Our Ref: PD/15/6620

Dear Tara

I refer to your recent letter enclosing a report of Committee B of the British-Irish Parliamentary Assembly on the ‘Impact of the HGV Road User Levy Act 2013 on the Free Movement of Goods on the Island of Ireland’.

**I share the Committee’s concern that the introduction of the road user levy in Northern Ireland ‘may hinder not just cross-border co-operation but also cross-border trade’ and I welcome the Committes’s recommendation that ‘the UK Minister for Transport should reconsider the decision not to provide exemptions to Northern Irish roads, particularly the A5’.**

I believe that the application of the UK HGV road user charge to Northern Ireland creates a barrier to all-island trade and penalises Donegal based hauliers in particular, as they transit through Northern Ireland to reach Dublin and the ports on the eastern seaboard.

The Irish Government lobbied the UK Governmentto exempt Northern Ireland from the charge, because of the potential impact on cross-Border trade. The UK Minister for Transport rejected this proposal, and the Irish Government, supported by the Northern Ireland Department of the Environment, then sought an exemption for the A5 from Derry to Monaghan, as its a significant transit route from North West Donegal to Dublin. However this request was also eventually rejected.

My Department is liaising with the Northern Irish Department of the Environment to track and assess any impact on cross-Border trade.

With regard to the Committee’s request that the Irish Government assess whether the HGV road user levy is compatible with EU cabotage rules, I can confirm that the levy is compliant. The levy was introduced in accordance with the EU Directive 1999/62, commonly known as the Eurovignette Directive.

With regard to the Committee’s request for resolution of problems it has identified with the current cabotage rules, cabotage is regulated in accordance with EU Regulation 1072/2009. As the Community continues towards a single European market, it is likely that restrictions such as cabotage will be removed. This liberalisation of transport services is supported by the Irish Government.

With best wishes,



Minister Paschal Donohoe

Minister for Transport, Tourism and Sport