EXPLANATORY MEMORANDUM TO

THE DRIVING LICENCES (EXCHANGEABLE LICENCES) ORDER 2021

2021 No. 537

1. Introduction

1.1 This explanatory memorandum has been prepared by the Department for Transport.

2. Purpose of the instrument

2.1 The instrument allows holders of specified driving licences issued in the Cayman Islands, the Republic of North Macedonia, Taiwan, Ukraine, or the United Arab Emirates ("UAE"), who become resident in Great Britain ("GB") to exchange their licence for a GB licence, thereby enabling them to continue driving without the need to pass a driving test in GB.

2.2 The specified licences in relation to those issued in the Cayman Islands and the UAE are licences to drive mopeds and light motorcycles (not exceeding 125cc), motorcars and small goods vehicles up to 3.5 tonnes maximum authorised mass (with or without a trailer), tractors, pedestrian controlled vehicles and mowing machines. In relation to those issued in the Republic of North Macedonia, Taiwan and Ukraine, the specified licences are the same, save for mopeds and light motorcycles. Drivers will be able to exchange these licences for a licence issued in GB if the holder has passed a driving test in one of the countries designated in this Order, or in a country or territory whose licences can already be exchanged in GB.

3. Matters of special interest to Parliament

Matters of special interest to the Joint Committee on Statutory Instruments

3.1 None.

Matters relevant to Standing Orders Nos. 83P and 83T of the Standing Orders of the House of Commons relating to Public Business (English Votes for English Laws)

3.2 As the instrument is not subject to any Parliamentary procedure there are no matters relevant to Standing Orders Nos. 83P and 83T of the Standing Orders of the House of Commons relating to Public Business.

4. Extent and Territorial Application

4.1 The territorial extent of this instrument is Great Britain.

4.2 The territorial application of this instrument is Great Britain.

5. European Convention on Human Rights

5.1 As the instrument is not subject to parliamentary procedure, no statement is required.

6. Legislative Context

6.1 Section 108(2) of the Road Traffic Act 1988 allows the Secretary of State to designate countries or territories outside the European Economic Area ("EEA") for the purpose of the definition of "exchangeable licences" in section 108(1) of that Act. Such

designation allows the holder of a licence issued in a designated country or territory in respect of a category of vehicle specified to exchange that licence for a licence issued in GB if they become resident.

7. Policy background

What is being done and why?

7.1 This instrument is being made in order to designate the Cayman Islands, North Macedonia, Taiwan, Ukraine, and the UAE for the purposes of the exchange of specified driving licences following requests from the Governments of those countries and territories.

7.2 GB already has in place designation arrangements for the exchange of driving licences from Andorra, Australia, Barbados, British Virgin Islands, Canada, Falkland Islands, Faroe Islands, Gibraltar, Hong Kong, Japan, Monaco, New Zealand, Republic of Korea, Singapore, South Africa, Switzerland and Zimbabwe. These arrangements are put in place once the country has demonstrated that their driving test standards satisfy GB requirements.

7.3 The licensing and testing standards for the categories to which the Order applies have been assessed by the Driver and Vehicle Standards Agency ("DVSA") in the relevant countries and territories, and are considered satisfactory.

7.4 Once a country or territory has been designated, specified licences may be exchanged for GB equivalents subject to the holders meeting the normal requirements on health and minimum ages. Licences must be valid at the time of the exchange application, and a licence issued as a result of a test passed in a vehicle with automatic transmission will be exchanged for a GB licence with entitlement to drive automatic vehicles only.

8. European Union (Withdrawal) Act/Withdrawal of the United Kingdom from the European Union

8.1 This instrument does not relate to withdrawal from the European Union / trigger the statement requirements under the European Union (Withdrawal) Act.

9. Consolidation

9.1 This instrument does not amend others and hence consolidation does not apply.

10. Consultation outcome

10.1 A short targeted consultation was considered sufficient because the proposed changes have no impact on businesses, civil society organisations or public services.

10.2 A consultation on the proposed legislative change for the Cayman Islands ran from 1 August to 29 August 2017. The consultation for UAE, North Macedonia, Taiwan and Ukraine ran between 6 November and 23 December 2020. In both cases the consultation document was published on www.gov.uk and was also brought to the attention of 17 organisations that were identified as having a particular interest.

10.3 There was a low level of response to the Cayman Islands consultation with only 3 replies received. All were positive and supportive. Although the small number of responses reflects the fact that the consultation was only sent to a limited number of stakeholders it is perhaps also indicative of the fact that there is little concern about

the intended legislative amendment as there are similar arrangements already in legislation for other countries.

10.4 The consultation for the remaining countries and territories received a higher response with 83 replies. This reflects the fact that it related to a number of countries and territories and that more holders of these licences reside in GB. The majority (88%) of responses supported the proposal. Where reasons were indicated, the most common reason given was that testing standards for the specified vehicle categories are equivalent and so there is no value in requiring the driver to repeat a test to get a British licence.

10.5 Where respondents were opposed, the only reason given was the suggestion that driving licences in Ukraine could be obtained unofficially and without having to take the test and that this was reflected in Ukraine's road safety statistics. One respondent also raised concerns about Taiwan's road safety statistics. It should be noted that these were views expressed by private citizens and not by road safety groups.

10.6 The response to the consultation for the Cayman Islands was published on 20 April 2018 and is available on www.gov.uk ("Exchange of driving licences issued in the Cayman Islands") The response to the consultation for the other countries and territories concerned is also available on the GOV UK website ("Exchange of Driving Licences Issued in Republic of North Macedonia, Taiwan, Ukraine and United Arab Emirates (UAE)").

11. Guidance

11.1 Existing leaflets and forms and guidance on www.gov.uk will be updated to reflect the new rules.

12. Impact

12.1 There is no, or no significant, impact on business, charities or voluntary bodies.

12.2 There is no, or no significant, impact on the public sector.

12.3 An Impact Assessment has not been prepared for this instrument because no impact on business is foreseen.

13. Regulating small business

13.1 The legislation does not apply to activities that are undertaken by small businesses.

14. Monitoring & review

14.1 The approach to monitoring of this legislation is through analysis of driving licence application statistics by the DVLA.

15. Contact

15.1 John Harries at the Driver and Vehicle Licensing Agency Telephone 01792 783959 or email: john.harries@dvla.gov.uk can be contacted with any queries regarding the instrument.

15.2 Andrew Cude, Head of Strategy and Policy at the Driver and Vehicle Licensing Agency can confirm that this Explanatory Memorandum meets the required standard.

15.3 Baroness Vere at the Department for Transport can confirm that this Explanatory Memorandum meets the required standard.