

EUROPEAN ASOCIATIA BUSINESS BUSINESSULUI ASSOCIATION **EUROPEAN**

To: European Parliament **European Commission - DG TAXUD, DG MOVE Embassy of Romania to Moldova**

Embassy of Romania to Ukraine

Cc: FRONTEX, EEAS

For information: EU Delegation to Moldova

EU Delegation to Ukraine

No. 23/22-EC as of June 13th, 2022

Subject: Challenges faced by the European businesses at the border with EU due to the war in Ukraine

Dear Madams, Dear Sirs,

The European Business Associations from Moldova and Ukraine address the highest considerations and

express the concern on systematic signals of the Moldovan and Ukrainian European business community in

the context of the current situation related to the war in Ukraine.

The economic impact on the business operations, the deficiencies related to the imports and export of raw

material, re-shift of the supply chains, continuous price increase on fuel and energy resources - are issues that

the Moldovan and Ukrainian business environment are struggling with. Being highly affected by the war in

Ukraine, the demand on supply chains put a huge pressure on existent border infrastructure.

On top of the multitude of the problems faced by the local and international operating companies, the major

challenges today, after closing of the Ukrainian ports, because of the war, generate huge queues on both

Ukrainian, Moldovan and EU borders. In this regards, please find below some of the current deficiencies

related to imports and exports from Moldova and Ukraine to EU:

Queues at the Ukrainian-Moldovan and ultimately Moldovan-Romanian border reached 15-20 km on

both directions, resulting in clearance time more than 60 hours;

Due to high traffic, there is urgent need to reinforce the IT infrastructure to avoid system failures and

technical deficiencies;

Physical limitation due to crossing infrastructure of the Prut River (the obsolete infrastructure of

bridges are putting physical limitation of having one truck on one direction);

Lack of infrastructure and relevant staff for clearance of goods subject to SPS control;

Overall need of custom staff reinforcement on the Romanian side:

Lack of adequate infrastructure for the queueing trucks makes difficult to streamline the traffic flow;





 Export by barges on Danube River from Ukraine generate delays due to limited SPS infrastructure and lack of unloading facilities

Please consider that improving the supply chain would decrease not only cashflow problems for both countries, but also would contribute to ensuring the food security and fuel resources supply. Due to the delivery delays in the *Just In Time* (JIT) contracts the foreign investors are examining the back-up plans to other markets for reallocation of their operations from Moldova. Urgent measures have to be taken in order to maintain a proper level of economic activity, otherwise foreign investment outflow and bankruptcy of multiple local business risks will be inevitable and hardly mitigatable.

On behalf of the Moldovan, Ukrainian and European business community, we highly recommend the following potential solutions to unblock the situation:

- 1. Introduction of Joined customs clearing at the Moldovan Romanian border
- 2. Adequate staffing in all competent agencies present at the border crossing points, including at loading and unloading facilities for barges
- 3. Urgent reinforcing of available infrastructure (IT, SPS control facilities, etc.) at all border crossing points with the Moldova Ukraine and EU borders
- 4. Develop adequate custom infrastructure and establish additional lanes (where possible) for parallel customs clearance and implementation of additional measures to release the pressure from BCP (including by sorting of trucks depending on the goods which are transported).

In the context of the above mentioned, EBA Moldova and EBA Ukraine respectfully requests the urgent support of European Commission to help and secure the supply and maintain the international trade flows between Moldovan, Ukrainian and EU markets.

We remain at your disposal for any potentially required support on the ground.

Respectfully,

Mariana RUFA,

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Executive Director

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