.

For instance, before Brexit there were 4 operators between Ireland and Continental Europe offering 17 sailings per week.

Post Brexit there are now in excess of 6 operators, which offer over 70+ sailings a week. This accommodates over a 180,000+ Roll on Roll off journeys that used to use the UK Landbridge that are now on direct ferries to/from Continental Europe.

This is certainly well in excess of the 6 additional sailings per week that had been estimated by the State's Irish Maritime Development Office in a flawed pre-Brexit report.

With direct ferries to the Continent now the norm, rather than the use of the UK land bridge, there are a number of significant impacts for hauliers;

- First the cost of getting to the Continent is higher – with an average cost increase of over €300 per journey.

- The driver shortage is exacerbated by the fact that drivers are now at sea for between 18 & 48 hours a week. This has changed the pattern of driver hours to 36 hours + sailing and 20 – 35 hours driving.
- 60% of loads are now travelling to the Continent unaccompanied, to reduce the cost and to utilize drivers and vehicles more effectively. This has increased the need for additional trailers given the amount of time that trailers are at sea.
- There are also significant restrictions for drivers due to Cabotage limitations, tachograph restrictions and the mandatory closure of many EU countries roads to HGVs during the weekend.
- The absence of capacity to backfill empty trailers places significant additional costs on hauliers which need to be met.

So, in short Brexit has introduced lasting cost, logistical and operational challenges for licensed hauliers.

A question worth asking from this remove is whether Ireland was well prepared for Brexit and at this juncture are there measures that we can take to improve connectivity between Ireland, Britain and Europe.

The Brexit Consultative Committee did some good work in preparing our Ports for the impacts of Brexit. However, there are lessons learned and we need further integration and upgrading of systems across Government Departments and agencies in order to reduce the administrative workload on the haulage sector.

In terms of delays at the ports we need the Government Departments and agencies to review the process to alleviate delays such as communication to drivers needs to be terminal specific. We also need to see checks that are risk based rather than reactive. And we need to see the State use robust technology to reduce delays and red tape and improve connectivity.

Specifically, we would like to see the use of any IT arrangements governing goods travelling between ports in Northern Ireland and Britain applying to Ports in the Republic of Ireland too.

There are a number of measures and initiatives that would assist connectivity and trade if embraced by the Irish and the EU Commission.

1. The pre-Brexit Ten-T route was the UK Landbridge. Post-Brexit, it needs to be re assigned with the Ghyvelde corridor to be part of it as it is extended down to Dunkirk and Cherbourg. As a result, it could include all of Irelands 1000 km of motorway along with the Dublin to Rosslare route and the Cork to Rosslare route.
2. The impact of EU/UK negotiations on freight movements across the Irish Sea will need to be kept under review to ensure that obligations and requirements do not end up being imposed on licensed hauliers arriving at ports in the Republic of Ireland, which are not present for

hauliers arriving in Northern Ireland and intending to bring their goods south of the border. We are aware that some significant distribution chains in the Republic of Ireland were being serviced from Northern Ireland ports because of the absence of checks at these ports compared to the Ports in the Republic of Ireland.

3. Considering the importance for Ireland of Britain from a trade, supply chain and road transport perspective, we also believe that a **permanent public-private body** should be created at Irish level, to monitor the situation, send early-warning signals and make recommendations to both the Irish Government and the Specialised Committee on Road Transport created under the EU-UK Trade & Cooperation Agreement. The Irish Road Haulage Association, as the most representative industry body, could become member of such a body.
4. In addition, we believe that it is of strategic importance that **Ireland is represented permanently into the Trade & Cooperation Agreement Specialised Committee on Road Transport**. To increase efficiency of Irish input, **the Irish Road Haulage Association could also be granted an observer status** in the Trade and Cooperation Agreement Specialised Committee on Road Transport.
5. To address the ongoing challenges posed by Brexit, the Government needs to:

- Review the existing checks imposed by the relevant authorities at Irish ports to determine if a different approach can be implemented, which reduces delay, red tape and costs. And if the State facilities at Ports are not needed, then hand the land back to the Ports so that they can be used for the transit storage of goods or serviced waiting areas for hauliers.
- Look at measures to re-establish the level and extent of connectivity between Ireland and Great Britain. A new seamless approach to transiting through Britain needs to be implemented instead of the existing reduced service and increased delay.
- Review the IT platforms being used by the Irish statutory authorities to increase dependability, reduce delay and ensure reliability. We also need to maximise the use of IT to provide proper risk based approaches to checks and inspections and the recent agreement between the EU and UK on sharing of information should be extended here.
- Adopt a consistent approach to addressing the challenges posed by the border with Northern Ireland. Users of Ports in the Republic of Ireland should be treated in a position of equivalence as licensed hauliers arriving into Northern Ports with goods destined for the Republic of Ireland.



In summary the Irish Road Haulage Association believes that Brexit has had a significant impact on connectivity between Ireland, Britain, and the EU. We can and should do more to reduce and mitigate these impacts and we hope that this Committee will seek to ensure that the State authorities remain active to ensure that the negative consequences of Brexit on the transport of goods between Ireland, Britain and the EU are minimised to the greatest extent possible.