

## Position of the Polish-Ukrainian Chamber of Commerce regarding the border blockade

In the name of entrepreneurs associated with the Polish-Ukrainian Chamber of Commerce we once again appeal to end the blockade of the Polish-Ukrainian border.

We are aware that a substantial part of Polish motor carriers is disappointed with the present market situation and the lack of action by the outgoing Polish government. We believe that the protesters' demands require a calm discussion with the involvement of government administrations of both countries, all carrier organizations, independent experts, and the European Commission. We need a substantive discussion, lacking emotion and political impact accompanying this blockade!

We appeal to end the blockade because it affects economic cooperation between Poland and Ukraine in the EU. It affects entrepreneurs of both countries. Today, they signal threats to fulfillment of contracts in force, charging of contractual penalties, termination of applicable contracts and withdrawal of partners from previous cooperation. Over a dozen member companies informed us that the blockade cost amounts to over PLN 100 million. As a result of the blockade, freight cost increased over 300 percent and downtime costs can amount to up to EUR 300 per day! This blockade acts as *liberum veto* – serving interests of some, impacting a vast majority at the same time!

We appeal to end the blockade – there is a war going on just outside the blockade, a war started by Russia. Its consequence, mainly the blockade of trade exchange with Russia and Belarus affected economic outcome of some Polish carriers. Most of the impact of the aggression however is borne by Ukraine. Industrial factories are destroyed, workers of strategic branches of the economy die every day, especially in the fields of energetics, rail transport and logistics. The blockade and systemic destruction of ports in the Black Sea which accounted for over 60 percent of Ukrainian exports before full-scale invasion naturally redirected exports to rail and roadways. Larger road transport from Ukraine is not

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a business trick or advantage, but the direct result of Putin's policy. The blockade of Polish border results in similar outcome as the blockade of Black Sea ports by the Russians! A blockade of the land border for bleeding Ukraine means a substantial decrease in foreign trade, resulting in decrease of income to the countries' budget, loss of opportunities for new economic projects. We appeal to everyone – do not fit into the Kremlin's strategy!

We appeal to government institutions responsible for the functioning of the border of the Polish state, which is the border of the European Union, for reliable work, dutiful approach and applying and respecting the law. The border of a democratic country, member-state of the EU is not the Berlin Wall! Polish government is leaving but the state must function – serving entrepreneurs and taxpayers to strengthen the European economy.

We appeal to Ukrainian administration for changes in the electronic registration of vehicles at the border, demanded by protesting Polish carriers.

We appeal to everyone who showed solidarity after 24<sup>th</sup> of February 2022: let us not allow omissions of the outgoing government and the radical protest of some carriers ruin our common work of conciliation and support. Poland has proven to be a hub for humanitarian and military aid for Ukraine. The blockade raises the question: will Poland be able to cope with the challenges of rebuilding Ukraine? Is the country which is not able to ensure the flow of its border ready to become a hub for the reconstruction of Ukraine in the future?!

We would like to inform the entrepreneurs suffering losses due to the border blockade about the possibility of preparing lawsuits for compensation from the organizers, local administration of border communes and State Treasury. Maybe such pressure will restore common sense to everyone?!

Opinion of the Legal Committee of the Polish-Ukrainian Chamber of Commerce is attached below (for those interested, we will indicate law firms ready to act)

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"The organizers of the assemblies blocking the passage of Ukrainian and Polish carriers invoke the constitutional freedom of assembly.

Although the law does provide protection for public gatherings, this freedom is not unlimited. The conditions for exercising the freedom of assembly are specified in the Act of July 24, 2015, Law on Assembly.

Pursuant to the provisions of this Act, the municipal authority is obliged to prohibit an assembly in a situation where - among other things - the assembly would threaten large property. Although the Act does not define this concept, the damage incurred by carriers has certainly reached this level. For this reason, in our opinion, an assembly consisting in blocking the passage of businessmen's trucks is illegal.

Therefore, although the relevant municipal authority did not prohibit the assembly before its organization, pursuant to Art. 20 of the above laws, he should solve them. Failure to do so exposes carriers/entrepreneurs to further damage.

In our opinion, carriers should organize themselves into an association and submit an urgent application to the relevant municipal authorities to disband the meetings blocking the route. If there is no reaction, it is possible to bring a civil lawsuit against: 1) the organizers of the meeting and/or 2) the State Treasury to obtain compensation corresponding to the lost profits. Additionally, if the transport concerns business activity, the business entity may have a claim under the Polish-Ukrainian Agreement on the Promotion and Protection of Investments of 1993. Such a claim could be pursued before an independent international arbitration tribunal."

We appeal for solidarity!

Management Board of the Polish-Ukrainian Chamber of Commerce

Warsaw- Kiev, 25th of November 2023.

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