

**EXPLANATORY MEMORANDUM TO**  
**THE GOODS VEHICLES (LICENSING OF OPERATORS) (TEMPORARY USE IN**  
**GREAT BRITAIN) (AMENDMENT) REGULATIONS 2017**

**2017 No. 577**

**1. Introduction**

- 1.1 This explanatory memorandum has been prepared by the Department for Transport and is laid before Parliament by Command of Her Majesty.

**2. Purpose of the instrument**

- 2.1 This instrument amends the Goods Vehicles (Licensing of Operators) (Temporary Use in Great Britain) Regulations 1996 (S.I. 1996/2186) (“the 1996 Regulations”) to allow a Serbian goods vehicle to travel through the UK without the operator of that vehicle holding a UK operator’s licence (provided they are the holder of a permit issued by the Secretary of State or fall within one of the listed exemptions).
- 2.2 These amendments restore the legislative basis for a Road Transport Agreement concluded between the United Kingdom and Yugoslavia in 1969<sup>1</sup>, in respect of the Republic of Serbia (which remains a party to the agreement).

**3. Matters of special interest to Parliament**

*Matters of special interest to the Joint Committee on Statutory Instruments*

- 3.1 None.

*Other matters of interest to the House of Commons*

- 3.2 As this instrument is subject to negative resolution procedure and has not been prayed against, consideration as to whether there are other matters of interest to the House of Commons does not arise at this stage.

**4. Legislative Context**

- 4.1 Section 2(1) of the Goods Vehicles (Licensing of Operators) Act 1995 (“the 1995 Act”) prohibits the use of goods vehicles on roads in Great Britain for business purposes except under a licence issued under the Act. Section 57(6) allows the Secretary of State to make regulations modifying the effect of the provisions of the Act in relation to vehicles brought temporarily into Great Britain. Accordingly, the existing 1996 Regulations modify the requirements of section 2(1) of the 1995 Act in relation to the temporary use in Great Britain of certain foreign goods vehicles and Northern Ireland goods vehicles.
- 4.2 This instrument provides for a complete exemption from the effect of section 2(1) of the 1995 Act for Serbian operators that hold a valid permit or fall within one of the exemptions outlined in paragraph 4.2(a) – (h) below whose goods vehicle is used temporarily in the UK to carry goods on international journeys. To be eligible for a permit or one of the specified exemptions they must hold a valid operator’s licence from the country of origin.

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<sup>1</sup> Treaty Series No. 18 (1970) Cm. 4284.

- 4.3 This gives effect to an agreement that was reached between the Government of the Socialist Federal Republic of Yugoslavia and the Government of the United Kingdom of Great Britain and Northern Ireland on the International Carriage of Goods on the 16th of July 1969. However, Serbian operators are not permitted to conduct cabotage<sup>2</sup> operations in the UK.
- 4.4 Under the agreement, permits are issued to goods vehicle operators which are valid for one return journey to or through the other state. They are also automatically exempt if the vehicle weighs less than six tonnes, or it is travelling for the purpose of carriage of any of the following;
- a) damaged vehicles,
  - b) works of Art,
  - c) articles and equipment exclusively for publicity or educational purposes,
  - d) properties, equipment or animals to or from theatrical, musical, cinematographic or circus performances or sporting events, exhibitions or fairs, or to or from the making of radio or television broadcasts or films,
  - e) goods for fairs or exhibitions,
  - f) corpses,
  - g) mails, and
  - h) household effects by undertakings having specialist personnel and equipment.
- 4.5 The agreement was reflected in the Goods Vehicles (Operators' Licences) (Temporary Use in Great Britain) Regulations 1970 (S.I. 1970/202) (the "1970 Regulations"), which provided the necessary exemption from the licensing requirement in the Transport Act 1968.
- 4.6 In subsequent iterations of the 1970 Regulations the list of exemptions was extended to the carriage of goods for the purpose of:
- a) luggage being carried to or from an airport,
  - b) goods being carried to or from an airport in a case where an air service has been diverted,
  - c) animal corpses (other than those intended for human consumption) for the purpose of disposal,
  - d) bees or fish stock,
  - e) refuse, and
  - f) garbage.
- 4.7 This exemption remained in force until 1996, when the Goods Vehicles (Operators' Licences) (Temporary Use in Great Britain) Regulations 1980 (S.I. 1980/637) (the "1980 Regulations") were repealed and replaced by the 1996 Regulations and the reference to Yugoslav goods vehicles was omitted.
- 4.8 This instrument re-instates the exemption as it was in the 1980 Regulations (directly before they were repealed) with the extended list of exemptions (outlined in paragraph 4.6 (a) – (f) above) to provide legal continuity.
- 4.9 Northern Irish secondary legislation will also exempt Serbian Operators from the requirement to hold a Northern Irish Operators Licence by virtue of the changes made in this instrument. Article 19 of Schedule 1 to the Goods Vehicles (Licensing of Operators) (Exemption) Regulations (Northern Ireland) 2012 (S.R. 2012/256) exempts vehicle operators from the requirement to hold a Northern Irish operator's

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<sup>2</sup> The transport of goods or passengers between two places in the same country.

licence if the vehicle is exempt in Great Britain due to an international agreement or permit issued by the Secretary of State.

## **5. Extent and Territorial Application**

5.1 This instrument extends to and applies in England and Wales, and Scotland.

## **6. European Convention on Human Rights**

6.1 As the instrument is subject to negative resolution procedure and does not amend primary legislation, no statement is required.

## **7. Policy background**

### *What is being done and why*

7.1 This instrument makes consequential amendments to the 1996 Regulations to re-instate the legal basis for the UK-Yugoslavia agreement. The Republic of Serbia remains a party to this agreement, which is still in force in Serbia and the UK.

7.2 Currently, Serbian Operators can access the UK without having to obtain a UK operator's licence through the European Council of Ministers of Transport ("ECMT") multilateral permit scheme<sup>3</sup>. There are 43 member countries that participate in the system which is designed to be one part of the international framework for road haulage in Europe.

7.3 In 2016 nearly 43,500 annual permits and nearly 16,000 short term permits were available across the system, including 1,810 for Serbia to use across Europe. Approximately 455 Serbian operators paid the UK HGV levy in 2015/16 indicating Serbia has been using a significant proportion of its scarce ECMT permits when accessing the UK.

7.4 Serbian officials have indicated that the 1,810 permits are insufficient for demand in Serbia, which uses them for journeys into EU member states and the former Soviet Union. UK international hauliers operate almost exclusively within the EU/European Free Trade Association and so do not require as many ECMT permits as more liberal arrangements are in place.

7.5 The Serbian Government has worked towards closer relations with the UK and other EU countries. It has introduced goods vehicle operator licensing procedures broadly consistent with EU-wide standards, as part of its programme of reforms intended to enable it to join the EU.

7.6 The Serbian Government has requested that as a first step in enabling more liberalised commercial road transport between the UK and Serbia, permits are issued again under the UK-Yugoslavia agreement. The common overall objective is to boost trade between the UK and Serbia. This instrument provides for the necessary exemptions

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<sup>3</sup> This scheme allows goods vehicle operators to make journeys between two ECMT member countries, provided they hold a permit for their country of destination. ECMT permits are valid for one calendar year and allow an unlimited number of journeys within that period. It is not relevant for journeys within the EU internal market. This system is designed to supplement (rather than replace) bilateral agreements involving States outside the internal market. More information is available online at <https://www.gov.uk/guidance/international-authorisations-and-permits-for-road-haulage#european-conference-of-ministers-of-transport-emct-multilateral-road-haulage-permits>

from the operator licensing requirements needed to issue permits again under the agreement.

- 7.7 In addition, a protocol has been signed between representatives of the UK and Serbian Governments to develop a more modern road transport agreement. This proposal will be subject to consultation.

#### ***Consolidation***

- 7.8 None.

### **8. Consultation outcome**

- 8.1 A consultation was held from 23<sup>rd</sup> January 2017 to 17<sup>th</sup> February 2017 and was targeted at representative bodies of the UK freight industry as they were considered to be the only ones affected. The Freight Transport Association and the Road Haulage Association both responded. Neither had any objections to the proposal.

### **9. Guidance**

- 9.1 None planned. Published information about bilateral agreements will be updated to cover Serbia on the gov.uk website. Enforcement authorities will also be informed.

### **10. Impact**

- 10.1 There is no significant impact on business, charities or voluntary bodies. The UK haulage industry has access to a sufficient number of ECMT permits to conduct its business in Serbia, although Serbian hauliers are constrained.
- 10.2 There is no significant impact on the public sector, with the cost of issuing permits for UK operators likely to be a de minimis level of less than £200 per year.
- 10.3 An Impact Assessment has not been prepared for this instrument. UK road freight businesses can already access Serbia using ECMT permits, of which there are sufficient. A few may benefit from a small cost reduction by avoiding the fee for an ECMT permit. There is likely to be a positive effect on trade with Serbia, but this is relatively small and difficult to estimate.

### **11. Regulating small business**

- 11.1 The legislation applies to activities that are undertaken by small businesses. The only effects are likely to be positive, due to increased trade and for a few UK haulage firms avoiding the need for an ECMT permit.

### **12. Monitoring & review**

- 12.1 As mentioned in paragraph 7.7 above, a protocol has been signed between representatives of the UK and Serbian Governments to develop a more modern road transport agreement. This instrument will be reviewed on conclusion of that agreement and the principal regulations will likely need further amendment. The aim is to conclude the agreement in 2017.

### **13. Contact**

- 13.1 David Pope at the Department for Transport, telephone: 020 7944 8797 or email: david.pope@dft.gsi.gov.uk can answer any queries regarding the instrument.