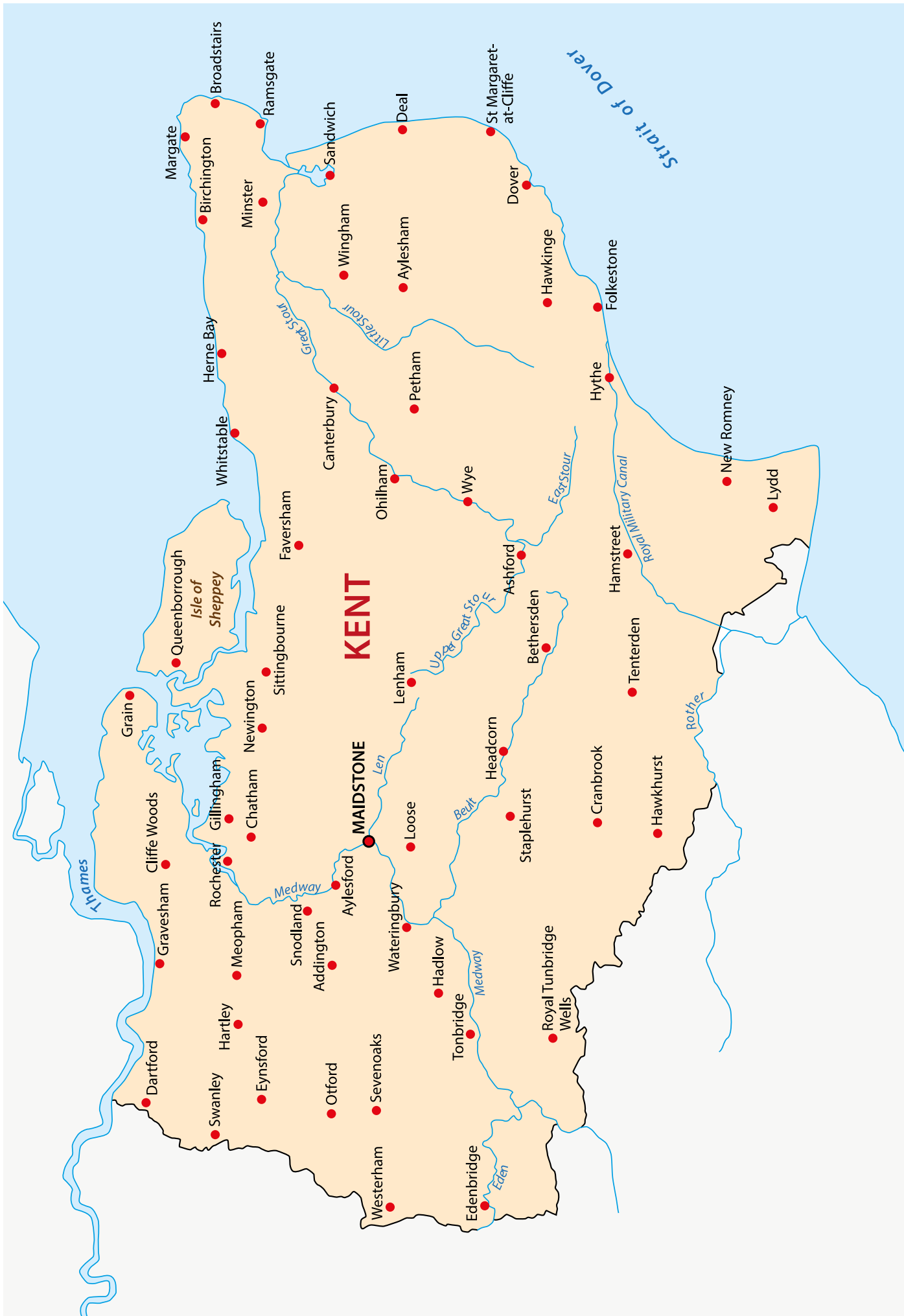


KENT AND MEDWAY: DELIVERING A BREXIT BORDER POLICING, SECURITY, FREIGHT AND CUSTOMS

November 2018



Professor Amelia Hadfield Centre for European Studies
and Canterbury Centre for Policing Research,
Canterbury Christ Church University



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Founded in 2015, the Centre for European Studies is a Jean Monnet Centre of Excellence here at Canterbury Christ Church University. It builds upon high-quality learning, teaching and research in European studies in the Politics and International Relations, based on taught Jean Monnet modules for undergraduates and graduates, and Jean Monnet Chair activities designed to enhance cutting-edge pedagogy and community outreach. CEFEUS' founding philosophy has from the beginning been teaching, training, outreach.

CEFEUS provides a high quality MSc in European Politics, a range of scholarships and studentships, training opportunities on European policies and issues, and many exciting outreach activities designed to connect with civil society in and beyond the Kent area. CEFEUS' public activities, debates, speaker's series, the Brexit hub, and its regular Brexit impact assessments for Kent and Medway, have since focused on the UK's changing relationship with the EU, in a way that highlights 'Kent Imperatives' and raises the profile of the various requirements of the region as a whole.

Canterbury Centre for Policing Research

The Canterbury Centre for Policing Research was founded in 2016. The practitioner-focused centre aims to engage with all policing practitioners including senior leaders, private sector staff, police officers/staff, policing specialists and researchers. The centre works nationally and internationally with other universities and various policing societies, networks and forums. The Centre also works to develop and co-produce applied research that aims to ensure that research findings have an operational / strategic impact.

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CEFEUS KENT AND MEDWAY BORDER ISSUES STEERING GROUP CHAIR:

Matthew Norwell

I am delighted to introduce this report which I hope will provide an insightful, timely and practical contribution to the discussion about the impact of Brexit on Kent and Medway.

I am the chief executive of the Thames Gateway Kent Partnership, a body which brings together the public and private sectors in North Kent to promote economic growth and regeneration.

You might ask why a partnership which is largely focused on North Kent has played a part in helping to produce a report which – on the surface at least – considers the impact of Brexit on Kent’s Channel ports. The reason for this goes to the heart of the interconnectedness of the Kent and Medway economy. What affects one part of the county will often very quickly have its impact felt elsewhere in the county.

Kent and Medway are the UK’s gateway to the rest of Europe (and beyond): the impact of being that gateway is felt right across Kent and Medway. It is something that has shaped the area’s heritage, its culture and its economy. As we get to grips with the potential impacts of the UK leaving the EU, in whatever form that might take, more than anywhere else in England, the immediate consequences will most keenly be felt in Kent and Medway.

Society’s reliance on quick, reliable and flexible trade, which depend on long, complex supply chains, small inventories and just in time deliveries, puts a burden on Kent and Medway not felt elsewhere. This is not simply limited to the area around the Channel ports. Being the main entry point for trade with Europe brings with it a number of unique challenges. Too often these are seen as the county’s problem to solve alone: whether that means traffic management, lorry parking or security and policing of the border. These should be seen as exceptional challenges of national importance, not simply something for Kent and Medway to manage as part of the “business as usual”.

I hope that this final Brexit Impact Assessment report by CEFEUS demonstrates the unique impact that being the UK’s principal gateway to the EU has on Kent and Medway. I further hope that national and local government alike take notice of the key policy suggestions therein, as well as making a practical contribution to the debate about the best way to manage the uncertain times ahead.

Matthew Norwell is currently the Chief Executive of the Thames Gateway Kent Partnership. The partnership It helps to co-ordinate regeneration in North Kent across housing, skills, transport, tourism and the cultural, creative and digital industries, promoting and making the case to government and the private sector for investment in the area, ensuring that the place is able to articulate its collective voice.

Matthew has worked across a wide range of local government functions at strategic and operational levels at a number of different authorities in London, including Greenwich and Westminster City Council, and in central government.

INTRODUCTION

Professor Amelia Hadfield
Director of the Centre for European Studies
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A border is a paradox. It represents both internal and external dimensions, areas within and without. A border is an invisible and frequently arbitrary marker, as well as a profoundly indicative, even strategic location. Above all, a border is the most poignant symbol of all that constitutes a nation-state, in terms of its own national identity, and its connection to its neighbours.

As I write this, in November 2018, the British border has never been more heavily endowed with symbolism since the cessation of hostilities that brought to an end World War II. Against the backdrop of the June 2016 Referendum, the British border is now a device like no other: highlighting the stark divide between itself and its neighbours, between ardent perspectives clamouring to 'regain control' and those equally vehement that Britain's relationship with its European neighbours ought to remain as closely aligned as possible to the EU.

From a practical perspective, the British border is a microcosm of the immense network of procedures, regulations, directives, protocols and procedures daily undertaken by Britain in its relations with the EU, and the world. Getting to grips with the sheer scale of border activity is a challenging goal, and for that reason, this final CEFEUS Brexit Impact Assessment Report is the longest yet produced. It is also the report that has taken us the longest to assemble, simply because of the sheer range of components to be included and the strategic nature of the impacts of the border as a political and social reality here in Kent.

While data-gathering interviews and primary and secondary source analysis began as early as November 2016, the protracted political ambiguity in which the UK government finds itself has forced us time and again to 'keep our powder dry': scheduling, and then rescheduling possible completion and launch dates in an attempt to one step ahead of the range Brexit options (i.e. hard and soft, Single Market and/or Customs Union, quasi-integrated vs associate status), all of which will have profound implications for the sheer degree of change to Britain's borders.

We have endeavoured first of all to be clear about the overarching political dynamics comprising this most difficult of political times. While the passions that continue to dominate the various arguments are now at fever pitch, the *procedural method* as well as the *substantive implications* entailed in Britain exiting EU remain as indistinct as it did prior to and immediately after the June 2016 Referendum on EU Membership. In terms of changes to the UK border, the red lines outlined in Prime Minister May's January 2017 Lancaster House speech remain the most important: namely the proposal that the UK leave both the Single Market and the Customs Union.

In simple terms, this means new checks on goods travelling between the EU and the UK which do not exist today:

- Customs and VAT checks;
- Compliance checks to support both EU and UK standards, traders and businesses.

The British border is therefore the starkest example of the deeply irreconcilable attempt to leave the EU politically and simultaneously remain connected to it economically. In terms of producing a manageable UK-EU border, the stakes are undoubtedly the highest in Ireland, where there is a very real chance of producing political unrest, economic volatility and even a return to the violent past should any new physical border point be constructed. But Kent is host to the British border, and here the consequences for genuine upheaval across the county are no less real. Here, the UK sits aching close to its proximate European neighbour, by virtue of the sheer scale of transit, commercial and tourist activity flowing through Dover and Folkestone, the two largest and most concentrated border points between Britain and the continent.

We have therefore worked hard to be clear first, in assessing the current role of the border within the Kent community; second, in examining the *range of possible impacts* to the border and Kent in terms of an assumed Brexit-induced shift to non-membership of the Single Market and the Customs Union; third in putting forward *practical short and medium-term policy suggestions* which, given the extreme shortness of time, we feel are pertinent to both national and local government.

The report is divided into five key components: socio-economic context-setting; police and security; freight and logistics; border management and customs; plus a series of port profiles.

In each component, our findings suggest that local actors, both public and private, local government and national government already face significant operational challenges at the border on a 'business as usual basis'. Brexit scenarios, based on an assumed shift of the UK from within to without the EU Single Market and Customs Union will result in:

- lack of mobility, connection, and access to key resources for the immediate Kent community;
- civil order and policing challenges locally, as well as a visible reduction in the wide range of key policing, security and judicial tools that Kent Police, British police forces, security operatives and judicial actors currently use in collaboration with European partners under the aegis of the EU, compounded by a lack of clarity regarding the UK's future relationship with the EU;
- real challenges to the strategic road network in Kent arising from bottlenecks at the ports; over-capacity of HGVs on Kent roads; increased non-designated parking;
- wholesale shifts in terms of border management at Dover and Folkestone in terms of applying a host of regulatory checks and customs to goods and passengers alike;
- visible, short, medium and long-term impacts to key UK ports, and also to key UK partner ports in its closest neighbours: Calais, Dunkirk, Rotterdam and Zeebrugge.

The report's **policy suggestions** are all aimed at improving the overall understanding – particularly amongst national decision-makers – of the short-term volatility, the mid-range instability, and the long-term uncertainty that will undoubtedly be felt across Kent – as a frontline county – and the UK as a whole, should effective management not be ensured. To be clear: the changes triggered by Britain leaving the EU will be felt first, hardest and longest at the border. The UK government has a clear, undoubted, indisputable responsibility to the frontiers of its own state: starting with the complex inter-workings of the border itself.

A report of this nature could simply not have been accomplished without a huge amount of trust, good will, cooperation, effort and creativity among all its partners, and at every stage of the game. The Border Issues Steering Group has comprised a range of individuals and organisations, who have attended meetings, one-on-one interviews, phone and email interviews and questionnaires, as well as our own external research trips including Chartered Institute for Logistics and Transport, Ernst and Young, Freight Transport Association, GetLink (Eurotunnel), Highways England, HMRC, HM Treasury, the Home Office, Kent County Council, Kent Invicta Chamber of Commerce, Kent Police, Kent Resilience Group, Kent Trading Standards, King's College London, Network Rail, Office of the Kent Police and Crime Commissioner, Port of Dover, South East Immigration Enforcement, Thames Gateway Kent Partnership, and UK Border Force. Abla assisted by its Chair, Matthew Norwell, as well as the key data provided by our own Canterbury Centre for Policing Research, CEFEEUS staff have worked since late 2016 to produce a balanced, coherent and ultimately practical report identifying the range of strategic sectoral impacts specific to the border, within the broader Kent and Medway community, arising from the anticipated impact of Brexit.

To conclude on a personal note, I have thoroughly enjoyed the intellectual and practical demands involved in putting this report together, the roles and responsibilities entailed in being the Director of CEFEUS, and the opportunity to meet, learn from, and help articulate the myriad essentials of citizens from across the Canterbury Christ Church University community, and Kent and Medway as a whole. It's been a privilege.

*No man is an island,
Entire of itself,
Every man is a piece of the continent,
A part of the main.
If a clod be washed away by the sea,
Europe is the less.
As well as if a promontory were.
As well as if a manor of thy friend's
Or of thine own were:
Any man's death diminishes me,
Because I am involved in mankind,
And therefore never send to know for whom the bell tolls;
It tolls for thee.*

John Donne (1624) Meditation 17, Devotions upon Emergent Occasions

A handwritten signature in black ink, appearing to read 'Amelia Hadfield', with a long, sweeping flourish extending to the right.

Professor Amelia Hadfield
Director, Centre for European Studies
Canterbury Christ Church University

With special thanks for the tremendous amount of hard work, creativity and insight: Stephen, Paul, Estelle and Susan, as well as the superlative CEFEUS team: Christian, Noora, Fennel and Chris.

CONTEXT: WHERE ARE WE NOW?

Socio-Economic Context

We are a community of people who need to move. Mobility gives us access, to goods, opportunities, services and social networks, which sustain us and make our lives worth living. Put simply, if we can't access places, we cannot take part in the activities that enable us to participate and feel socially included in the society in which we live.

Social inclusion is a priority for communities and politicians in Kent and Medway. *The Kent Forum's Vision for Kent 2012-2022*¹ embodies this. Written around three 'big ambitions': grow the economy; tackle disadvantage; and put the citizen in control, the Vision is a county-wide strategy for the social, economic and environmental well-being of our county. Accessibility is fundamental to the achievement of The Vision. Our communities need to be able to move: to access education, employment and local businesses, to 'grow the economy'; to access health and social care, appropriate housing and social support, to 'tackle disadvantage'; and to access the democratic networks that 'put the citizen in control'.

Why is accessibility important to Kent Forum's Vision 2012-2022?

To grow the economy, a functioning county transport network is critical. From a *logistical perspective*, this means that improved functioning of the Strategic Road Network (SRN), our ports and an integrated public transport system need to be fit for purpose to create the conditions for economic growth. From a *policy-based perspective*, policies to build skills and careers of Kent's citizens are dependent upon exposure to opportunities and networks both locally and beyond². Local Authorities for instance propose a range of social policies to improve social welfare, such as reducing the number of Kent residents dependent on out of work benefits, improving skills and offering training, including Job Centre Plus, an interview with a work coach, or to have an assessment for disability support³. However, underlying all these and many other policies (e.g. voluntary sector, tourism, etc.) is the critical, practical requirement for basic *mobility* to access the assistance on offer by local authorities like the Kent Forum. Similarly, Kent's most vulnerable communities must be able to access health and social care, family support and adequate housing. But we know access to health and social care and social networks are mobility-dependent and that our poorest communities tend to be housed in the least accessible estates⁴. In other words, should accessibility worsen across the county – for a range of reasons including Brexit - disadvantage will certainly increase.

Brexit and County-Based Risks

As this report argues, there is a risk that Brexit border changes will deliver precisely the opposite of the Kent Forum's county-wide ambitions: gridlock on our strategic road network; bottlenecks at our ports; and a fractured public transport system due to unreliable journey times on interdependent modes. We know, from Operation Stack in 2015, that bottlenecks, overcapacity and increased non-designated parking lead to localised climate change, an increase in air, noise and waste pollution and environmental damage to verges and local wildlife⁵.

Operation Stack must be regarded as a cautionary tale for the local consequences of Brexit; namely, that accessibility of all types across the county will worsen with concentrated and prolonged traffic disruption arising from poorly-managed changes at the border. A poorly-prepared Brexit poses a genuine risk to accessibility, for all of our communities in Kent and Medway, with impacts on policing, freight, transport, road logistics, and ports themselves.

1 http://www.kent.gov.uk/__data/assets/pdf_file/0003/5475/Vision-for-Kent-2012-2022.pdf

2 Kenyon, S. 2011. Transport and social exclusion: access to higher education in the UK policy context. *Journal of Transport Geography*. 19: 4.

3 <https://www.jrf.org.uk/report/tackling-transport-related-barriers-employment-low-income-neighbourhoods>.

4 http://webarchive.nationalarchives.gov.uk/20100907154242/http://www.cabinetoffice.gov.uk/media/cabinetoffice/social_exclusion_task_force/assets/publications_1997_to_2006/making_transport_2003.pdf.

5 <https://publications.parliament.uk/pa/cm201617/cmselect/cmtrans/65/65.pdf>.

Without a swift re-focus on the impacts of Brexit on accessibility for our local communities, not only will Kent's Local Authorities be unable to achieve the vision of enhancing the social, economic and environmental well-being of our county, they risk the very real threat of a drop-off in overall categories of well-being across our county.

For citizens of Kent, the key point is that **reduced accessibility directly causes disadvantage**⁶.

Policy Suggestions

It is essential that central and local governments act now, to prepare for the economic, social and environmental impacts highlighted above. The following activities are aimed at both national and local government alike to implement, to mitigate the range of identifiable negative consequences arising from Brexit:

1. Understand the impacts of transport disruption for accessibility in our local communities. We welcome work already undertaken by Kent County Council and Dover District Council to understand the likely impacts of Brexit for our local economy, businesses and workforce, local healthcare provision, local policing and local traffic management⁷. We urge that work now turns to mapping local accessibility, under different scenarios.
2. Ensure that the accessibility impacts of Brexit border changes are factored into all social policy decisions. For example, the East Kent Clinical Commissioning Groups are currently consulting on options for the restructuring of urgent, emergency and acute medical care in East Kent. Options under consideration include the centralisation of care, such that each of our main hospitals will offer only one of these three types of care⁸. It is essential that the potential impacts of reduced accessibility are considered in the equality impact assessments for all restructuring options.
3. Plan for behaviour change from 2019 onwards, both short and long term. Individuals' travel behaviour results from a complex interplay of factors⁹. Historically, it is challenging to persuade people to change their travel behaviour. Action needs to be taken now, to increase communities' ability to travel differently and their willingness to do so¹⁰.
4. Consider the role of virtual accessibility. The Vision 2012-22 highlights the importance of action to improve Kent's broadband infrastructure to success in growing our economy. Consider which services that could be delivered virtually in the short term until a permanent solution to replace Operation Brock is agreed and available?
5. Learn from best practice. Larger transport authorities, including Transport for London, Transport Scotland and Transport for Greater Manchester, have a long history of research into and application of technological solutions for traffic management, integrating transport systems, influencing travel behaviour and managing overcapacity caused by planned and unplanned disruption. Private sector initiatives meanwhile have highlighted 'mobility as a service' (MaaS). MaaS service apps could make it easier to travel via public and shared transport, with the aim of reducing car ownership and use: it may very well play a role in helping our communities to adapt to transport challenges, post-Brexit.

6 Kenyon, S. 2015. Development and social policy: the role of transport in the UK context. In Hickman, R., Bonilla, D., Givoni, M. And Banister, D. Eds. International Handbook on Transport and Development. Cheltenham: Edward Elgar. 430-440.

7 Dover District Council Brexit Impact Report.

8 <https://kentandmedway.nhs.uk/latest-news/commissioners-agree-next-steps-east-kent-hospital-services/>.

9 Jones, P., Dix, M., Clarke, M. and Heggie, I. 1983. Understanding travel behaviour. Aldershot: Gower Publishing Co. Ltd.

10 <https://www.transportforqualityoflife.com/u/files/LSTF-What-Works-Report.pdf>.

POLICE AND SECURITY

This section focuses on the policing and security considerations and potential impact of Brexit in relation to Kent and the South-East, and examines three key areas:

1. short-term impact on Kent immediately after a 'no-deal' Brexit (e.g. transport and potential public order related problems);
2. short and medium-term impacts to European and international policing, of particular relevance to the UK government's negotiation of the future UK–EU security relationship, including criminal justice and policing co-operation;
3. short and medium-term impact of Brexit on formal and informal police and judicial coordination (including original data by serving police officers).

Data for this section draws upon evidence from the Home Affairs Select Committee, media interviews and commentary, think tank reports¹¹ and independent research conducted by the Canterbury Centre for Policing Research (CCPR) in association with King's College London, Ghent University, Belgium and the Centre de recherches Sociologiques sur le Droit et les Institutions Pénales (CESDIP, CNRS-Université de Versailles), in France.

1. Short-Term Kent Policing Issues

Civil Unrest Preparations

The immediate impact of the government reaching 'no deal' with the EU has raised concerns relating to a leaked report from the National Police Coordination Centre (NPoCC), which details planning for food and medicine shortages, transport gridlock and civil disobedience.¹² The implementation of such plans have profound implications for Kent Police, and police services around Britain itself. Currently, police chiefs are preparing plans in the event of a 'no-deal' Brexit causing potential civil unrest. While the National Police Chiefs' Council (NPCC) have made it clear that there is no intelligence to suggest that disorder will break out in the case of a 'no-deal' Brexit, they are nevertheless preparing for any eventuality¹³. According to several media sources, in the event of widespread disorder, the military could be called in to assist police¹⁴. Contingency plans include consideration of shortages of food, goods and medicine and the possibility that this will lead to protest and disorder.

Case Study: The 2011 London Riots and the 2012 London Olympics

Large scale incidents or events require large resources, careful planning and communication with local communities. Contingency plans for a 'no-deal' Brexit currently include mobilising 7,000 police officers, a result of lessons learnt during the 2011 London riots. On the final day of the London riots, 6,000 officers were deployed to London with the Metropolitan Police needing additional officers from Thames Valley, Essex, Kent, City of London, Norfolk, North Yorkshire, Hertfordshire, Bedfordshire, Surrey and Sussex to help quell the disorder. The riots resulted in 2,987 people being arrested and £100m worth of damage recorded¹⁵. A report into the police response to the 2011 London riots concluded that too few officers were sent to deal with the unrest, and that police did not respond fast enough on the first night of the riots. The current concern is twofold: the size of government cuts to the police service since 2011; and the nature of civil unrest preparations in anticipation of a 'no-deal' Brexit. During the 2012 London Olympic Games 13,000 officers were required, at a cost of £553million¹⁶, supported by a further 17,000 people working in conjunction with the armed forces.

11 https://www.instituteforgovernment.org.uk/sites/default/files/publications/IfG_Brexit_policing_criminal_justice_web.pdf

12 <https://www.politicshome.com/news/uk/home-affairs/policing/news/98075/police-chiefs-preparing-%E2%80%98widespread-civil-disorder-under-no>

13 <https://news.npcc.police.uk/releases/police-chiefs-to-establish-a-safety-net-if-access-to-eu-security-tools-is-lost>

14 <https://www.theguardian.com/uk-news/2018/sep/18/police-chiefs-no-deal-brexit-would-mean-loss-crime-fighting-tools>

15 <https://www.theguardian.com/uk-news/2018/sep/18/police-chiefs-no-deal-brexit-would-mean-loss-crime-fighting-tools>

16 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/97984/london-2012-public-booklet.pdf

Case Study: Operation Stack

Operation Stack is a form of traffic control last implemented in 2015 as a result of strikes in Calais which lead to lorries being parked on the M20 for 31 days. It placed significant pressure on both Highways England and Kent Police, diverting resources away from their daily activities across Kent and Medway¹⁷, with Kent residents ultimately paying for the disruption. Operation Stack demonstrates that post-Brexit, Kent will indeed become a frontline county, as a result of being impacted physically in the short and medium term more than other counties. At present, despite the increasing likelihood of stoppages and delays radiating into and beyond Kent from the Port of Dover, Kent Police have stated that the operational order for Operation Stack has at this point been neither changed nor amended in the context of Brexit¹⁸.

Communities and Communication

Contingency planning is particularly challenging for Brexit, with the National Audit Office pointing out significant problems in preparation in relation to staffing the border, information technology and widespread uncertainty¹⁹. The nature of the problems that may arise as a result of a 'no deal' Brexit are difficult to predict. This makes it particularly problematic to communicate with citizens in preparing for what may, or may not occur, arising from the still unclear outcome of Brexit (as of November 2018).

Kent Impacts

From the perspective of Kent, particular attention is focused on the Port of Dover as a locale generating potentially extreme impacts in terms of civil disorder, with consequential pressure locally, regionally and nationally. The envisaged problems include serious blockages at the Port of Dover, the Channel Tunnel Terminal (Folkestone) and major roads in Kent. The leaked NPoCC report on police response in the case of a no-deal Brexit obtained by *The Sunday Times* again suggests the possibility of resorting to the military to respond to 'unprecedented and overwhelming' disruption on the road networks²⁰.

There is also concern that stagnant or slow moving traffic at the Port of Dover and surrounding road networks will lead to disruptions for local communities, possibly creating an 'antagonistic' atmosphere in the area. Richard Christian, Head of Policy at the Port of Dover observed that in the case of a hard or no-deal Brexit there could be "regular gridlock" in Kent, with Operation Stack (i.e. the use of the M20 motorway to park lorries awaiting transfer through Dover or Folkestone) implemented "around once a week"²¹.

From the **perspective of policing**, long queues and gridlocked road systems present potential security issues, with commuters of all types swiftly becoming agitated with the situation. Drivers (commercial and civil) alike will need access to food and water, restroom facilities etc., and it is unclear as yet to whom these requirements and their costs fall. Further, in terms of the disruption to key 'just-in-time' items including fresh produce and medical supplies, there is concern that a no-deal Brexit could produce shortages of key goods, foods and medicine, with the added potential to "feed civil disorder", whilst rises in prices of goods could lead to "widespread protest"²².

17 <https://www.bbc.co.uk/news/uk-england-33669561>

18 https://www.whatdotheyknow.com/request/486096/response/1189281/attach/3/18%2006%20835%20Response%20Letter.pdf?cookie_passthrough=1

19 <https://www.nao.org.uk/wp-content/uploads/2018/10/The-UK-border-preparedness-for-EU-exit.pdf>

20 <https://www.independent.co.uk/news/uk/politics/no-deal-brexit-military-police-leaked-document-a8529401.html>

21 <https://www.theguardian.com/politics/2018/jun/20/port-of-dover-warning-regular-gridlock-congestion-hard-brexit-trade>

22 <https://www.independent.co.uk/news/uk/home-news/brexit-no-deal-ports-met-police-cressida-dick-dover-immigration-imports-latest-a8532721.html>

Kent Police Contingency Planning

The key issue is that of police preparedness, and their short and medium-term ability to effectively respond to potential unrest. In the event of a 'no deal' Brexit, Kent Police and other agencies will have competing roles to fulfil. Critically, Kent Police will need to:

- manage the impact of **congested ports** with public order issues between drivers and staff, and the safe management of hazardous goods (both Dover and Folkestone);
- commit resources to manage the Kent road network (either via a renewed Operation Stack or the proposed Operation Brock);
- tackle additional demands relating to mutual aid (police services supporting each other through shared resources) during a period of potential unprecedented demand.

2. Short and Medium-term impacts to European and International Policing

Context

Within the EU, increasing political integration, especially the removal of intra-European borders brought about by the Schengen Accord and the guarantee of the Treaty on European Union's four freedoms brought about the establishment of a European police office, Europol in 1992. Police and judicial cooperation across the 28 EU Member States is played out in a changing social, political and economic context in which key cross-border challenges have to be identified and managed. Equally, with the increasing pluralisation of policing, police reform, varying legislative requirements, public accountability, and frequently dwindling budgets. The importance of information, data-sharing agreements and a shared history of collaboration has produced dramatic changes in the quality of data collected, and the ability of Europol and MS police services to subsequently monitor threats. Brexit, however, may prove the greatest contemporary challenge of all. This section examines the range of tools embodied in EU legislation, regulations, agreements and informal working mechanisms allowing policing agencies between Member States to work together.

European Arrest Warrant

Prior to the EAW, only 60 people were extradited per year by the UK²³. Between 2004 to 2015, the UK extradited over 8,000 individuals to other Member States²⁴. Since April 2009, 12,000 individuals have been arrested across the EU using the EAW, with 1,735 individuals arrested in the UK under the EAW between 2016-2017. Other key tools include Joint Investigative Teams (JIT) and the European Investigation Order (EIO), and Mutual Legal Assistance (MLA). A further proposal in 2013 suggested the establishment of European Public Prosecutor's Office (EPPO) which would seek to prosecute crimes committed against the EU's financial interests.²⁵

European Criminal Records Information System (ECRIS)

ECRIS is a secure electronic system that enables exchanging information on criminal convictions between the authorities of the Member States.²⁶ It is important to note that while maintaining access to ECRIS and SIS II are a top priority for the UK, there is "no precedent for the EU permitting access to its tools by non-EU (ECRIS) or non-Schengen (SIS II) members".²⁷

23 [http://www.europarl.europa.eu/RegData/etudes/STUD/2018/604975/IPOL_STU\(2018\)604975_EN.pdf](http://www.europarl.europa.eu/RegData/etudes/STUD/2018/604975/IPOL_STU(2018)604975_EN.pdf)

24 <https://publications.parliament.uk/pa/ld201719/ldselect/lddecom/164/164.pdf>

25 The UK Crown Prosecution Service (CPS) is a heavy user of Eurojust, while the UK itself is one of the largest users of the JITs, currently participating in 31 (House of Lords, 2016, p. 22).

26 https://ec.europa.eu/info/law/cross-border-cases/judicial-cooperation/tools-judicial-cooperation/european-criminal-records-information-system-ecris_en

27 House of Lords, 2016, p. 2

The Second Generation Schengen Information (SIS II)

Large cross-border data systems are crucial to the identification and reduction of crime. As Deputy Assistant Commissioner Richard Martin, the National Police Chiefs' Council (NPCC) Lead for Brexit observed, "criminals don't respect borders – 70% of transient organized crime groups operate in more than three countries²⁸". SIS II is an exceptionally helpful tool in this respect, having produced 765 million alerts by the end of 2017. Martin outlined the risks of Britain's removal from the SIS II system:

"[we] will no longer be able to share real-time alerts for wanted persons, including serious criminals; respond less swiftly to alerts for missing people on either side of the Channel delaying reuniting them with their loved ones; our collective ability to map terrorist and criminal networks across Europe and bring those responsible to justice would be reduced. We remain hopeful that a deal that allows us maintain these capabilities can be struck²⁹."

Should Britain be unable to make use of SIS II post-Brexit, new arrangements will need to be swiftly negotiated. However, it is clear that in doing so, the current capability of British police to work effectively with EU counterparts in cross border investigations will be materially hindered.

Eurojust

Eurojust is an EU agency which works to support and strengthen "coordination and cooperation between national investigating and prosecuting authorities in relation to serious crime affecting two or more MS".³⁰ Its key tools are **MLA** (Mutual Legal Assistance), **EAW** (European Arrest Warrant), and **JITs** (Joint Investigation Teams).

Europol

The UK has contributed strongly to the development of Europol. Specific developments over the past nine years are in part credited to Rob Wainwright, Europol Director between April 2009 until May 2018 when he was succeeded by Catherine De Bolle. Commenting on Wainwright's leadership in transforming Europol, David Armond, former Deputy Director General of the National Crime Agency (NCA) observed that Europol was "unrecognisable from the one that went before", and that "most of the systems that make Europol effective are a complete lift and shift from the UK intelligence model³¹." Speaking in January 2018, Wainwright himself described the development of Europol in recent years:

"You can see the British DNA of policing in the way this institution works and many other parts of cross-border police co-operation.... Every day there is a police operation here, affecting Britain in a positive way, that Europol is helping with and the essence of that I think will continue - but of course it depends on getting the right deal³²."

Matthew Burton (Head of the NCA's International Crime Bureau), observed that significant contribution from the UK have led to operational advantages in intelligence sharing at both Europol and SIS II:

"...in 2016 the UK was the highest contributor to Europol serious and organised crime analysis projects, and the highest contributor of information in relation to firearms, child sexual exploitation and abuse, money laundering, cyber, and modern slavery³³."

It is precisely these relationships and networks that are crucial to combating international and organised crime both in the UK, and between British and European partners. Brexit-induced changes to access to information across Europe however raises serious questions about the effectiveness of current policing activities.

28 <https://news.npcc.police.uk/releases/police-chiefs-to-establish-a-safety-net-if-access-to-eu-security-tools-is-lost>

29 <https://news.npcc.police.uk/releases/police-chiefs-to-establish-a-safety-net-if-access-to-eu-security-tools-is-lost>

30 House of Lords, 2016, p. 21

31 <https://news.npcc.police.uk/releases/chief-constable-dave-thompson-policing-is-at-the-tipping-point-and-weve-got-to-move-on-from-here>

32 <https://www.bbc.co.uk/news/uk-42874985>

33 <https://publications.parliament.uk/pa/cm201719/cmselect/cmhaff/635/63506.html>

Brexit and the Risk of Reduced Access

The reduction in British involvement with Europol, from the leadership of Rob Wainwright as the former Director, to the extensive expertise built up among seconded police and liaison officers across Europe means fundamental changes in terms of British influence in Europe, and use of European networks and expertise. Simply put, reduced access to key EU policing and judicial tools reduces Britain's own ability to assess, map and respond effectively to terrorist and criminal networks. Partial or no access to large databases like SIS will preclude all the current modes intelligence and real-time alerts on individuals and groups presenting a possible threat to the UK³⁴.

Losing access to European Arrest Warrant (EAW), will likewise have damaging consequences, including extradition delays from the average 6-day time period to 66 days, on the basis of the the 1957 convention³⁵. Arguably, as observed by Steve Rodhouse Director General of 'Operations', NCA, "European law enforcement is more effective when we take *coordinated action on shared priorities*. A lack of access to these European tools would mean a reduction in the ability of the UK to contribute to keeping Europe safe".

Brexit Preparedness

A no-deal Brexit would see Britain revert to a 'third country' status, diminishing its participation in EU-wide collaborative networks and data-sharing options. These would be replaced by:

- the 1957 European Convention on Extradition;
- mutual legal assistance in lieu of the European Investigation Order (EIO);
- relying on Interpol and bilateral arrangements with other Member States

Whilst these measures will over time become workable, they will arguably also be much slower, resource-intensive, and ultimately 'sub-optimal' to Britain's current arrangements as an EU Member State.

In addition, the NPCC, on the basis of £2 million Home Office funding, has set up a new unit to look into alternatives for police services should partial or all access to current European systems be lost. With the support of Chief Constables, and the National Crime Agency (NCA), the NPCC has approved police services contingency plans. Again, despite these preparations, it is expected that the UK will initially have to revert to slower, more bureaucratic processes, making 'it much harder to protect UK citizens and much harder to protect EU citizens'³⁶, as suggested by National Police Chiefs' Council Chair, Sara Thornton.

34 <https://news.npcc.police.uk/releases/police-chiefs-to-establish-a-safety-net-if-access-to-eu-security-tools-is-lost>

35 <https://www.bbc.co.uk/news/uk-45561527>

36 <https://news.npcc.police.uk/releases/police-chiefs-to-establish-a-safety-net-if-access-to-eu-security-tools-is-lost>

Key UK-EU Security Tools and Agencies

TOOL	WHAT IS IT?	WHY IS IT IMPORTANT?	ACCESS OPTION POST-BREXIT
European Arrest Warrant (EAW)	A legal framework that allows bringing criminals to justice across borders	Without the framework extradition would fall under the outdated 1957 Council of Europe Convention on Extradition Article 6 which provides that states can refuse an extradition request for one of their own nationals	EAW does not have provision for third countries. The UK's option is to negotiate a similar but separate agreement with the EU (e.g. Norway & Iceland)
European Criminal Records Information System (ECRIS)	A secure electronic system that enables exchanging information on criminal convictions between the authorities of the Member States	The UK was the second most active Member State in 2016 to use ECRIS to exchange information with other Member States	There is no precedent for the EU permitting access to ECRIS by non-EU states
Second Generation Schengen Information System (SIS II)	A system that allows issuing alerts and consulting between Member States on persons regarding their involvement in serious crimes or rights to enter to the EU countries	SIS II is very well embedded in the UK police force and is used every day. Statistics tell that while the UK only received 0.22% of the total alerts issued in 2016, the UK had the second most (12.9%) access to it	There is no precedent for the EU permitting access to SIS II by non-Schengen states
Eurojust	An EU agency which supports and strengthens the Member States' investigating and prosecuting authorities ability to fight serious crimes that concern two or more Member States	The Crown Prosecution Service (CPS) is a frequent user of Eurojust and the UK is one of the largest users of Eurojust's key tool of Joint Investigative Teams (JITs), having participated in 31 in 2016	There is a precedent for concluding a cooperation agreement that allows data exchange, and the nomination of a Liaison Prosecutor for Eurojust, such as the ones nominated by Switzerland and the US
Europol	An EU agency that supports law enforcement authorities in the Member States and facilitates cooperation between these authorities where the crimes affect two or more Member States	The UK is a significant contributor to European efforts to tackle serious and organised crime, and around 40% of Europol casework has a British focus	Europol has Operational Agreements with 14 non-EU states so there is a precedent for the UK to negotiate an Operational Agreement which would allow the exchange of information, including personal data

3. Short and medium-term impact of Brexit on formal and informal police and judicial coordination

Informal Police Cooperation: the general exchange of information between police forces at the sub-judicial or pre-judicial level as well the many issue-specific police cooperation networks (e.g. sharing of information on new criminal techniques between police in two different EU Member States).

Judicial Cooperation: the exchange of evidence required for the investigation and prosecution of crime in different jurisdictions. This can be the formal request for evidence (e.g. a bank, previous criminal records of suspects, DNA samples), presently conducted by means of an international letter of request (ILoR) or European Investigation Order (EIO) within the EU, much of which is undertaken by the police.

Formal Police Cooperation: combined informal police cooperation and formal judicial cooperation. In some EU Member States (e.g. The Republic of Ireland, the UK), the police are responsible for conducting criminal investigations, whilst in others (e.g. France and Spain) the respective ministries of justice conduct investigations using police detectives. In other cases, police are asked to conduct preliminary investigations followed up by FLoR for formal evidence.

Policing agencies in the UK and Europe have historically relied upon 'informal' arrangements to help make police cooperation work. As legislation and new forms of information sharing has developed 'formal' arrangements have improved cooperation alongside 'informal' engagement between agencies. Europe has a wide variety of different structures of policing and border agencies developing from different social, economic and political histories with centralised command structures. Police services continue to evolve and sometimes embark on significant reform as can be seen by the nationalisation of Police Scotland, and the restructuring of the Police Service of the Netherlands. Despite structural changes to police services, informal and formal cooperation manages to bridge the differences in different police organisations across Europe.

In Britain, many policing arrangements *remain locally delivered and accountable*, with high levels of discretion at an operational level. Such informal arrangements are based on trust and discretion. We know discretion in policing is based on some premise of a legislative context, reason and justification. In the context of cross border cooperation and informal interactions between agencies we can see *systematic discretion* in operation but based on formal agreements on information sharing. Importantly, this informal discretionary arrangement has been allowed to operate and facilitate meaningful cooperation between regions, urban and rural areas, and Member States themselves. We also know that informal policing relationships assist in successfully 'filling in the gaps' between more structured police and judicial relations within the EU.

The question of course is how far *informal relationships* can realistically stretch within the contours of Brexit, and – as per above - to what extent *current formal arrangements* will remain.

Policing Resources in the UK

Policing in the United Kingdom has suffered significant cut backs with over 21,300 fewer officers and a reduction to the overall police workforce of 44,745 employees representing a 18.3% cut on 2010 levels of staffing³⁷³⁸. The police have experienced overall budget cuts of 19% in real terms since 2010³⁹ but the central government contribution to funding has reduced by 30%⁴⁰. As cuts are made to other public services, inevitably demand increases further on policing as the service of last resort. In 2011, the London riots required the London Metropolitan Police to make the unprecedented call for emergency assistance from other police services.

37 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/115745/hosb1410.pdf

38 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/726401/hosb1118-police-workforce.pdf

39 <https://news.nppc.police.uk/releases/chief-constable-dave-thompson-policing-is-at-the-tipping-point-and-weve-got-to-move-on-from-here>

40 <https://www.nao.org.uk/wp-content/uploads/2018/09/Financial-sustainability-of-police-forces-in-England-and-Wales-2018.pdf>

National Police Chiefs' Council (NPCC) Chair, Sara Thornton, speaking in March 2018 in response to Her Majesty's Inspectorate of Constabulary and Fire & Rescue Services (HMICFRS) when asked to assess police effectiveness, said:

"In the last year policing has been under real strain with rising crime and demand that is more complex, an unprecedented terror threat, and officer numbers at 1985 levels. We talked last September about how the response to terror attacks had led to backlogs of incidents and a slower response to the public – and we see in this report that a major force rated as highly efficient is failing to give a timely enough response to vulnerable victims as a result⁴¹"

Currently, all police services review their roles, and contemplate the future in the context of further cuts. Metropolitan Police Commissioner, Cressida Dick describes the contemporary choices open to police leaders:

"You make choices either about reducing the scope of the mission or taking more risk about what you do. Of course, if I speak for the MPS, we have made £7 million worth of efficiencies in the last few years and we are in the middle of the largest change programme the MPS has ever been through, definitely. We have another couple of hundred million to find. I am sure everybody would say there is probably a little bit more efficiency they could squeeze here and there, but what we see is this huge rising expectation and demand that is putting a massive strain on our people, and it cannot go on without hard choices: either, as I say, more money, smaller mission, greater risk appetite⁴²".

The current situation, according to Chief Constable Dave Thompson, depicts British policing as at a tipping point:

"Core aspects of policing - such as answering calls, attending emergencies, investigating crime, bringing offenders to justice and neighbourhood policing - are being pushed beyond sustainability, and are in danger of becoming ineffective to the detriment of confidence in the police⁴³"

Brexit Responsiveness

The general perception is of UK police therefore is as overstretched and inadequately resourced. The immediate focus of this report however is police responsiveness to the multiplicity of direct and indirect challenges arising from the UK's departure from the EU on 29 March, 2019, including logistical congestion to physical networks, and potential public order incidents.

Police leaders argue that current pressures, combined with ongoing austerity measures, have left forces in general less able to protect communities and meet rising demands. The ability of the police to share resources through mutual aid in response to additional demands from Brexit must be called into question when so many police services across the country are feeling the impact of huge budget reductions.

This will leave the police with the difficult decision as to what they prioritize and which areas suffer as a result of being ranked a low priority. This places police services, particularly those in proximity to infrastructure and social pinch points as in Kent, in a vulnerable position in terms of their ability to respond to new and unfamiliar demands.

We can however hypothesize that the impact of Brexit will fall more heavily on frontline areas like Kent where the sheer range, and concentration of tasks, combined with deep ambiguity as to the shape of the outcome, will make the roles and responsibilities of those police organizations that much more critical. In the context of a no-deal Brexit, such pressing resource demands will fall disproportionately heavily on strategically-designated police services including those in Kent and Medway, where – as noted – the impact of Brexit is likely to be felt physically, materially, economically, and socially.

41 <https://news.npcc.police.uk/releases/inspectorate-finds-policing-in-england-and-wales-is-effective-but-under-strain-1>

42 <http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/home-affairs-committee/policing-for-the-future/oral/84322.pdf>

43 <https://news.npcc.police.uk/releases/chief-constable-dave-thompson-policing-is-at-the-tipping-point-and-weve-got-to-move-on-from-here>

Views on the Cross Border Policing and Implications of Brexit: Current Perspectives from Law Enforcement Professionals

The following section contains wholly original research conducted in collaboration with Canterbury Christ Church University (CCCU), King's College London, Ghent University, Belgium and the *Centre de recherches Sociologiques sur le Droit et les Institutions Pénales* (CESDIP, CNRS-Université de Versailles), in France. Research here took various forms, including a central questionnaire aimed at policing professionals working in and between Britain and Europe. What follows highlights the central views of those police officers within the sample, presenting both quantitative and qualitative responses.

It should be noted that the views collected represent personal insights of the participants rather than as representative of the various organisations in which they are employed. Equally, respondents were approached for their specific perspectives as experts with relevant roles, selected in accordance with the working criteria across a border policing cohort between Britain and Europe. While the initial findings represent a small sample (n=57), each of the respondents are highly informed professionals on matters relating to cross border policing activities both between Britain and France, and by implication the importance of international policing arrangements across the European Union.⁴⁴

As outlined above, key EU developments have seen several legislative measures adopted, and key agencies established, including the European Arrest Warrant (EAW), Joint Investigative Teams (JIT), Eurojust, the Schengen Information System (SIS II) and the European Investigation Order (EIO), which together have largely replaced police and judicial tools from the original Council of Europe treaties. The research team was keen to discover:

- police cooperation on the basis of current EU measures;
- the impact of a no-deal Brexit (with Britain withdrawing from *all* European policing bodies, tools and databases), including Council of Europe replacements to investigate and prosecute cross-border criminality.

These perceptions are crucial to understanding the importance of existing arrangements and the challenges of the future.

British-European Police Cooperation

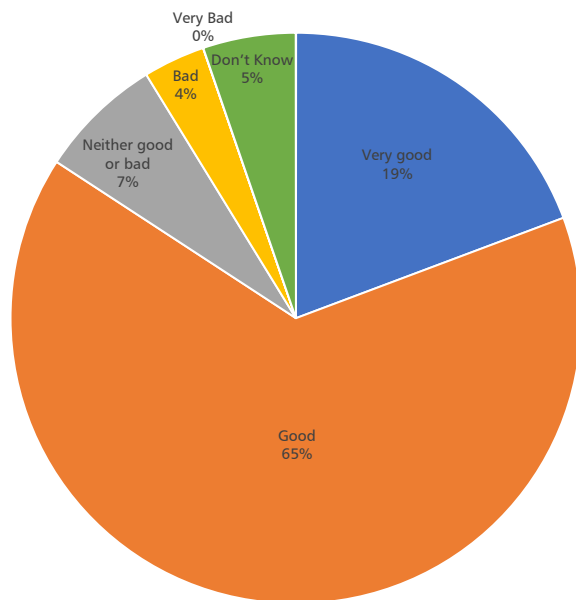
Differences between national agencies requires, as has already been referred to in this report, a mixture of legislation, agreements and informal working. Indeed, there have been questions raised in terms of the British model of policing and fitness for purpose, although past attempts in structure reform have failed⁴⁵. However, a range of complex arrangements have evolved over time within the EU to facilitate cross border working between practitioners, providing a bridge for an otherwise disjointed and fragmented system in which to cooperate.

Given the complexities of cross border policing and the different interests at play between Member States, the views of respondents are strongly positive. 84% of participants believe police cooperation was either 'good' or 'very good', with the majority judging cooperation to be 'good'. A small minority was more neutral in their response, a smaller group believing that cooperation was poor. These responses also reflect varying degrees of success and confidence in terms of police cooperation. Others highlighted areas for improvement including simplification, better knowledge and more sharing. The differences in judicial systems is referred to by a French respondent; structural differences between inquisitorial and adversarial justice systems inevitably constitutes a challenge to cooperation.

⁴⁴ The research was conducted between January and May 2018. Fifty-seven responses were received identifying themselves as police professionals from 17 different countries. Overall the responses were from the United Kingdom (20), France (7), Belgium (6), Netherlands (5), Spain (3), Ireland (3), Portugal (2) and Poland (2). One response was received from each of the following countries: Bulgaria, Croatia, Czech Republic, Denmark, Estonia, Greece, Norway, Romania and Slovakia.

⁴⁵ <http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/home-affairs-committee/policing-for-the-future/oral/84322.pdf> HMIC - <https://www.justiceinspectorates.gov.uk/hmicfrs/media/closing-the-gap-20050911.pdf>

Question 1: What is your view of the present state of policy cooperation between the UK and X agencies within the EU states?



The Impact of EU Measures

While police cooperation may be broadly positive the effectiveness and impact of EU measures reflects further operational value. As outlined above, EU measures aimed at supporting crime fighting have evolved over the years and continue to be adapted to the needs of police services across Europe. While the views of professionals in the field remain positive, a smaller proportion believe EU measure are 'Very good' and 'good'. This in part is influenced by an increased number of participants opting for the 'don't know category'.

Interestingly, although a significant number of participants responded neutrally to the question, no respondents responded negatively. Perspectives in this category refer both to the effectiveness of particular EU measures, and also other outcomes by virtue of working through using these formal

measures. The benefits of enhancing networks and learning experiences have for example been referred to by some respondents. While the majority of respondents comment on the usefulness, and speedier responses enabled by measures particularly EAW, Europol and JIT, a small minority of respondents commented on issues regarding trust and a lack of understanding of particular measures. Overall, the respondents believed the EU measures have a positive impact on cooperation.

A selection of the qualitative responses from public police organization representatives:

"The UK has the largest footprint of staff at Europol & many overseas liaison officers working on a bilateral basis in European countries which enables effective intelligence sharing" (British respondent).

"The level of cooperation is hindered by the UK opt outs but satisfactory to some degree" (Croatian respondent).

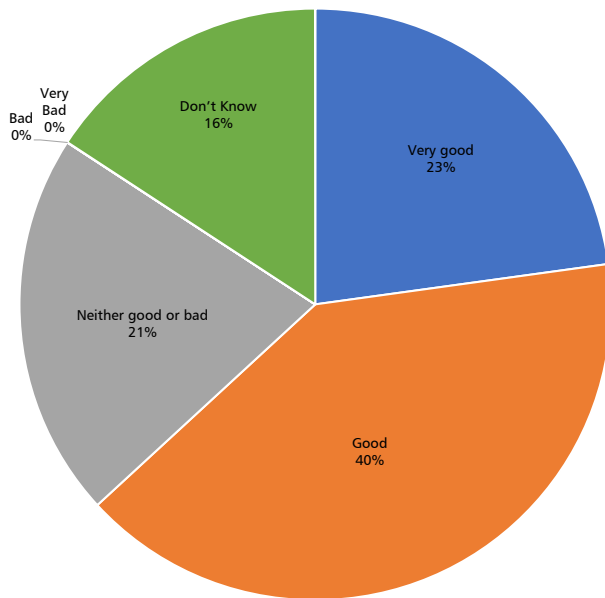
"I've a good relation [sic] with the UK Liaison Officers and this relationship supports the International Cooperation" (Dutch respondent).

"There is a reasonable [sic] good level of information exchange, good cooperation through Europol and bilateral too" (Romanian respondent).

"From a [UK] Police perspective I think it's good -we have a long history of informal liaison ... and have increased European contact through the Foreign Law Enforcement Community FLEC network and working with Interpol. There remains a lack of knowledge in terms of what can and can't be done, there remains an element of 'empire building' in some organisations that can hamper co-operation there are probably too many players, layers and databases for police co-operation to be wholly effective" (British respondent).

"The UK is one of the most active contributors at EUROPOL in relation to criminal intelligence and often initiate opportunities for EU to join effort if combatting serious and organised crime. However, their particular judicial system often limited the possibilities for Police sector to enforce criminal law against large and complex criminal network. Their contribution are [sic] therefore constrained in the intelligence field with limited action at operational level" (French Respondent).

Question 2: What has the impact of EU measures (e.g. EAW, Europol, JIT) been on policing cooperation with the UK?



Informal and Formal Police Cooperation

The survey uncovered the views of officers in relation to formal and informal relationships in international policing in relation to the UK and Europe. Previous research⁴⁶ has identified the existence and importance of these working arrangements. Acknowledgement of formal and informal relationships are interrelated and that the introduction of new arrangements will need to take account of the connection between the formal and informal relationships in providing sustainable international police cooperation work.

The objective of pursuing and prosecuting criminals can therefore be hindered or enabled by effective agreements that impact on perceptions of formal relationships. A high proportion of respondents believed formal relations with either 'very good' or 'good'.

Although, a positive response to EU measures this question was among the other questions relating to police cooperation scored less positively in the highest category. The challenges around legislation, powers and agreements create demands of police with particular levels of knowledge to operate effectively and can according to some respondents create delays and bureaucracy, although this was only noted by a small number of respondents.

A selection of the qualitative responses from public police organization representatives:

"All measures that increased a lot the Justice and Police cooperation not only with the UK but also with the 27 other member states" (Belgian respondent).

"EAW and JIT framework are both very important tools for an efficient judicial response to crime. As a Norwegian participant struggling to come around the shortness of EAW (and just recently joined the JIT framework) this is obvious" (Norwegian respondent).

"The UK makes extensive use of EAWs both to arrest fugitives from the UK and those of our EU partners in the UK. The EAW is a powerful tool, which enables us to ensure the speedy repatriation of our fugitives, but also ensures the speedy removal of foreign fugitives from the UK. JITs are utilized by the NCA and larger metropolitan forces but not to the same extent as EAWs. EUROPOL and CEPOL are used extensively by all of UK law enforcement. The UK Team at EUROPOL consists of NCA, MPS, HMRC and Border Force Officers" (British respondent).

"...police cooperation through JIT or EUROPOL's activities has been excellent and not only in exchanging operational intelligence but also in providing relevant accurate and up to date strategic intelligence" (French respondent).

⁴⁶ Gallagher, F (2003) 'Cross-border Police Cooperation: The Kent Experience' in J. Anderson, L O'Dowd & T.M Wilson (eds) *New Borders for a Changing Europe*, London: Frank Cass Publications, pp. 111-134.

Question 3: How would you describe the 'formal' policing relationships between the UK and European partners in relation to prosecution?

A selection of the qualitative responses from public police organization representatives provide further context to view on **formal relationships**:

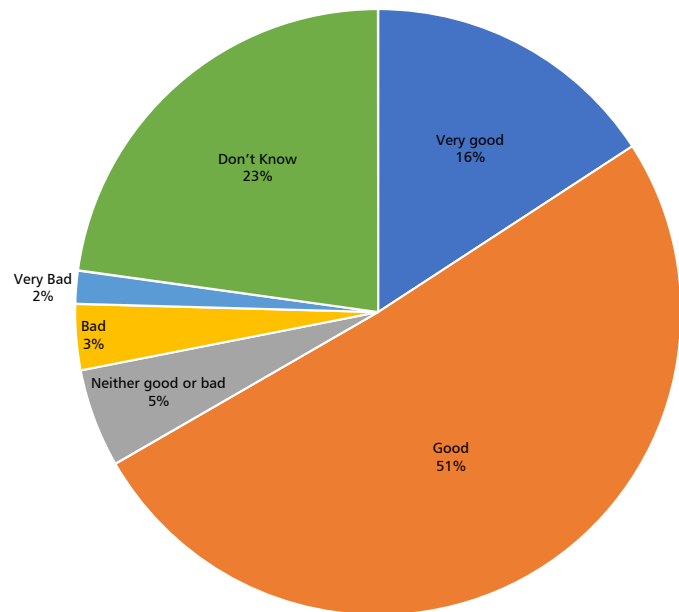
"UK participation in the strategic work at Europol will be affected after the Brexit. This will result in less impact on European priorities, which are also of relevance for Third Parties in Europe. This is very visible for a country as Norway who has a TP role both at Europol and Eurojust" (Norwegian respondent).

"There are well established formal protocols for requesting and exchanging evidential material for use in prosecutions. These have assisted UK law enforcement in bringing numerous prosecutions to court" (British respondent).

"...the processes are now clear and if followed provide a valuable service, I think more can still be done to educate officers in what is available but this improves on an almost weekly basis as the Police and LEA's have more cause to liaise with European partners, I also refer to our relationship with non-euro partners, this relies heavily on established contacts and networks and the pathways are less clear" (British respondent).

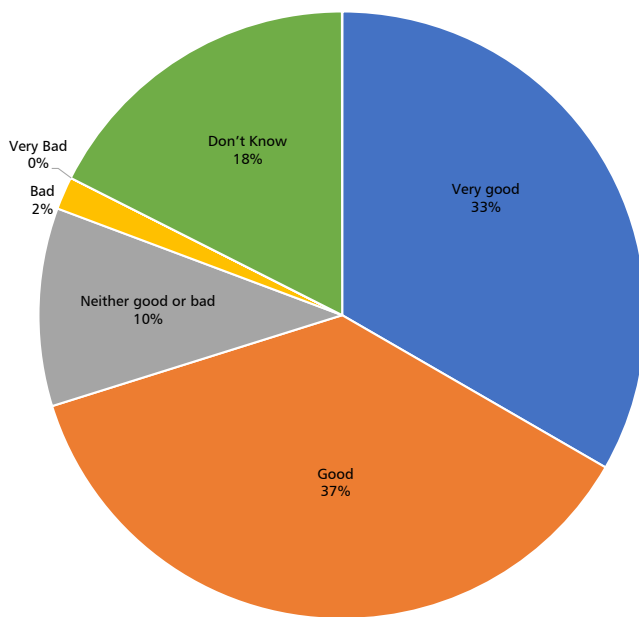
"In contrast to the past, the relationship between Belgium and the UK within the framework of police cooperation and information exchange has become much better" (Belgian respondent).

"Via Europol, the different Liaison Desks had direct contacts and could discuss directly cases or operational strategies" (Belgian respondent).



Question 4: How would you describe the 'informal' policing relationships between the UK and European partners in relation to prosecution?

Informal relationships can be linked to formal arrangements in that they can be the source of establishing relationships where more informal communication is pursued and built up after working in a formal context. This was the most positive response from participants in the survey with 33.5% rating informal relationships as 'very good', with few respondents with neutral or negative views, and a minority selecting the 'don't know option'. While others suggest room for improvement (a majority of participants did not elect the 'very good' category), in the overall context of the complexities of implementing cross-national agreements, this can be seen as evidence of reasonable success.



Brexit Impacts to formal and informal policing

The short-term impact could be significant, with no deal or transition in place there will be no formal framework to conclude any informal police cooperation. In addition, the lack of a formal framework would place limitations on the impact of informal relationships. For example, without the ability to exchange evidence, and relying solely on 1957 Council of Europe Convention on Extradition would ultimately prove more bureaucratic than current arrangements. In addition, the impact of an inevitable reduction in the number of EU liaison officers based in the UK, or British officers within Europol may have a direct impact on the viability of formal and informal cooperation.

The following free text responses provide further detail regarding attitudes to formal and informal policing

"...depends of course on the countries and persons. Informal networks existed, exists and will always exist. 'Old boys' networks" (Belgian respondent).

"There are extremely effective informal channels of communication between the UK and European law enforcement partners where criminal intelligence is often exchanged ahead of formal requests for evidential material. This is facilitated by the extensive liaison officer network the UK has in Europe and the EU liaison Officers based in the UK. Officers also utilize contacts made on CEPOL and EUROPOL courses and conferences"(British respondent).

"One criticism is that the UK regularly asks its partners for assistance (e.g. surveillance and controlled deliveries), but frequently doesn't have the capacity to reciprocate these services"(British respondent).

"We have a good network of informal, European policing partners built up over a number of years on mutual trust and confidence" (British respondent).

"With impact of increased demand and reduced capacity across most Policing spheres of expertise informal requests are not a priority and will be dealt with as and when capacity allows. This can result in missed requests" (British respondent).

"Through the good cooperation and participation in international conferences you build a strong network that is a big advantage"(Belgian respondent).

The Impact of Brexit on Policing

This aspect of the research turned to perceptions regarding the potential impact of Brexit, in terms of both current relationships, short-term alternative measures, and longer-term requirements. Three questions were asked of respondents in this respect: A selection of the qualitative responses from public police organization representatives provide further context to view on **informal relationships**.

Question 5: If the UK was unable to participate in EU arrangements⁴⁷, what do you think would be the impact on policing cooperation in the EU?

Of the three questions asked regarding the impact of Brexit, being unable to participate in particular EU arrangements provided the strongest response. Situated within a 'no deal' or hard-Brexit scenario, assuming an absence of British usage of current EU measures, 93% of respondents (both British and European) expected some overall impact on current policing structures, and 78.8% expected a very strong, or strong impact. Only 5% considered that there would be no impact at all. Indeed, the consensus points clearly to the **potential impact on both sides, both the UK and the EU**, including the consequences of ultimately undermining current, positive working relationships, reducing the overall ability of UK police to protect UK and European citizens post-Brexit. While informal relationships may operate, other views highlight serious concerns about delays, and the day-to-day impact of a 'no deal' Brexit.

The following free text responses provide more detail regarding no-deal consequences for UK-EU policing cooperation:

"Without European Investigation Orders/Arrest Warrants, we could not secure the arrest of UK suspects in Europe or evidential material" (British respondent).

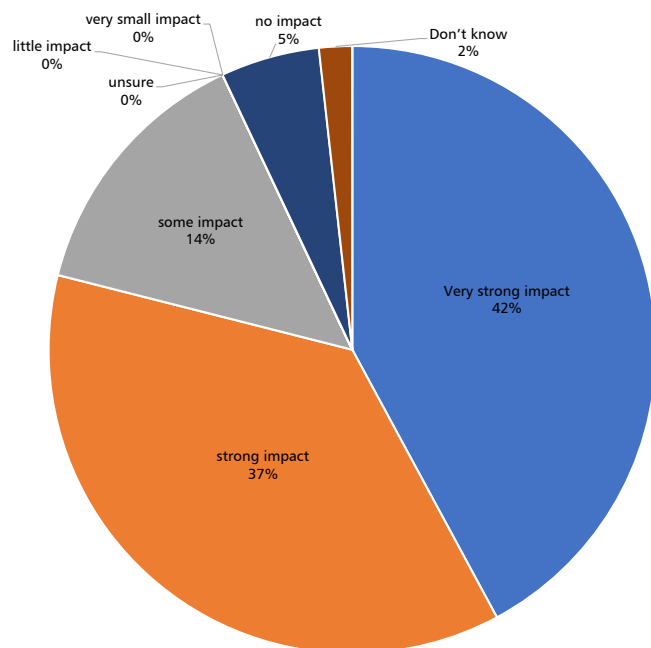
"The UK would have to fall back on UN declarations and accords and although cooperation would continue it would be slower and more bureaucratic" (British respondent)

"EAWs and JITs are useful law enforcement tools and a potential lack of access to them could hamper international cooperation" (British respondent).

"The mutual legal assistance will be always available but may be affected by a strong delay" (Slovak respondent).

"Any disruption in the process for serving European Investigation Orders would have an impact on UK investigations that have an overseas dimension" (British Respondent).

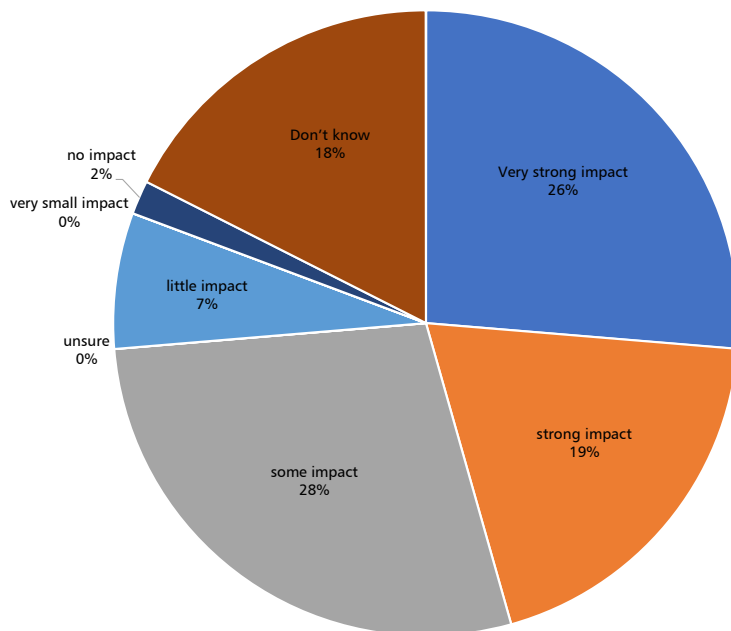
"Lacking the EU instruments for cooperation would impact negatively and only bilateral cooperation, if established, would bring improvement but not at the level of effectiveness existent before" (Romanian respondent).



⁴⁷ EAW, JIT, PRUM, SIS II, Europol, Eurojust, Interpol, EIO, ECRIS, Informal cooperation networks (E.g. CCIC, PWGT, Club of Berne, ColpoFer, EAASP, EJM etc.), and juxtaposed border controls.

Question 6: In your view, will Brexit have any impact on the effectiveness of cross-border prosecution and judicial cooperation between the UK and the EU as a whole?

The post Brexit impact of prosecution and judicial cooperation also attracted a clear response with 73.7% believing there will be impact and 45.6% believing there will be a very strong or strong impact. Some responses expressed concern about not knowing which changes will occur, suggesting a range of replacements will be needed to ensure basic cooperation works. As the responses indicate, the overall ambiguity of Brexit itself – in terms of which current arrangements will be retained or new measures introduced - makes it enormously difficult for practitioners to assess with any certainty any of the multiples outcomes. Comments range from throwing European police cooperation back decades to rising delays, and distrust, all significantly slowing police cooperation. There is a clear warning from this sample that negative outcomes are highly likely if clear UK-EU cross-border police and judicial agreements cannot be made.



The following free text responses provide more detail regarding no-deal consequences for UK-EU judicial cooperation:

“If formal borders, we go back in time: 30-40 years ago. Will depend on the Brexit final agreements” (Belgian respondent).

“It will make it a lot more complex and time consuming. The UK will have to rely on newly negotiated bilateral agreements and UN accords” (British respondent).

“We [would] have no recognized measure [with which] to interact and exchange evidence” (British respondent).

“The process will be more cumbersome and outgoing requests will cease due to inertia and incoming requests will take longer, cost more and be unsatisfactory to the requesting country” (British respondent).

“Issues such as EU arrest warrants, the sharing of data and participation in EU operations will all be affected” (Irish respondent).

“A new framework for cooperation has to be designed” (Romanian respondent).

“We don’t know the impact on current working practices, access to Schengen, EIOs etc. We don’t know what will be agreed decided between EU and GB on these issues” (British respondent).

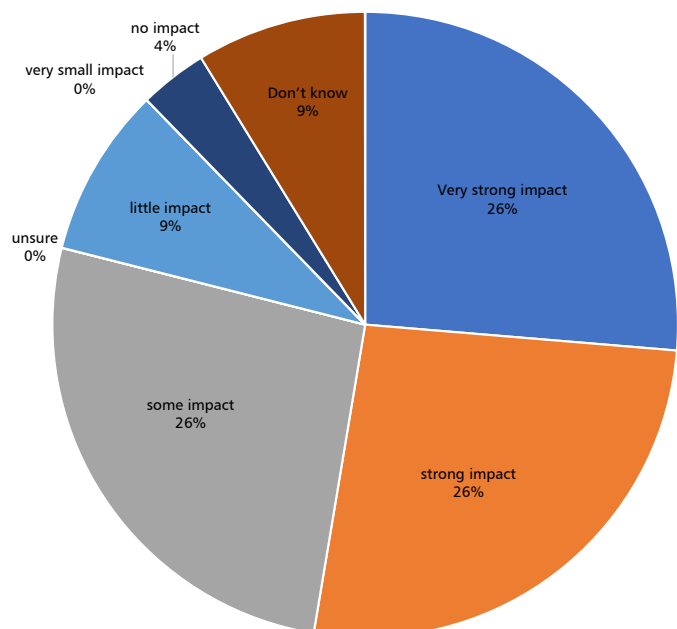
.... it will for sure slow down any process and led to more complex mechanism” (French respondent).

Question 7: In your view, will Brexit have any impact on the effectiveness of cross border policing cooperation between the UK and the EU?

The impact of cross border cooperation is difficult to predict. Police services often 'make things work' when dealing with emergencies. Discretion is often used and in the long history of international policing cooperation adaptation and persistence have been key. However, continental models of policing are more politicised in terms of the command processes and structures. This raises the question of political influence on the future of police cooperation. Here, responses range from acknowledging that cooperation is likely to worsen, to a belief that agreements to bridge the differences will simply have to be made.

The sheer necessity for such arrangements - even if sub-optimal – emerges as a clear response. Others suggest the short-term agreements will change as perceptions and circumstances themselves shift, including the potentially damaging consequences of a no-deal outcome. Unsurprisingly, a key issue is border management, including issues of EU and UK citizenship and new customs arrangements. As of November 2018, no new or alternative measures regarding cross border policing have been put in place. Police leaders have stated that if current arrangements are not maintained then future cooperation will be more time consuming, and less effective.

The following accounts from respondents provide more detail regarding 'no-deal' consequences on cross-border policing arrangements:



"At a policing level I believe the will to make it work will endure but there will be difficulty and require good relationships" (British respondent).

"The UK will still retain a presence at Europol as the US and other non EU countries do. This should not affect our ability to share intelligence" (British respondent).

"We will assist a hard negotiation, but in the end UK and EU will achieve a solution in terms of prosecution and judicial cooperation" (Portuguese respondent).

"The UK will be isolated more" (Belgian respondent).

"The Irish/Northern Irish border is a huge unknown, and a worrying issues because organized crime groups (OCGs) take advantage of the unpoliced land border to engage in excise fraud. UK and FR cooperation is currently good in terms of fighting alcohol fraud, mainly due to intelligence sharing and combined controls. Brexit will probably change this for the worse" (British respondent).

"Leaving the EU will deprive the UK of access but above all finance from the EU communal organisms and thus limit the presence of our colleagues from meetings and operations which are however important for the dismantling of European structures" (French respondent).

"Information sharing will become more difficult. New agreements will need to be drawn up which takes time" (British respondent).

"...much relies on bilateral agreements, and therefore has little effect. The biggest effect in the context of Brexit is the change in border control (NO EU citizens anymore) and in the field of customs legislation" (Dutch respondent).

"Other cooperation exchange channel can be used such as INTERPOL however it will narrow down the opportunities for UK and EU to exchange" (French respondent).

Policy Suggestions

The process of negotiating Brexit is the overarching uncertainty in the absence of an agreement, and lack of clear contingency planning in terms of preparing for a hard Brexit, or a 'no deal'. Even if a deal can be achieved the content of the deal and the likely impact on policing, ports and international police cooperation leaves little time to undertake the necessary preparations. While international police cooperation has been successful in recent years, the departure of a leading state within the EU framework is unprecedented. Nor are the consequences known in terms of regional, national or local communities. While much remains unknown, a few vital plans must be put in place involving national and local government, national and local policing, and respective EU and European counterparts:

- The importance of national and local coordination to understand the cumulative impact across ports and public – private services locally and nationwide is crucial for preparation.
- Community awareness and preparation will be crucial to mitigating impact.
- Negotiations must aim to achieve outcomes that match as closely as possible the current arrangements.
- The limits of mutual aid and the need for military intervention needs to be carefully monitored while keeping public informed of plans.
- National assessment of transport network congestion and identification of strategic hotspots for congestion, public order and resource needs.
- Identify additional crime threats.
- Assess the cost of 'no deal' and 'a deal' and ensure that Kent residents are not disproportionately responsible for additional resource requirements for a national crisis arising out of Dover and Folkestone.
- Identify potential community impact when police resources are taken away from communities to meet other roles and responsibilities as a result of Brexit.
- Identify key resource needs for public services in run up to March 2019 and ensure they are in place in a timely manner.
- Examine the need for an effective, ground-breaking model that contains the entire spectrum of internal security capabilities between the UK and EU, not merely a 'pick n mix' approach.

In the final analysis, it is the findings from the survey, taken from existing law enforcement officers engaged in international cooperation and collaboration between the UK and other EU Member States that is consistent and insightful. It is here that the future post Brexit practical cooperation or, the potential lack of it and its complexities, lie. The existing EU frameworks will now disappear from the UK tool-box. The time and resource to replace such effective multi or bi-lateral frameworks is incalculable thus affecting the UK's ability to effectively execute and manage trans-national police cooperation.

CIVIL SOCIETY PREPAREDNESS: NATIONAL AND COUNTY-BASED RESPONSES

The report has already used as case studies both the preparation and unrest entailed in the 2011 London riots, and the challenges of the 2012 London Olympics. What stakeholders of our border steering committee highlighted time and again is that despite the enormous challenges – practical, physical, logistical, social, economic and more that Brexit presents, planning for Brexit itself appears sparse at best and non-existent at worst. “From the perspective of local communities, and local businesses, there is a real sense that they have been left without any information as to what to expect in southeast Kent as an immediate impact of Brexit”. To explore whether these perceptions held true, CEFEUS examined the range of actors and plans on offer in terms of local and national planning.

The Risks

A no-deal scenario will put key systems at risk, will put infrastructure under pressure as nothing will be built before the UK's exit and any additional border staff may not be available immediately, it is estimated that around 2,000 more border staff will be needed in the event of no deal. Equally businesses will not be able to make changes in time in the event of no deal, this is problematic as government can only implement some of the changes and they will be reliant on third-parties such as traders to make the necessary changes to their systems.

Government departments have begun civil contingency planning to deal with any potential disruption at the border after 29 March 2019. The plans aim to provide ways to cope with issues such as queuing in Kent, to ensure that the supplies of goods and medicines are not hampered by increased traffic flows around the ports in particular. The UK government has accepted that the first day of a no deal scenario will result in the border offering less than optimal functionality, meaning that there may be delays in goods crossing the border⁴⁸. In order to avoid this level of functionality, the government must be aware that although materially - the functioning of the border may not drastically change in the short term - it is a concern that organised criminals and others will be quick to exploit any weaknesses that they perceive or any gaps in the enforcement regime. This issue could also be intensified by the UK's potential loss of access to EU security, law enforcement and criminal justice tools. The National Crime agency⁴⁹ stated in 2018 that any loss to shared EU tools and databases will lead to a fragmented and less effective responsive to crime from UK agencies.

National Government

To manage potential disruption at the border after 29 March 2019, government departments have begun civil contingency planning. In the event that member states apply third country controls to imports from the UK, there will be a significant impact on the flow of traffic crossing the border.

The **Border Delivery Group (BDG)** has been established to work with departments and the Cabinet Office's Civil Contingencies Secretariat to help put civil contingency plans in place. Plans are progressing to cope with issues such as queues of traffic in Kent, and to enable the continued supplies of essential goods and medicines. Thus far, the BDG has aided the government's understanding of the changes that will be necessary at the border, and undertaken some work on possible scenarios, mainly focusing on no deal and the impact on roll on roll off ports.

48 <https://democracy.kent.gov.uk/documents/s85283/ImportControlsPostBrexitandtheirImpactonKent.pdf>

49 <http://www.nationalcrimeagency.gov.uk/news/1469-nca-statement-on-contingency-planning-in-relation-to-uk-withdrawal-from-the-european-union>

Reviewing the UK government's preparations thus far, the National Audit Office recently concluded that the effectiveness of the BDG's border planning and delivery has been affected by the uncertainty surrounding the ongoing negotiations, a problem affecting virtually all other departments in terms sheer reduction of time available to plan and implement any necessary changes to systems or infrastructure at the border, increasing the risk of effective border operations. The National Audit Office has also highlighted the concern that the BDG only began detailed planning work in relation to the problem of the Irish border in July⁵⁰.

DEXEU: The Department for Exiting the European Union have released a series of technical notices providing information to businesses and citizens on the risks facing the UK in the event of a no-deal scenario⁵¹. DEXEU states that it is still unlikely that the UK will leave the EU without a deal, but that it is important to prepare for all eventualities. DEXEU further reiterated that they wish to secure a deal that is in the best interests of Britain and that the EU have also been clear in their desire to reach a negotiated agreement with the UK.

National Police

Plans include mobilising 7,000 officers, which resulted from the lessons learnt from the 2011 London riots. Particular attention is focused on the port of Dover, but sources on law enforcement commented that this was also a wider issue that encompasses other ports and places where cargo and goods enter the UK. Police chiefs have stated that due to government cuts it is in doubt as to whether they would be able to send officers across the country to deal with any civil unrest and at the same time ensure that their own areas are kept safe⁵². As outlined above, this has resulted in the possibility of police calling on the military for assistance in the case of any outbreaks of civil disorder. There is growing concern that if the immediate aftermath of Brexit results in shortages of goods, food or medicine then this could have the potential to escalate into disorder.

Metropolitan Police Commissioner Cressida Dick has further stated that police are preparing for disorder at British ports in the event of a no-deal Brexit, but added, "at the movement in planning terms it's a long way off because there are so many uncertainties that could happen".⁵³ Further, the Ministry of Housing, Communities and Local government is advertising roles for "resilience advisor"⁵⁴, with a limited job specification but it does outline that the role will "prepare for, respond to, and recover from civil emergencies of all types".

Kent Police

Kent Police have stated that they do not expect riots after the UK exits the EU, with Chief Constable Alan Pughsley arguing that nothing will really change in the county in the immediate aftermath of March 29, 2019. Mr Pughsley added that "from a European point of view⁵⁵, I think we will be in the same position as we are not...British policing is the biggest inputter of intelligence into Europol and Interpol. The European partners would not like us not to be part of that either because of the obvious loss of intelligence and information" adding that Kent police will continue their bi-lateral agreements with French forces. However this account of what will happen post Brexit does not account for the possibility of civil unrest flaring up as a result of increased pressure on infrastructure on Kent roads. If there are longer waiting times at the port, causing delays for time sensitive goods then this may also contribute to a more antagonistic atmosphere in Kent and beyond. Civil unrest may not be the result of Kent Police's future relationship with European policing agencies, but it may be the result of any pressure that is put on the county if the ports become clogged.

50 <https://www.bbc.co.uk/news/uk-northern-ireland-45959793>

51 <https://www.gov.uk/guidance/exiting-the-european-union>

52 <https://www.theguardian.com/uk-news/2018/sep/18/police-chiefs-no-deal-brexit-would-mean-loss-crime-fighting-tools>

53 <https://www.independent.co.uk/news/uk/home-news/brexit-no-deal-ports-met-police-cressida-dick-dover-immigration-imports-latest-a8532721.html>

54 https://www.huffingtonpost.co.uk/entry/brexit-civil-emergencies_uk_5bbcd701e4b028e1fe41fea0?guccounter=1&guce_referrer_us=aHR0cHM6Ly93d3cuZ29vZ2xlLnVlLnVrLw&guce_referrer_cs=nBtUsURXAJqKdTn1dAWnFQ

55 <https://www.kentonline.co.uk/kent/news/police-chief-plays-down-brexit-riots-190488/>

Kent County Council

Paul Carter, Leader of Kent County Council, has stated that the Government must maintain its commitment to frictionless trade to ensure Kent does not become gridlocked⁵⁶. He stated that KCC intended to 'urge the UK Government to uphold their commitment to a 'frictionless as possible'⁵⁷ border to continue to facilitate free-flowing trade and transport throughout Kent.' Dover District Council meanwhile has created the *Dover District Brexit Taskforce*⁵⁸ to look at the local effect of Brexit. It includes MPs Charlie Elphicke (Dover and Deal) and Craig Mackinlay (South Thanet), in addition to representatives from Kent County Council, Port of Dover, Getlink and Dover Council.

The Dover District Brexit Taskforce has had one meeting thus far and have prioritised:

- A resilient road network.
- Investment for enabling systems to ensure frictionless trade continues and is improved.
- Continued mutual recognition of food and animal health and maximum facilitation between the EU, UK government, Port and Hauliers.
- Clarity from the government to enable readiness on Day One.
- Raising awareness of the specific needs of Dover on as many agendas as possible.

56 <https://www.kentonline.co.uk/kent/news/carter-keep-to-your-frictionless-trade-promise-183165/>

57 <https://democracy.kent.gov.uk/documents/s85283/ImportControlsPostBrexitandtheirImpactonKent.pdf>

58 <https://www.kentonline.co.uk/dover/news/task-to-cope-with-brexit-184914/>

FREIGHT, STRATEGIC ROAD NETWORK, AND LOGISTICS

Since the EU Referendum in June 2016, attention has been directed towards the impact Brexit will have on Ireland, largely due to the historic troubles that have occurred. However, whereas the Ireland-Northern Ireland border has approximately 275 crossing points, the county of Kent has 4 (Dover, Ramsgate, Folkestone and Sheerness). Yet, Kent accounts for approximately one third of Britain's trade in goods with the world, the majority of which travels through the Port of Dover and Channel Tunnel.

The Kent Imperative

The county of Kent is home to 1.8 million people and a key locale for the majority of British imports and exports. Kent hosts three ports: The Port of Dover, the Port of Ramsgate and the Ports of Sheerness, in addition to the Folkestone Channel Tunnel link to les Coquelles (Pas-de-Calais). Owing to the geographical constraints that exist, Brexit will have a profound effect on Kent, and in particular, freight. It is therefore important that the Government understands the nature of what we at CEFEUS call the 'Kent Imperative': i.e. challenges arising from Brexit currently facing Kent as a frontline county that are strategic in terms of impact and critical in terms of preparation time. Britain's departure from the European Union will likely further frustrate these issues and therefore it is important to address the root causes of a range of 3 anticipated problems: (1) **bottlenecks at the ports**, (2) **overcapacity of HGVs on Kent roads, particularly on the M20 and A2**, (3) **and increased non-designated parking, rather than the symptoms alone**.

Context: the Port of Dover and the Channel Tunnel

The Port of Dover handles £122 billion worth of goods annually, representing 17% of the UK's entire trade in goods, where 99% of transport is via 'roll-on, roll-off' (roro) ferries. The Port of Dover is considered to be both the busiest Roro Port in Europe, and the busiest passenger port in the UK⁵⁹. The Port of Dover alone accounts for approximately 10,000 HGVs per day, the equivalent of an 180km queue. Due to the limited space (i.e. the port can only accommodate fewer than 1,500 HGVs plus tourist traffic at any one time), the Port of Dover must turn over the equivalent of its entire holding space 5-6 times a day, in contrast to container ports which does so only every 5-6 days⁶⁰

Currently, EU trucks account for 99% of freight traffic, with ferry crossing times are roughly 90 minutes. The Channel Tunnel also handles approximately £120 billion worth of trade and 1.6 million HGVs per annum⁶¹, equating to roughly 6,000 HGVs daily. A substantial amount of freight that moves through the Channel Tunnel is considered part of the 'just-in-time' supply chain, where speed is of the essence. The tunnel's journey time is roughly 35-40 minutes, serviced by Eurotunnel's fleet of 15 shuttles, with up to six running per hour⁶². The largest product by value that travels through the Channel Tunnel is postal and courier freight, valued at £21.5 billion, and food goods, valued at approximately £9.2 billion⁶³. In 2016, approximately 30% of food consumed in the UK was imported from the EU, with 49% produced domestically. Both the Channel Tunnel and the Port of Dover have ambitions to grow. Channel Tunnel is expecting growth to increase by up to 30% in the next five years, whereas the Port of Dover estimates growth at 2-4% during the same period.

CEFEUS's recent trip to the Channel Tunnel revealed the intrinsic nature of the 'ro-mo' (roll-on motorway) that operates between Folkestone and Coquelles; as a typical Eurotunnel shuttle can carry up to 24 lorries with up to six shuttles per hour. But it is also the speed of which the tunnel operates, with the typical shuttle spending just 12 minutes for unloading and a further 12 minutes to load the next set of HGVs before setting off again. Finally, the limitations of the site in terms of space ensures that any delay will have a serious economic and practical impact on the Channel Tunnel.

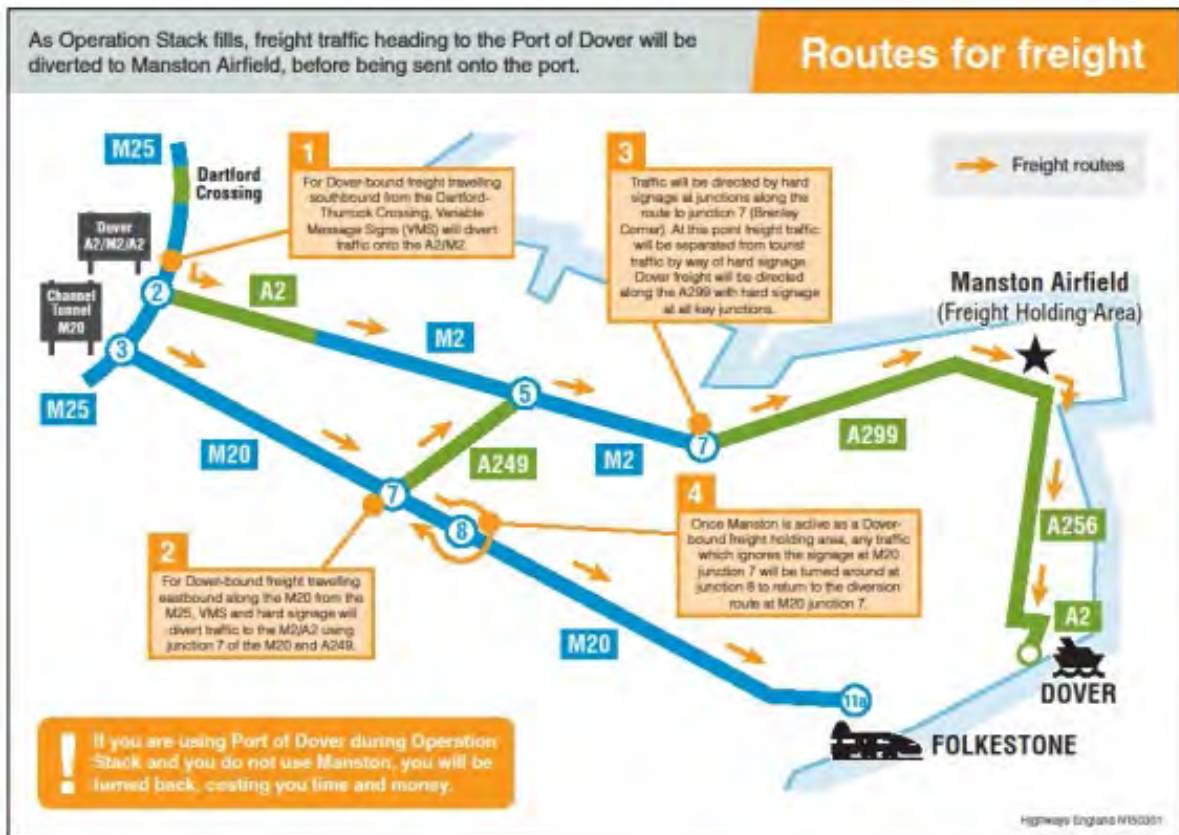
59 <http://www.doverport.co.uk/administrator/tinyMCE/source/Oxera%20Port%20of%20Dover%20infographic%20v10.pdf>

60 <http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/public-accounts-committee/brexit-and-the-future-of-customs/written/71385.pdf>

61 <https://www.theguardian.com/politics/2018/may/27/eurotunnel-tory-brexit-customs-union>

62 https://www.kent.gov.uk/__data/assets/pdf_file/0012/6105/Freight-action-plan.pdf

63 <https://www.getlinkgroup.com/uploadedFiles/assets-uk/the-channel-tunnel/180604-EY-Channel-Tunnel-Footprint-Report.pdf>



1. Bottlenecks at Kent's Ports

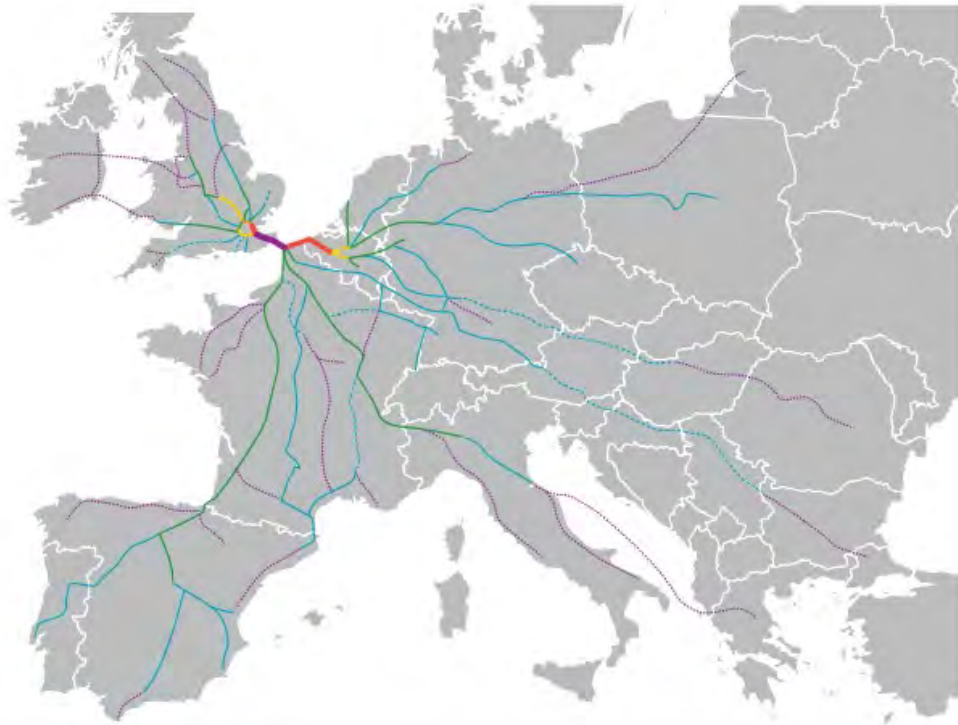
Taken together, the Port of Dover and Channel Tunnel account for approximately one third of Britain's trade in goods. It is estimated that 16,000 HGVs enter through these two entry points every day, with lorries spending approximately one fourth of their entire UK journey in Kent. In addition, the county has two major routes leading from the ports through to the M25: the M20 and A2. Freight vehicles represent 41% of all vehicles on the Kent M20/A20 and M2/A2, with the vast majority of these simply passing through Kent to destinations elsewhere in the UK⁶⁴.

The issues of HGVs in Kent has become increasingly problematic. The decision by French port workers in the summer of 2015 to strike resulted in Operation Stack being enforced here in Kent for 32 days, with extended stretches of the M20 closed down. The economic effect of Operation Stack was devastating. Kent's economy alone was negatively impacted by £1.5 million each day of the operation, whilst the UK economy as a whole took a daily hit of £250 million. As this and other operations have demonstrated, minor, small-scale traffic problems escalate quickly with far-reaching impacts both county and country-wide. Based on our own research, these and other problems are already beginning to deter investors in Kent, many of whom are "questioning the long-term viability of remaining in Kent" (CEFEUS Interview 2018).

Source: JMJ Consell

In thousands of units

- >1,500
- 1,000-1,300
- 700-1,000
- 400-700
- 100-400
- 20-100
- <20



The Channel Tunnel supports trade routes both across Europe (East-West), as well as North-South

Road traffic routes used on the European Mainland side:

- 52%** of Channel Tunnel traffic uses the E40 via Ghent
- 20%** uses the A26
- 10%** the A25, Dunkirk-Lille
- 11%** the A16 beyond Boulogne

Road traffic routes used on the UK side:

- 54%** of traffic travels on the M25 via the Dartford tunnel/bridge
- 15%** of northbound traffic uses the M25 via Heathrow
- 35%** of vehicles that travel via the Tunnel use the M1

<https://www.getlinkgroup.com/uploadedFiles/assets-uk/the-channel-tunnel/180604-EY-Channel-Tunnel-Footprint-Report.pdf>

In 2016-17, 88% of foreign HGVs entering the UK did so via the Channel Strait. For the year 2017-18, more vehicles travelled through the Port of Dover than all remaining UK ports combined, comprising of approximately 2 million vehicles (57% in total)⁶⁵. In total, the Channel Tunnel and Port of Dover accounted for 4.2 million HGVs in 2016 in addition to 23 million passengers. Based on Department for Transport estimates that place HGVs volumes increasing by 43% by 2035, the Port of Dover would be expected to handle 3.8 million HGVs.

Many EU HGV drivers need to take a break once they reach the UK, via Dover or Folkestone. This can have profound consequences in logistical terms however, with over 1,000 lorries are estimated to be parked in key non-designated parking areas in the county, with designated lorry parks already at capacity. Kent differs in this respect from Belgium and France, where there are parking facilities every 20/30km on motorways.

Currently, the Port of Dover takes approximately two minutes to process EU HGVs, and between 20-45 minutes to process a non-EU HGV. An increase in customs processing times will result in delays for HGVs, which in turn will cause a build of vehicles as they await processing. This presents a danger to the Port due to its limited capacity and will likely cause queues throughout Kent. The Port of Dover estimates that the addition of a mere two minutes to the current processing time of EU HGVs to each vehicle (whether UK or EU) could cause queues of up to 17 miles on both sides of the Channel, in addition to the likelihood of Operation Stack being enforced once a week⁶⁶.

Further, Jean-Marc Puissesseau, Director of the Port of Calais, recently stressed the probability of queues up to 30 miles on the French side due to necessary customs and sanitary checks for both UK and EU HGVs in the absence of a UK-EU customs deal⁶⁷. With two thirds of Irish exports to the EU also travelling via Britain⁶⁸, bottlenecks are clearly not merely a British problem (see Appendix 4), but highly impactful on its neighbours.

What is problematic is the complete lack of a Brexit-specific plan for Dover, to assist the port, and its users. A recent survey by the British Chamber of Commerce for instance revealed that 67% of respondents did not anticipate changing the UK port they currently use for their operations, with 33% currently not planning for additional checks and declarations between the UK and the EU⁶⁹.

2. HGV overcapacity on Kent Roads

In recent weeks, Highways England and the Department for Transport have unveiled plans for an alternative to Operation Stack, entitled **Operation Brock**. The proposed scheme involves the coast-bound side of the M20 between Junctions 8 and 9 serving as a temporary lorry park for up 2,000 HGVs. In turn, the London-bound side would adopt a contraflow system, with two directions either way and a speed reduction to 50mph. The measures would run for approximately 13 miles between Junctions 8 and 9.

65 https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/707540/roro-april-2017-to-march-2018.pdf

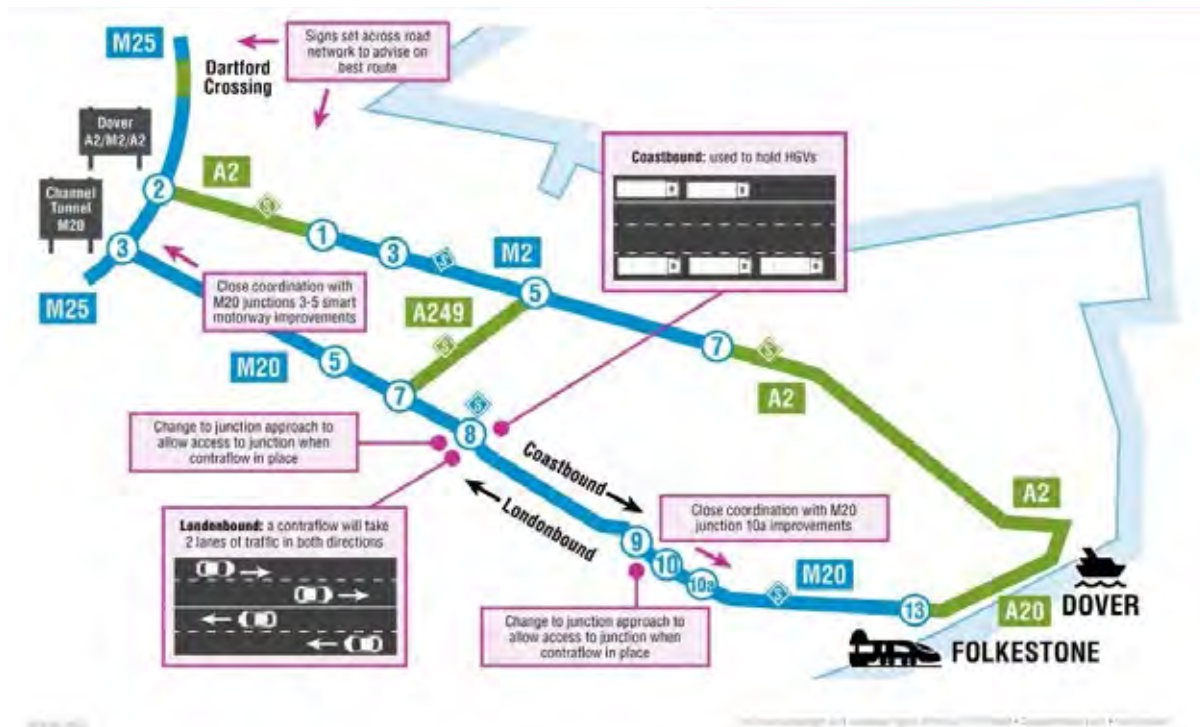
66 <http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/public-accounts-committee/brexit-and-the-future-of-customs/written/71385.pdf>

67 <https://www.theguardian.com/world/2018/mar/08/customs-checks-will-cause-huge-tailbacks-warns-calais-port-boss>

68 https://www.oxera.com/getmedia/f2e7736b-357d-4833-a647-898f1116f29f/Brexit-Implications-for-ports_1.pdf.aspx?ext=.pdf

69 <http://www.britishchambers.org.uk/Infrastructure%20Survey%20Part%201%20-%20Port%20Infrastructure.pdf>

Operation Brock



Operation Brock is generally seen as a more positive alternative to Operation Stack, which the Port of Dover has already forewarned could be enforced once a week⁷⁰. However, it stills brings serious repercussions for the county and is considered only a temporary measure, and not an answer to the enormous logistical strains arising from customs-induced bottlenecks at Kent ports (above) and increased HGV parking on Kent's roads (below). Dover M.P. Charlie Elphicke has for example argued that A2 be fully dualled, in addition to further lorry park spacing provisions, stating that Kent cannot be allowed to turned into 'one rolling lorry park'⁷¹.

Furthermore, there has been increasing concern over the focus on Kent to provide the solution in the case of serious delays at Dover and Folkestone. Already, it has been confirmed that under Operation Brock, Dover, Manston Airport and the M20 would all serve as holding facilities for lorries. Recent speculation has centered over a possible role for the M26, which serves as the corridor between the M20 through to the southern part of the M25⁷². Media reports have estimated that as a whole, Kent could hold 10,000 lorries in exceptional circumstances. Yet, local stakeholders in addition to MPs have been keen to stress that this is not a Kent issue, but rather a national issue. As already touched on, the closure of key roads in Kent's strategic transport network will bring serious repercussions to the county, in particular economically.

...Why not pursue a simpler solution and stop HGVs entering Kent in the first place? Why should it be the responsibility of the Garden of England to turn into the parking lot of England? Most HGVs do not start their journeys in our county, so why not keep them at source, as they do in France?
Tom Tugendhat, M.P. for Tonbridge and Malling, House of Commons debate on M26 Closures, 25th October 2018

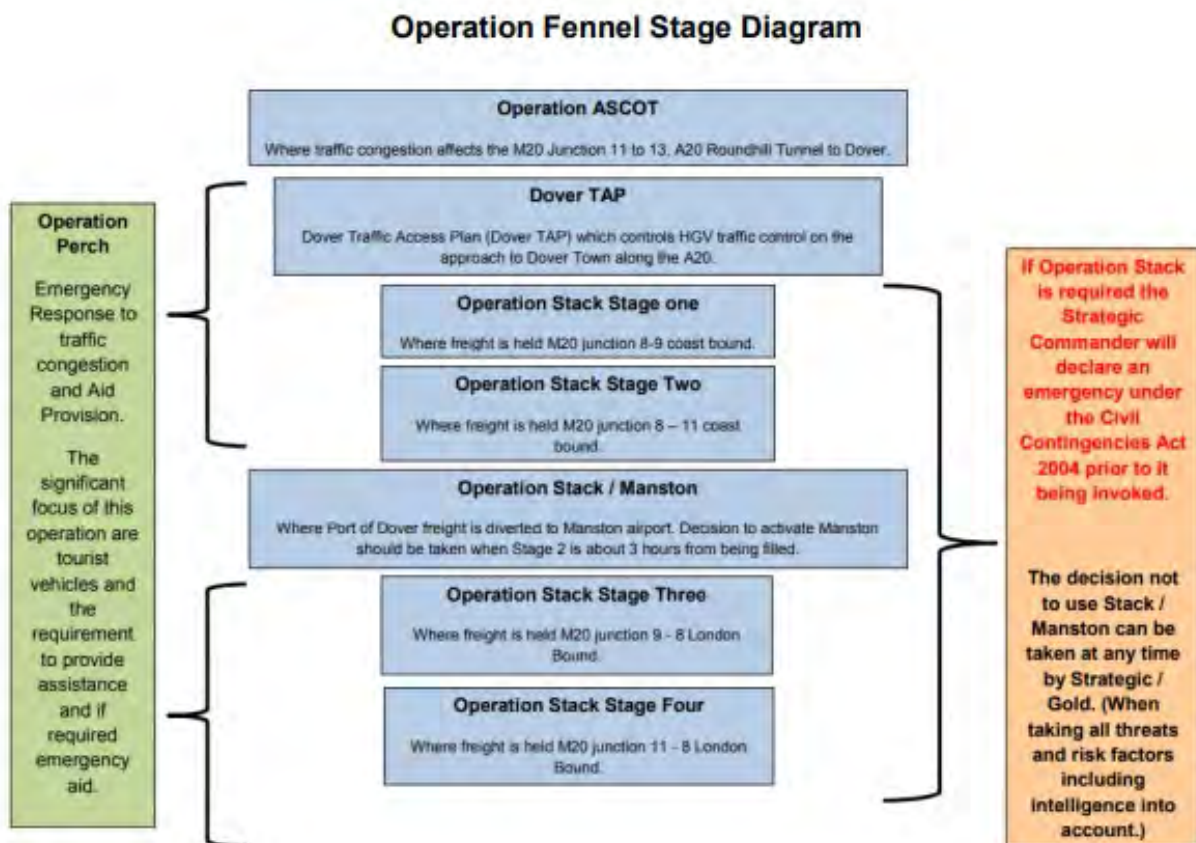
⁷⁰ <http://data.parliament.uk/writtenevidence/committeeevidence.svc/evidencedocument/public-accounts-committee/brexit-and-the-future-of-customs/written/71385.pdf>

⁷¹ <http://www.kentonline.co.uk/dover/news/dont-make-towns-roads-a-rolling-lorry-park-184031/>

⁷² <https://www.kentonline.co.uk/malling/news/mps-fury-at-secret-plans-to-shut-m26-191376/>

Operation Fennel

The Government's desire to shape a new transport plan for Kent in case of delays at Dover and Folkestone comes over the debacle in 2015 when Operation Stack caused serious repercussions to both Kent and the country. The resulting effect of the 31 day strike by French workers was the creation of Operation Fennel, which operations on a stage process to help ensure that HGVs are placed where possible in strategic places before enforcing Operation Stack. To date, Operation Fennel has been successful in that Operation Stack has not been enforced since 2015, although it is worth noting that we have not substantive issues at the two major points of entry and exit since 2015.



Dover District Council, The potential impact of Britain leaving the European Union (EU) on the Dover district, update October 2018.

It is important to consider both the **direct and indirect impacts of freight on Kent's highways**. Delays to HGVs will not only cause serious congestion in the cities and towns connected to the arterial roads across Kent, but go on to cause delays to urban and rural locations across the country, impacting communities and businesses alike. In particular, as we recently investigated, the healthcare sector faces serious risks⁷³: delays in travel on roads to Kent hospitals and clinics could impair the ability to adequately reach and/or treat patients, especially during emergencies. Further, the UK is currently highly dependent on key healthcare items, such as medical isotopes. The notorious half-life span of isotopes (and the sensitive nature of medicines and medical hardware) runs a very real risk that delays, small or large, will severely impair the quality of the product, and undermine in material terms the subsequent treatment of patients, including cancer-sufferers.

73 <https://www.canterbury.ac.uk/social-and-applied-sciences/psychology-politics-and-sociology/cefeus/docs/CEFEUS-Health-and-Social-Care-report-Mar-2018.pdf>

The resulting pollution arising from the **semi-permanent queuing of HGVs** will also be highly detrimental for the environmental standards of the county as a whole. Lastly, it is worth noting the increased damage the average HGV causes to Kent's roads network in comparison to the average car, which has been suggested to be as much as 136,000 times more⁷⁴.

3. Increased non-designated HGV Parking

In 2015, the then Chancellor of the Exchequer George Osborne unveiled £250 million to be spent on the construction of a lorry park in Stanford, Kent with capacity for around 3,600 vehicles. However, this was subsequently scrapped in November 2017 following intense campaigning by locals, with the Government yet to reveal what they intend to do going forward to meet the needs of HGVs in the county.

An 18 month trial in Ashford on preventing illegal lorry parking on the A20 is set to be expanded after initial success⁷⁵. The trial has seen hauliers clamped at the cost of £150, with an additional penalty charge fee issue, and will be expanded to further areas across the county to see if successful.

Freight-Related Legislation

In the last 6 months, it has become clear that licensing to drive HGVs will likely change post-Brexit. Currently, EU drivers are able to use a single permit for trips between all EU Member States 28 with a Community Licence, issued by the European Commission. While the EU has been clear that they do not expect this to continue, it should be noted that EFTA member states (Iceland, Liechtenstein, Norway, Switzerland) also use Community Licences, suggesting that a UK inclusion could be a possibility. From a UK perspective, Parliament has recently passed the 'Road Permits and Trailer Registration' Bill as proposed by the Secretary of State for Transport. The consultation note released by the Department of Transport in May 2018 for instance appears to accept that UK freight operators will need permits to operate within the European Union post-withdrawal date⁷⁶. This follows on from the European Commission, who made clear in January that there will be substantially more paperwork involved for freight operators. This includes UK-issued 'certificates of professional competence' no longer being recognised, the need for 'driver attestations' for third states, lack of recognition of driving licences at EU level (instead, state-by-state) and finally loss of access to the EU's internal road haulage market⁷⁷. Finally, the UK's withdrawal from the European Union will also bring question marks over its access to EEA (Norway, Liechtenstein, Iceland) states and Switzerland over freight, which have agreements with the EU.

In terms of road transportation agreements, Britain will likely need to negotiate bilateral agreements with each EU member state post-Brexit, regardless of the economic model it chooses to adopt with the European Union. The Treaty of Lisbon allows the individual member states to negotiate international road transportation agreements with third⁷⁸. However, as with Turkey, which has a partial Customs Union with the EU, this is far from assured; Turkey itself currently has 25 bilateral agreements covering road transportation (with Cyprus, Ireland and Malta being the exceptions).

Finally, *Kent County Council Trading Standards* have stated that they expected checks at Dover to increase from around two a month to two a day in order to prevent counterfeit goods entering the UK. This would represent an annual rise in checks from 24 to 730⁷⁶. This in turn could place a heavy burden on freight transportation, as goods are impounded for around a day whilst checked, which could disturb logistic planning. As above, there is also real concern as to whether Dover has anywhere near the required capacity to carry out the required checks and impounding services.

74 <https://bettertransport.org.uk/media/20-march-2018-FTA-false-claims>

75 <http://www.kentonline.co.uk/ashford/news/minister-hails-clampdown-on-lorry-fly-parking-183369/>

76 <http://www.kentonline.co.uk/kent/news/huge-rise-in-border-checks-161366/>

Recent Events / European Responses

As examined in the final part of this report, port-to-port collaboration is crucial in understanding the pressures, and indeed the preparations needed for both UK and European port operators, and the wide range of freight operators, freight forwarders, logistics and road operators, and more. European partners are clearly in need of information for their own planning. Representatives from the ports of Calais and Zeebrugge, in addition to Eurotunnel, recently stated to a cross-party Treasury Select Committee that they collectively required more details on the UK's post-Brexit plans, to ensure that adequate arrangements are in place once the UK leaves the European Union⁷⁷. In addition, following an in-depth visit to the Port of Calais to review existing infrastructure, the French National Assembly's Brexit sub-committee took evidence on Thursday 21st June from the Port of Calais, Port of Dunkirk and the French Customs Service⁷⁸. The final outcome of this were the following possible arrangements to be put in place by the Government of France, in the event of a no-deal Brexit⁷⁹. A *no-deal Brexit* Bill was recently unveiled by the French Government highlighting the issue of British nationals currently residing in France, in addition to freight transport operators seeking to operate between the UK and France. The bill, if approved, would allow the French Government to draft legislation to deal with the issues highlighted to ensure that the concerns were addressed quickly.

77 <https://www.kentonline.co.uk/kent-business/county-news/port-chiefs-warn-over-brexit-uncertainty-184177/>

78 [http://www2.assemblee-nationale.fr/15/missions-d-information/missions-d-information-de-la-conference-des-presidents/suivi-des-negociations-liees-au-brexit/\(block\)/45796](http://www2.assemblee-nationale.fr/15/missions-d-information/missions-d-information-de-la-conference-des-presidents/suivi-des-negociations-liees-au-brexit/(block)/45796)

79 <https://www.scribd.com/document/391136629/French-Brexit-Bill>

Policy Suggestions

Kent-Specific Brexit Bill: As outlined, Brexit may likely have a far more profound effect on the county of Kent, at least initially, than any other location in England. 'Kent Imperatives' therefore represent challenges arising from Brexit currently facing Kent as a frontline county that are strategic in terms of impact and critical in terms of preparation time. While a range of issues arising from Brexit will ultimately impact on the county, freight - and its related issues of customs, logistics, safety, security, and the guaranteed supply and sale of key goods represent the most critical Kent Imperatives at this time.

From this perspective, a legislative bill addressing in sequential fashion the Brexit-specific Kent Imperatives, and freight is a reasonable place to begin. The hierarchy of freight begins with the triad of issues that will become acute in the short-term: (1) bottlenecks at the ports, (2) overcapacity of HGVs on Kent roads, particularly on the M20 and A2, (3) and increased non-designated parking. These lead on to decisions to take advantage of medium-term issues including related infrastructural projects, funding, priority status for goods of national importance and easing of legislative burdens. Infrastructure projects would be crucial additions that are necessary to mitigate the increased 'friction' across Kent, such as the duelling of the A2 into Dover, increased used of rail freight and optimizing improvements around the proposed Lower Thames Crossing. At a minimum, the creation of a Kent-specific inter-ministerial strategic group working from DEXEU, and in direct cooperation with Kent County Council should be swiftly put in place.

Port Bottlenecks

Common Transit Convention (CTC): The committee should look into the advantages of signing up to the CTC, which could allow freight to move freely until reaching its final destination, with HGVs making necessary declarations and tariffs at the final destination rather than initiating location. Properly implemented, the CTC could allow the UK to trade freely with non-EU states, and possibly implemented as part of a customs regime agreed with the EU itself, allowing goods to move with reduced delays, and reducing the burden on ports and ancillary infrastructure. The Government outlined this as an option under the 'highly streamlined customs arrangement' in the August 2017 position paper on Customs.⁸⁰

Redirection of Goods: It is also clear that greater thought needs to be placed on how to handle the customs process post-Brexit, in particular as this will have a direct impact on freight. Several reports have indicated that the average HGV's final destination is in the Midlands, and this is often reflected in surveys on construction of infrastructure such as the Lower Thames Crossing. Under the assumption that Britain leaves the Single Market and Customs Union, checks will have to take place, and will likely increase the burden on Kent.

Rationalisation / redirection of freight: during times of increased or prolonged overcapacity, the Government should consider the rationalisation / redirection of freight based on strategic requirements. Just-in-time goods (perishable and degradable) including medical isotopes, medical equipment, dairy, vegetables and fruit, and key components within extended supply chains (e.g. automotive and aeronautical) go via Kent. Non-time bound goods could be rerouted (at least temporarily) to alternative ports such as Felixstowe and Hull. However, it is important that any solution found in the UK is applied equally to Calais and Dunkirk, due to the 'closed loop' system that operates.

Priority Permits: To supplement the redirection of goods, whether temporarily or permanent, priority permits could be considered for freight companies carrying goods of strategic importance. Equally, this same logic could be expanded to incorporate special lanes at ports, faster processing time at customs or even waving through checks; subject to capacity at existing ports.

Increasing Capacity of Other Ports: Whilst the Port of Dover and Eurotunnel will likely continue to dominate Britain's freight market, it is important to incentivise alternative ports such as the Ramsgate and Sheerness by encouraging them to increase capacity, in addition to non-Kent options such as Newhaven and Poole. This can be done either by reducing tax obligations such as business rates, which in turn will provide a discount to freight operators, or the creation of free-ports for areas that are particularly deprived. See the Ports Profile at the end of this report for much more detail in this respect.

⁸⁰ HM Government, 2017, pg.8.

HGV Overcapacity and Non-designated Parking

Operation Brock: Consultation with key stakeholders across Kent to ensure that vital feedback is provided on the proposed alternative to Operation Stack.. The day before the temporary measure was unveiled, Paul Carter, the Leader of Kent County Council, stated the following: *Should traffic flow be disrupted due to delays at the port for any reason, the M20 and M2 must be kept open in both directions at all times. This will require timely decisions and appropriate investment by the government*⁸¹.

Lorry Parks: It has been identified by the Government that additional lorry parks are necessary to relieve the burden on the county. However, the preference to build one big lorry park in Kent is illogical and inconsistent in comparison to our European counterparts, and would continue to place an unnecessary burden on the county. In consultation with Kent County Council, Kent Police, Kent Invicta Chamber of Commerce and other key stakeholders, we would propose a series of lorry parks around the country with the use of smart technology on motorways to encourage drivers to stop before reaching the county. In addition, the currently converted Manston Airport is seen as a short-term solution brought in after Operation Stack in July 2015, largely due to the poor roads that lead to it and its geographic location in relation to the ports. The issue of freight after Brexit affect 1.8 million Kent residents, approximately 75,000 business and will have a serious bearing on future investment and regeneration in the area. Further, the whole of the UK economy depends on the road infrastructure of this region for the timely provision of goods and services in a manner that may bring repercussions if not adequately addressed. If the issues raised are not suitably addressed by the Government in the coming months, freight threatens the UK's future prosperity potentially as much as any other "Brexit" issue.

81 <http://www.kentonline.co.uk/kent/news/carter-keep-to-your-frictionless-trade-promise-183165/>

THE BORDER, AND CUSTOMS: FRONTLINE KENT

In preparing this section, the following national and local reports have been instructive:

National Reports

Report	Key Findings
Institute for Government: "Implementing Brexit" ⁸²	<ol style="list-style-type: none"> 1. The constraints at the physical border should be recognised to limit the activity required at key ports or crossings 2. "There is neither the time nor the space to simply expand the infrastructure capacity, and even if there was there are further questions about how expanded facilities would be staffed" 3. "A meaningful transition period will offer all those involved the time to make the necessary adjustments – such as building new facilities, hiring and training new staff, connecting the expanded capacity into existing infrastructure and allowing businesses to qualify for AEO status"
Institute for Government: "Frictionless trade?" ⁸³	<ol style="list-style-type: none"> 1. "The only option that preserves the status quo is the status quo" 2. "The Government needs to fully understand the costs to business from disrupting supply chains – and the sources of those costs (rules of origin, regulatory checks, potential border delays) – and weigh them against the benefits of, for example, more regulatory flexibility or the ability to negotiate new trade deals" 3. "In the short run, at least, agriculture looks to be a specific problem, catered for by neither the current models of EEA membership nor the Turkish Customs Union agreement. This suggests that the UK would need some sort of transitional deal that came as close as possible to replicating the status quo while systems were put in place, capacity built and long-term details agreed"
House of Lords: "Brexit: the customs challenge" ⁸⁴	<ol style="list-style-type: none"> 1. "Customs procedures do not start at the border, but well before that. This requires resources to retrieve the necessary information, even if the information is not ultimately submitted by businesses themselves, but outsourced to customs brokers or freight forwarders" 2. "HMRC have estimated that, overall, the cost to UK businesses under 'no deal' would be £18 billion per year" 3. "Customs procedures are likely to rely increasingly on electronic data in the future, rather than on paper declarations. We welcome the Government's consideration of single-window technology, which would provide traders with a single point of interaction with various UK Government agencies"
Institute of Directors: "Customising Brexit: A hybrid option for a UK-EU trade framework" ⁸⁵	<ol style="list-style-type: none"> 1. "The precedent of its arrangement with Turkey acts as a useful base for the UK to build on, particularly given the EU's commitment to redressing asymmetries already identified under that agreement" 2. "The UK will have its independent trade policy restored no matter how it exits the EU" 3. "We should not, however, think of the future relationship between the UK and EU as static. It is both likely and desirable that this deal be constructed as a "living agreement", capable of growing and evolving over time"
National Audit Office: "The UK border: preparedness for EU exit" ⁸⁶	<ol style="list-style-type: none"> 1. "Effective management of the border is critical for the UK after it leaves the EU" 2. "If the government reaches a withdrawal agreement with the EU, industry and government will have until December 2020 to design and implement any new arrangements. This could involve significant work, such as the implementation of new customs arrangements, and the time available to meet these challenges is not long compared to many complex government programmes" 3. "If there is no withdrawal agreement, the government has recognised that the border will be 'less than optimal'. We agree with this assessment, and it may take some time for a fully functioning border to be put in place. Individuals and businesses will feel the impact of a sub-optimal border to varying degrees"

82 https://www.instituteforgovernment.org.uk/sites/default/files/publications/IfG_Brexit_customs_WEB_0.pdf, p. 32.

83 https://www.instituteforgovernment.org.uk/sites/default/files/publications/5704%20IFG%20-%20Frictionless%20Trade%20Web_0.pdf, pp. 38-9.

84 <https://publications.parliament.uk/pa/ld201719/ldselect/lddecom/187/187.pdf>, pp. 50-51

85 <https://www.iod.com/Portals/0/PDFs/Campaigns%20and%20Reports/Europe%20and%20trade/IOD-Customising-Brexit.pdf?ver=2018-02-15-083137-800>, p. 10

86 <https://www.nao.org.uk/wp-content/uploads/2018/10/The-UK-border-preparedness-for-EU-exit.pdf>, p. 11.

County-Specific Reports

Report	Key Findings
Kent County Council Trading Standards: "Import Controls Post-Brexit and their Impact on Kent" ⁸⁷	<ol style="list-style-type: none"> 1. "The legal gateway for goods to be detained provided by RAMS must continue so that potentially unsafe/noncomplying goods can be identified by UKBF, communicated to Trading Standards, and where appropriate be prevented from entry" 2. "the powers available should place the burden of non-compliance on the importer for non-complying or dangerous goods, and not require Trading Standards to take the financial burden of paying for storage automatically" 3. "as resources are limited any intelligence that provides for effective targeting is beneficial. We would urge that we retain access to and contribute towards the market surveillance systems to ensure we are able to identify, prevent and remove unsafe goods from the UK marketplace"
Dover District Council: "The potential impact of Britain leaving the EU on the Dover district" ⁸⁸	<ol style="list-style-type: none"> 1. "Capacity problems within the Port of Dover, and the knock-on effects on transport flows within the district, and wider transport network, are a major concern. We therefore need urgent clarity on post Brexit arrangements, adequate support to keep trade flowing and transport networks moving and need to consider contingency plans for the possibility of a hard/ high-friction Brexit" 2. "Operation Brock, the interim plan to avoid cross-channel congestion, needs to be delivered before any change to customs arrangements in March 2019, but a start date for necessary road works has not yet been announced and there does not appear to be a Plan B" 3. "It is vital that there is adequate legislation, -facilities, resourcing and authorised competent staff to provide the necessary checks for food safety in the Dover Port Health district"

Context

On 29 March, 2019, the United Kingdom (UK) is scheduled to leave the European Union (EU). The first major change will be the change in the UK's status from an EU Member State - operating within the EU, the Single Market, and the Customs Union – to that of a non-member state and a third country under EU law.

As of November 2018, the UK government is still negotiating the terms of the withdrawal from the EU, including the precise the text of the Withdrawal Treaty, as well as a framework for its future relationship with the EU. Presently, government departments, as well as local government and customs-related agencies are planning for two eventualities:

- **a successful conclusion of negotiations, with a UK-EU 'deal' reached.** This would be based on some version of the draft Withdrawal Agreement (published earlier this year) and entail a **transition period** until December 2020 (or possibly longer). During this time the UK would remain within, or closely aligned to the EU customs union and/or Single Market. In practical terms, most EU law would continue to apply to the UK, with many day-to-day arrangements largely unchanged until the end of the transition period, including customs and border arrangements.
- **an unsuccessful conclusion of negotiations, resulting in a 'no deal' scenario.** This would entail neither a Withdrawal Agreement, nor an implementation period. No longer under the aegis of EU law, the UK would revert instantly to third party status, with an instant change in the UK-EU relationship as of 30 March 2019 (the day after leaving the EU). The manner of this change will have profound implications for the movement of goods, people, services, and other areas of multi-level cooperation including data-sharing and internal and external security.⁸⁹

87 <https://democracy.kent.gov.uk/documents/s85283/ImportControlsPostBrexitandtheirImpactonKent.pdf> , pp. 11-12.

88 <http://eureferendum.com/documents/000a%20Dover%20Report.pdf> , pp. 5-6.

89 A possible halfway house between the two outcome (mitigating the impacts of a 'no deal' scenario) depends on whether the UK and EU can reach stand-alone (and possibly short-term) agreements on sector-specific issues including travel, data-sharing and customs arrangements before March 2019.

Britain's management of its border (both in Britain, and via juxtaposed border controls in France and Belgium) has of course been heavily influenced both by its membership of the EU, and the specific principles of the EU Single Market, which allows for the free movement of goods, services, capital and people across all 28 Member States.

However, in the likely absence of a deal in which the UK feasibly remains within the Customs Union and/or the Single Market, it is necessary to accept, and prepare for the profound range of implications for managing the UK's border, beginning in Kent. This is simply because a 'no deal' scenario from 29 March 2019 or any stage thereafter means that all aspects of good, services, capital and people will be instantly altered by virtue of being outside the Single Market and Customs Union, and the need for a range of regulatory and multi-level customs checks.

To be clear, absent a customs, market or regulatory agreement with the EU, all trade between the UK and the EU would be governed by World Trade Organization (WTO) rules on the basis of the 'most favoured nation' (MFN) principle, as illustrated in Annex 1, extracted from the October 2018 National Audit Office report. This new status requires a new system, one in which new customs controls, tariffs and non-tariff barriers would apply to approximately £423 billion of trade at Britain's various border ports. This in turn will require national government, agencies, and local government to swiftly construct "new systems, upgrade existing systems and make extensive other changes".⁹⁰

MFN: the WTO principle requiring non-discrimination between trading partners and the consistent application of customs checks, tariffs and non-tariff barriers to trade.

Current Customs Operations

UK Customs is carried out by a range of entities public and private sector organisations. The UK Government collects the duties on goods, and conducts checks. Private sector agents however, including port operators, clearance agents and freight forwarders, provide key infrastructure, logistics, personnel and forms. Adaptations to Brexit scenarios, whether soft/hard, or no deal relies heavily on all these entities being prepared. As of November 2018, they have five months remaining.

Border Management: Who's Who

- Responsibility for the UK border is spread across a wide number of relevant government departments either through policymaking or through the operating of controls at the border itself.
- Of these departments, the most important are Border Force (within the Home Office), **HM Revenue & Customs (HMRC)**, the **Department for Environment, Food & Rural Affairs (Defra)** and the **Department for Transport**.
- The operation of the border is also affected by a variety of **private sector actors** including ferry companies, airlines, couriers, freight forwarders and customs brokers. Added to this many private sector firms also operate entry-points to the UK via sea ports, airports and rail via the Eurotunnel.
- The **Department for Exiting the European Union (DExEU)** has been given responsibility for **managing and co-ordinating all exit-issues, which includes exit-issues regarding the border**.
- After undertaking scoping work the Cabinet Office created the Border Planning Group in March 2017 to conduct cross-government oversight and was supported by a border coordination team which was expanded in April 2018.
- After its expansion, the group became known as the **Border Delivery Group**. This group is currently hosted by HMRC and reports to the Chief Executive of HMRC and the Second Permanent Secretary at the Home Office

⁹⁰ National Audit Office, The UK border: preparedness for EU exit, HC 1619, 24 October 2018, <https://www.nao.org.uk/wp-content/uploads/2018/10/The-UK-border-preparedness-for-EU-exit.pdf>

Customs Declarations

One key area of concern is the need to make customs declarations. This includes approximately 180,000 traders making customs declarations for the very first time, on or after 29th March 2019, both large companies and small and medium-sized enterprises (SMEs). Assistance from DEXEU has been less than forthcoming in this respect, with technical notices providing a minimum of clarity and support, stating simply that ‘businesses should consider how a no deal scenario could affect them, and may want to begin taking steps to mitigate against such a risk, however unlikely’⁹¹. The onus for managing increased administration, training, software, personnel and of course the costs of adaptation to Brexit changes, falls squarely on businesses at this point. The Institute for Government argues that

“the introduction of customs declarations alone could end up costing traders in the region of £4 billion (bn) a year. For these traders to be ready for exit, government must be clear about when and how they must adapt, and leave them enough time to do so. Until they are given some certainty on what is required from them on day one, the amount of this work that can take place is limited”.⁹²

Based on work with government departments, as well as investigations at the UK border in Kent, the NAO made the following 9 strategic observations regarding the current state of play of the UK border, in terms of its preparedness, including customs⁹³:

- **The effectiveness of departments’ border planning and delivery has been affected by ongoing uncertainty and delays in negotiations:** The uncertainty from the ongoing UK-EU negotiations has made it difficult to make clear planning assumptions. Delays in UK-EU negotiations have reduced the time available to departments to plan and implement new border regimes that might be required.
- **The Border Delivery Group (BDG) has improved government’s understanding of the changes that need to be put in place at the border but it has not been able to address all areas of its responsibilities.** BDG has undertaken some work on all scenarios and locations but has focused its efforts on preparations for ‘no deal’ and the impact at ports described as ‘roll-on, roll-off’ (RORO) such as the Dover ferry port, but not detailed work regarding Northern Ireland.
- **Planning for border operations in the event of a ‘deal’ is less developed than that for ‘no deal’** because of the ongoing uncertainty regarding the nature of the future relationship between the UK and the EU. With a deal, government departments expect little immediate change at the border: i.e. the scale of implementing a ‘deal’ would be much less significant than the work required to be ready for a ‘no deal’.
- **High non-delivery risk for border programmes for ‘day one of no deal’** due to their scale, complexity and urgency. This concerns: 11 of the 12 major border systems being unready by March 2019, required infrastructure to examine goods cannot be built in time, additional staff, training, security clearance possibly not available.

As of October 2018, Border Force plans to recruit 581 full-time equivalent additional operational staff and intends to increase numbers over the months following EU exit. Border Force’s estimate of additional staff is based on incomplete information from departments and there is some uncertainty on what the future regime will be. Border Force has estimated that it could require around 2,000 staff to meet all requirements in the event of ‘no deal’, such as full compliance with WTO rules and other international obligations. Given the uncertainty, and the length of time to recruit, security clear and train staff, Border Force acknowledges that there is therefore a significant risk that it will not deploy all the staff it plans to recruit by 29 March 2019. However, Border Force will only be required to enforce a reduced compliance regime on ‘day one of no deal’. Border Force is also establishing a readiness task force of 300 staff who can be deployed to help meet peaks in demand and allow existing staff to be trained in new requirements. It expects to have 281 of these in place by the end of December 2018.

91 <https://www.gov.uk/government/publications/trading-with-the-eu-if-theres-no-brexite-deal/trading-with-the-eu-if-theres-no-brexite-deal>

92 Institute for Government, Implementing Brexit: Customs, 2018, https://www.instituteforgovernment.org.uk/sites/default/files/publications/IfG_Brexit_customs_WEB_0.pdf

93 <https://www.nao.org.uk/wp-content/uploads/2018/10/The-UK-border-preparedness-for-EU-exit.pdf>, pp. 7-10.

- **Businesses do not have enough time to make the changes needed** for a 'no deal, and government departments can only implement some of the border changes required. Border efficiency is heavily dependent on third parties making informed changes, many of whom will need to comply with customs, regulatory or other processes for the first time: including between 145,000 and 250,000 traders.
- **The most complex border issues for a 'no deal' scenario remain unresolved:** customs arrangements at the Northern Ireland and Ireland land border, and designing and implement a system to allow RORO ferry ports and the Eurotunnel to operate smoothly.
- **In the event of 'day one of no deal' the border will be 'less than optimal':** the UK government does not have enough time to put in place all of the infrastructure, systems and people required for fully effective border operations on day one.
- **The UK may face gaps in its enforcement regime,** arising from the potential loss of access to EU security, law enforcement and criminal justice tools. To avoid a long period of sub-optimal 'no deal' border functioning, working swiftly to reduce the risk of cross-border crime is key.
- To manage potential disruption at the border after 29 March 2019, government departments have begun **civil contingency planning.**

Customs in Figures

**145k
to 250k**

traders, estimated by HM Revenue & Customs (HMRC), who would need to make customs declarations for the first time in the event of 'no deal'

205m

passengers who crossed the border between the UK and the rest of the EU in 2017, not including an unknown number of passengers who crossed the border between Northern Ireland and Ireland

£40bn

estimated tax and duty collected in 2017-18 on border transactions

- 260 million** HMRC's revised estimate of the number of customs declarations it may need to process if the UK leaves the EU with 'no deal', compared with current volumes of 55 million
- 8%** Planned increase in Border Force operational staff from the 7,734 it employed in 2017-18. This follows a 7% reduction in staff numbers from 2014-15 to 2017-18.
- 11** Out of 12 critical IT systems at the border that the Border Delivery Group has assessed as being at risk of not delivering on time and to acceptable quality (rated amber or above) by 29 March 2019

National Audit Office, The UK border: preparedness for EU exit (24 October 2018), p.4

'No Deal' Border Operations

As the October 2018 report by the National Audit Office made clear, UK government departments "accept that border operations will be less than optimal on day one and have acknowledged that all of the necessary systems, infrastructure and people cannot be put in place for day one." Nor have departments estimated precisely "how soon border operations would return to the capability and performance they had before the UK left the EU". The risks therefore include:

- delays for goods crossing the border;
- increased chances for tax and regulatory non-compliance;
- less information to inform checks of people crossing the border.

This assumes that most traders will declare identifiable owed duties, but does not preclude the possibility that criminal elements may swiftly exploit border vulnerabilities.

UK government' border planning priorities:

- Security and safety
- Flow of people and goods
- Compliance activity (including the collection of revenue)

Possible Customs Arrangements

Emerging from the contentious series of proposals embedded within the Spring 2018 'Chequers Deal' outlined by Prime Minister May, in July 2018, the government subsequently proposed a new customs and compliance model. The July model replaced both the Highly Streamlined Customs Arrangement, and the New Customs Partnership models that were proposed by DEXEU in August 2017 with a new **Facilitated Customs Arrangement (FCA)**.

As proposed by HMRC, the FCA operates on the basis that the UK and the EU both share a combined customs territory, removing the need for the majority of checks and controls. As of November 2018, UK governments departments appear to have revised their planning toward the FCA but remain as yet unclear on how it would operate in detail or in practice.

CEFEUS research trips to the Port of Dover, and to Folkestone, highlighted that operators and carriers of all stripes were not a position to prepare clearly for either a 'deal' outcome involving a transition period, and post-transition period, or a 'no deal' scenario, due to the profound lack of clarity as to the nature, or likelihood of a deal, and the general and specific implications for border activity. At present, it seems that HMRC is "unable to complete design work on the future customs model until there have been further negotiations with the EU. HMRC has previously estimated that it could take up to three years to implement a new model from the time when there is certainty about a decision."⁹⁴

Facilitated Customs Arrangement: HM Treasury/ HMRC Insights

CEFEUS participated as rapporteur in a meeting hosted by Kent Chambers of Commerce in August 2018, and was able to clarify some of the basic functions of the proposed FCA, as presented by representatives from HMRC and HM Treasury. What follows is a precis of the presentation, questions and observations that comprised that meeting, with the permission of those present. It should however be observed that the assumption was for a deal that not only saw the UK retaining a clear customs structure with the EU, but a negotiated Withdrawal Treaty and transition period. None of what follows is therefore likely under a no-deal scenario.

In terms of the rationale behind the proposed FCA, and as outlined by the Government White Paper, the ultimate goal was to ensure that UK transactions with the EU remained unaffected, continuing to operate seamlessly, while enabling the UK to operate an independent trade policy. Second, the proposed FCA forms part of the UK's Future Economic Partnership, which covers goods, regulations, common rule book, data sharing to monitor trade and elimination of tariffs/quotas. Further, the FCA was chosen over other prospective models for the following reasons:

1. to protect existing trade flows with EU;
2. to prevent a hard Irish border;
3. to protect the integrity of Single Market and the Customs Union;
4. to ensure an independent UK trade policy;
5. requires no fundamental shifts from other EU member states to continue trading with Britain.

In operational terms, the FCA would remove the need for customs declarations as otherwise necessary post-Brexit, although existing reporting arrangements (e.g. EC Sales Lists) would still be necessary. As of August 2018, the UK government believed that the FCA was aligned with the EU Council's guidelines from March 2018, including customs.

The proposed FCA involves applying EU tariff and trade policy for those goods that are to be consumed within EU, and applying UK tariffs for goods consumed within the UK.

The Facilitated Customs Arrangement's two-tariff system:

- Trusted Trader businesses that can demonstrate that the goods will be consumed in the UK, can be pre-authorized to pay the lower UK tariff (assuming that the UK tariff is lower than EU).
- Other businesses will need to initially pay higher tariff, but can reclaim that tariff in one of two ways: (1) for goods that have been consumed in the UK; (2) for goods that have been substantially transformed into a UK good.

Trusted Traders: may pay a lower tariff if they can demonstrate the destination of consumption of the goods; if so, they will be in the lower tariff jurisdiction. 'Domestic consumption' refers to goods that meet any of the UK's origin rules (e.g. sales of UK goods to final consumer or wastage could count as part of 'domestic consumption' process). Only **Trusted Trader businesses** can do the calculations on tariffs themselves. Businesses are expected to retain evidence on how they have reached their calculation in a way not dissimilar to VAT. The Customs Declaration Service would "do the calculation" of the amounts due under each tariff regime based on information provided. The Trusted Trader would then be eligible to select the lower tariff.

Assessing the **destination of consumption** could potentially be done in a variety of ways (e.g. assumptions based on proportion based on last year sales). As sales adjust, traders will pay more or less accordingly. Each arrangement will depend on the level of trust in the relationship and final arrangements subject to negotiations. Duty drawbacks will still apply outside the EU. In terms of VAT implications for European customers, it was observed that VAT & Excise should not be cause for additional border checks. The point of FCA was to propose a common approach on both side to duplicate the current status. Import VAT was cited as an example (e.g. entirely status quo driven at present).

Businesses that import from **third states** /non-EU states (e.g. China) before disseminating product across the UK/EU, and are unsure of product destination at time of arrival will pay the higher tariff initially before reclaiming once aware of where product has been sent. Businesses will need to improve their monitoring of all aspects of their supply chains accordingly, if they wish to benefit from lower tariffs. Changes in tariffs may make it more challenging to export to third states such as China. However, a key thrust of the proposed FCA is its ability to replicate the same tariffs initially, while allowing the UK to operate an independent trade policy.

Improving supply chain monitoring will be key. The ultimate responsibility is that of the importer who is paying the tariffs. Importers may therefore wish to monitor how a given product is being used in order to benefit from prospective lower tariffs. Otherwise may wish to pass costs and the eligibility for the tariff repayment onto their customer. If, for example, a company is selling to two different suppliers at the same time, the importer ought to know that certain goods are going to different areas. If they are a part of the Trusted Trader scheme, they can pay a proportion of those goods at the lower tariff as appropriate. If not, then will need to initially pay higher tariff before reclaiming.

Gaining **Authorised Economic Operator (AEO)** status can be a lengthy process, and not always appropriate for all traders. AEO status is different to the future Trusted Trader status envisaged for obtaining the correct tariff up front. Importers and exporters alike need to consider which of these options is most beneficial, particularly if tariff differentials are negligible. The general feeling from the UK government is for plans to **make the Trusted Trader status option far quicker and simpler**.

Free Trade Deals: In terms of the UK continuing to trade in the same way with EU associate members (e.g. Israel), the UK government is still looking at states such as Turkey to identify ways of maintaining simplified procedures, and is seeking to roll over extant Free Trade Agreements with these states, including reciprocal market access. In terms of whether trade tariffs likely to be reciprocated, it was noted that for an FTA to be approved by the WTO, the majority of tariff lines need to be reduced to 0. The majority of UK trade in goods with non-EU partners is currently in finished goods, which are more likely to take advantage of the correct (established) tariff at the border. The FCA is concerned exclusively with goods; services will require a separate agreement with the EU.

In terms of the **proposed timetable**, a successfully negotiated deal with the EU would see a probably Implementation Period run from March 2019 to December 2020. The UK government would seek a phased approach to implementation of the FCA. In the event of a no deal, it was pointed out that the government has released a series of technical notes to assist businesses in addressing some of their concerns. Further, that the Government is working on no-deal plans with Ministers prioritising the flow of trade. Lastly, that the Government would introduce 'postponed accounting' for Import VAT.

Outstanding issues included the need to agree precise arrangements necessary for the management of the UK border, beginning with Dover, including regulatory information, data-sharing and other customs mechanisms necessary for remitting the appropriate level of tariffs back to the EU. It was also observed that those working and residing within Kent have specific concerns regarding the serious likelihood of delay at the border arising from increased checks on vehicles, and the lack of logistical space at Dover. The response was that several visits to the Port of Dover had been undertaken by various departments. The point of the proposed FCA however was to avoid checks at the border.

The conclusions drawn as of November 2018 have to take into consideration the EU's present perspective on both the original Chequers Plan, and the proposed Facilitated Customs Arrangement (FCA). Neither are presently deemed workable, leaving both sides at something of an impasse.

Policy Suggestions for Customs and the UK Border: What Needs to Happen Now?

Customs represents the single greatest challenge facing the UK Government in its goal of implementing Brexit. On the basis of proposals made in previous CEFEUS reports in conjunction with regional stakeholders, and supporting the perspectives outlined in the above-mentioned national and regional reports, the following recommendations are made:

Immediate Priority (November 2018-March 2019)

- **In the event of a 'no deal'**: immediate provision of information, support, and personnel to ensure all traders large and small having to make customs declarations (in the UK and EU) are CLEAR on the requirements.
- **Swift resolution of each of the 12 major border systems**, as identified by the Border Delivery Group, in time for March 2019, starting with the 11 incomplete projects.
- Central government commitment to drastically improving the number of staff in key ministries, and based locally in Kent (with Dover and Folkestone a priority) with direct remit to solve border issues: UK security, UK customs and community/logistical safety being top priorities.
- Hiring, as suggested by Border Force, fully **2000 full-time** equivalent additional Border Force staff to meet all requirements in the event of 'no deal', such as full compliance with WTO rules and other international obligations. Ensuring that a 'readiness task force' core of no fewer than 500 full-time equivalent staff are deployed to Dover, Folkestone, Holyhead, Harwich, Belfast, Grimsby and Immingham, Hull and beyond from the end of December 2018.
- Enhanced central government support to private sector agents responsible for strategic border delivery services, including staff, training, and software.
- **In the event of a deal**: immediate provision of information, support, and personnel to ensure all traders large and small are aware of how the agreed customs arrangement will operate (e.g the **Facilitated Customs Arrangement's two-tariff system**).
- HMRC must prioritise the delivery of its ICT 'Customs Declaration Services' programme in its current form, delivering the basics before introducing new functionality.
- DEXEU should seek to negotiate continued access to EU customs systems, in particular the EU's New Computerised Transit System (NCTS), and the Common Transit Convention.

Post Brexit Priority (March 2019-2021)

- HMRC should replicate the Union Customs Code (UCC) in its entirety for its immediate post-Brexit plans. The UK's existing customs system is designed around this and keeping it will help to ensure continuity.
- HMRC should provide a fast-track to both Authorised Economic Operator and Trusted Trader status, proving options for traders, but on the basis of 'offering differing tiers' within both statuses, including an easy option geared to SMEs.
- Allocating government funds to offset the costs of Brexit for SMEs, rolled out from March 2019 onwards, including offsetting the costs of applying for AEO or Trusted Trader Status, personnel, software, training, logistical changes, as outlined in DEXEU's technical notices.
- Working with the EU on mutual recognition schemes, beginning with AEO and Trusted Trader.
- Should the above-mentioned Facilitated Customs Arrangement (FCA) be put in place (or something similar), clarity on how goods will be tracked, the cost incurred to business in this respect, clarity on liability, fraud and competitive fairness, on what constitutes 'sufficient information' of intermediate goods in terms of tracking goods, the FPA repayment mechanism (at present unique and untested).

BRITISH AND EUROPEAN PORT PROFILES

Ports represent the vital connective arteries in terms of transport and transit, for HGVs, ferries, trains, and cars (covering industrial, commercial, tourist, commuter and civilian activities). In exploring and comparing their overall activity, ports can be ranked in terms of the sheer volume of traffic that passes through them, their geographical location within a given Member State, and their proximity to other ports, which taken together, represents their importance as a strategic asset. All the ports examined here are essentially 'continental conduits': permitting trade not merely by virtue of their physical location and operations, but also within the principles of the EU Single Market.

As such, ports form a visible and viable network for innumerable supply chains, as well as travel, transport and transit activities. The table below illustrates the preponderant role that Dover and Folkestone play within this network. But the UK is connected to a number of vitally important ports in neighbouring EU Member States, including in Ireland, France, the Netherlands, Belgium and Germany. Space forbids a truly exhaustive appraisal, but the inclusion of the following seven ports as a 'strategic annex' to a report exploring the various impact of Brexit on the county of Kent – host to the two largest of Britain's ports - seems appropriate.

UK:

- Dover
- Ramsgate
- Holyhead

EU:

- Calais, France
- Dunkirk, France
- Rotterdam, the Netherlands
- Zeebrugge, Belgium

Commonalities and Key Themes

- Ports are hugely important to the functioning of both the UK and EU economies which are based on timely cross-country logistics chains supplying every conceivable type of goods to and from the UK and EU.
- Of the ports profiled all are facing challenges in trying to prepare and assuage the effects of Brexit, with the considerable uncertainty as to the exact exit-deal weighing down on efforts to prepare and invest in the future, even for a port such as Rotterdam which is considered highly prepared.
- Apart from Ramsgate, the other six larger ports have all warned to various degrees that they stand to lose from the change in trading relationship.
- The ports which most utilise roll-on / roll-off cargo transportation are likely to both be disrupted more and lose more due to the high frequency, high speed model they currently operate under which makes them most sensitive to additional delays.

Policy Suggestions

- Uncertainty regarding the end state of the UK-EU Brexit deal has weighed heavily on how ports have attempted to prepare for Brexit. A solidified known deal would enable ports to prepare for an scenario they can fully plan for.
- As such a Brexit transition of 24 months as is currently intended is crucial as it gives much needed time to make these preparations, especially in terms of building new infrastructure to deal with the agreed future trading relationship.

Key Definitions

Ro-Ro - Roll-on / Roll-Off freight transport where a ship carries wheeled cargo to and from a port.

MT - Million Metric Ton; Total transported cargo by weight.

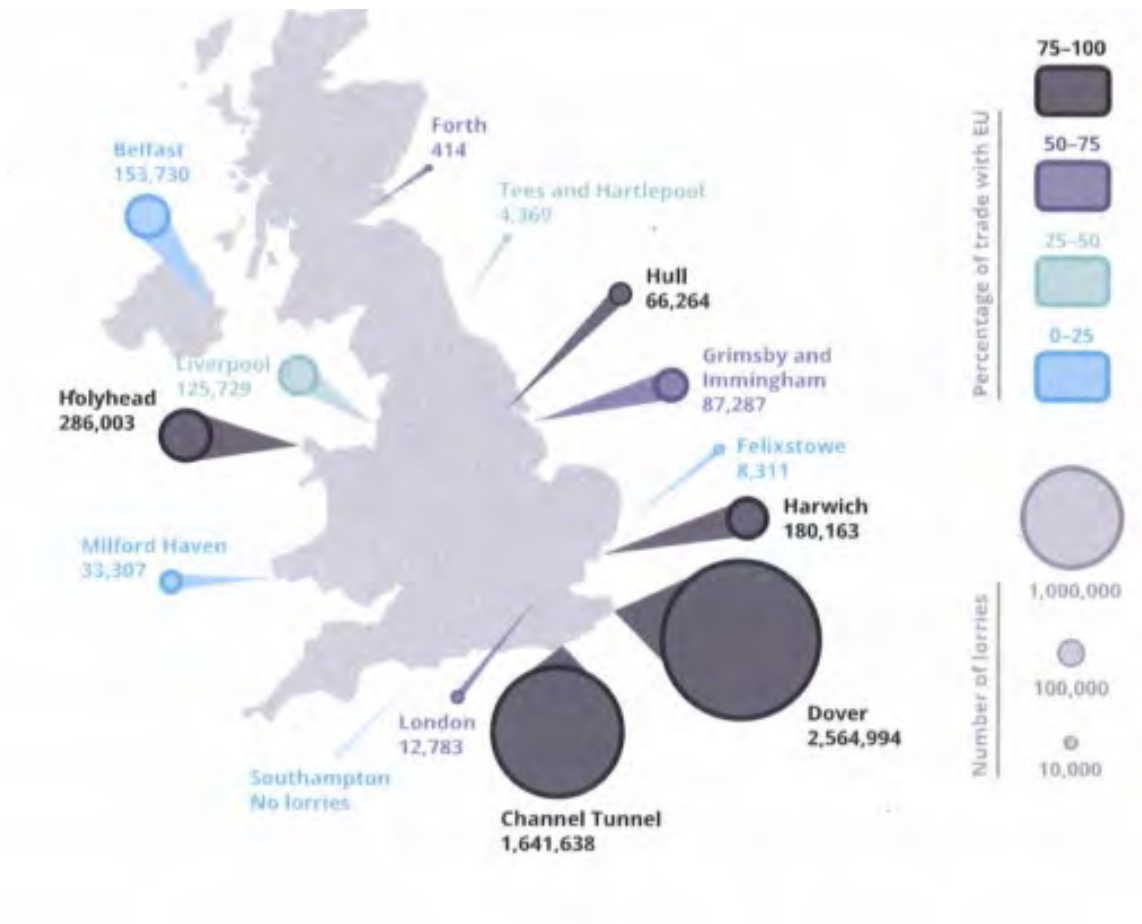
Ha - Hectare; A unit of square area equaling a two dimensional square with 100 metre sides.

Liquid Bulk - Mass liquid commodities such as crude oil or LNG.

Dry Bulk - Mass 'dry' items such as ores, coal and grain.

Containers - Cargo transported via standardised container.

General Cargo - Individual items which are neither commodities nor shipped within containers such as large construction or manufacturing parts, for example a wind turbine blade.



Source: Department for Transport: Maritime and Shipping Statistics

DOVER, UK



Description

The area of Dover has an extensive history of human inhabitation and since at least the Roman times the area has been prized for its maritime links.⁹⁵ This is in large part due to circumstances of favourable geography; resting between the White Cliffs of Dover, the valley and estuary originally created by the River Dour made for a natural protected harbour.

Meanwhile its position at the narrowest part of the English Channel means it has always been the focus of maritime activity relating to France and the European mainland. In 1606, King James I created the Dover Harbour Board by a Royal Charter, and the port continues to be operated by this statutory body. Dover has gradually grown in scale, playing key roles in both World Wars.

After this the port has become further commercialised, with the advent of roll-on / roll-off methods in 1965 quickly transforming the way the port operated. Even with the opening of the Channel Tunnel at nearby Folkestone in 1994 the port has continued to grow.

Operational Profile

Today, Dover's 26.2 MT annual throughput is dominated by ro-ro traffic, with its cargo volume accounting for 99% of this total⁹⁶. Dover is by far the busiest port in the UK both in terms of number of transiting heavy goods vehicles (2.6 million) and ro-ro cargo by tonnage. By volume of separate cargo units, Dover is as busy as the next three largest ro-ro ports combined. Even including other freight categories Dover accounts for 20.2% of all UK cargo units handled annually and 17% of all UK trade by value (£122bn)⁹⁷. Of this cargo, over 99% originates from the EU.

95 <https://www.doverport.co.uk/about/history-and-development/>

96 <https://www.gov.uk/government/statistical-data-sets/port-and-domestic-waterborne-freight-statistics-port#port-level-statistics>

97 <https://www.doverport.co.uk/about/news/port-of-dover-announces-fifth-consecutive-record-y/13341/>

Dover is orientated around an 'arrive and drive'⁹⁸ model which is currently reliant on minimal customs checks. Each EU lorry arriving at the port only needs to stop to show their boarding information and passport; on average these checks take less than two minutes. The ports speed advantages in terms of sailing, disembarkation and embarkation times means that the kind of freight transported through Dover tends to be time critical items involved in just-in-time supply chains, including perishables such as food. For example one quarter of all of the UK's bananas pass through Dover.⁹⁹

Dover Factsheet (2017)¹⁰⁰

TOTAL FREIGHT	FREIGHT MIX	FREIGHT DISTRIBUTION
<ul style="list-style-type: none"> 26.2 million metric tons 	<ul style="list-style-type: none"> Liquid Bulk - 0 MT Dry Bulk - 0.02 MT Containers - 0.003 MT Ro-Ro -25.9 MT General Cargo - 0.3 MT 	<ul style="list-style-type: none"> UK - 0.024 MT EU - 25.6 MT Other - 0.24 MT
PORT AREA		
<ul style="list-style-type: none"> 425 Ha (including water) 		

How will Brexit affect Dover?

Officials at the port have warned that Dover faces being heavily impacted negatively by any form of Brexit which does not allow Dover to mostly function as it currently does. Research done by Imperial College London's Centre for Transport Studies and commissioned by the BBC has warned that possible tailbacks at Dover get progressively worse as checks take longer to undertake¹⁰¹. Utilising traffic simulations and data from various sources including the Port of Dover and Department for Transport, the research calculates that an additional two minutes of checks on each vehicle would triple the length of queues found currently found at peak times in the port to nearly 10 miles on the M20 and A20. Three minutes of checks would result in almost 20 miles worth of queues, while four minutes would lead to nearly 30 miles of traffic.

Currently, checks of imports coming from outside the EU common market can typically take 5 to 45 minutes per vehicle depending on cargo, with WTO countries often taking longer¹⁰². As such the potential for tens of miles of tailbacks is high. The port has stated that it does not have enough space on-site to undertake the number of customs controls which are likely to be needed. Even currently Dover does not perform checks on the 1% of non-EU cargo at the port itself. These controls are instead done six miles away at a stop on the M20 with space for 82 HGVs.¹⁰³ While the port is investing in expanding through its Western Docks Revival project, this will not meaningfully increase capacity for checks due to limited space and given it was designed before the 2016 referendum.¹⁰⁴ Due to the port's position adjacent to the town of Dover and the White Cliffs, the port is unlikely to have much further space to expand its site.

Since the completion of the EU common market in 1993 Dover has seen huge increases in freight while existing space for customs checks has been replaced. Before 1993 East Kent hosted 300 customs officers, of whom 125 were stationed at Dover; now East Kent only has 24¹⁰⁵. To deal with customs paperwork there were also 185 customs clearance agents pre-1993, this has reduced to 17 today. Meanwhile the increases in freight volume and frequency mean that while in 1993 there were between 2m and 2.5m clearance documentation entries; today that could result in over 25m entries between Dover and Eurotunnel. In January 2018 HMRC updated its systems for 3rd country trade paperwork to require entry of 84 separate data fields, an increase from 50 beforehand. This additional workload will also add to costs for UK businesses.

98 <https://www.politico.eu/article/port-of-dover-struggles-to-avoid-a-brexit-cliff-edge/>

99 <https://www.lloydsloadinglist.com/freight-directory/adviceandinsight/Port-of-Dover-thinks-fresh-produce/298.htm#.W9fiSBr7RPM>

100 <https://www.gov.uk/government/statistical-data-sets/port-and-domestic-waterborne-freight-statistics-port#port-level-statistics>

101 <https://www.imperial.ac.uk/news/186530/how-imperials-findings-post-brexit-borders-caught/>

102 <https://www.economist.com/britain/2017/04/06/to-see-how-trade-may-work-after-brexit-visit-dovers-docks>

103 http://www.asm.org.uk/media/96111/ifg_brexit_customs_web_0.pdf

104 <https://www.doverport.co.uk/DWDR>

105 <https://www.theguardian.com/politics/2018/jun/20/port-of-dover-warning-regular-gridlock-congestion-hard-brexit-trade>

Delays and Congestion

The implications of large delays and tailbacks are multifaceted. Supply chains which operate through Dover utilise the port because they are often highly time critical. This includes manufacturing parts using just-in-time supply chains where delays in the logistics chain could result in lower manufacturing output. For example BMW has announced that its Mini factory at Cowley in Oxford will have maintenance brought forward so that it coincides with the UK's exit from the EU, fearing that supply chains may not function properly in the weeks afterwards¹⁰⁶.

Perishable items such as food are likely to suffer from similar potential problems. Operation Stack in 2015 was estimated to have resulted in the loss of £21m worth of perishable items carried by hauliers¹⁰⁷. A survey done by the Port of Dover with the British Chambers of Commerce reported that 36% of all trading businesses rely on just-in-time delivery methods, with 33% of all businesses likely to be affected by new customs procedures having not yet prepared for it¹⁰⁸. On the exporting side, of Dover's two main connecting ports; Calais and Dunkirk, only Dunkirk currently has an inspection post capable of managing food from third countries¹⁰⁹. Given such infrastructure could take a significant amount of time it could hinder or stop UK exports of food via Calais.

Kent Trading Standards and the UK Border Force

Operations undertaken by Kent Trading Standards and the UK Border Force (UKBF) are also likely to be affected by the changing situation at Dover.¹¹⁰ If the UKBF intercept a cargo and suspect it to be a potential risk then Trading Standards have 72 hours to determine if they comply with relevant (currently EU) legislation and regulations or not. Trading Standards can then choose to allow the cargo to pass or declare it non-compliant. Goods which do not meet standards are declared non-compliant and can then be either made compliant, re-exported or destroyed, among other possibilities.

Currently UKBF inspects 100,000 goods a year at Dover and Eurotunnel; in the absence of an arrangement to the contrary 2m vehicles passing into the UK could become subject to checks. As with other parts of the port there is currently little capacity to undertake controls on this scale in terms of both infrastructure and in terms of personnel, especially for Kent Trading Standards. Additionally the two agencies work together based on the EU RAMS system; without a UK alternative goods can no longer be held at cost to the importer, but rather to UKBF and Trading Standards themselves. Previous situations where this has happened has caused considerable cost to Kent Trading Standards.

Brexit Preparations

A variety of preparations are being undertaken to mitigate the potential effects. Primarily among this is attempts to control the probable traffic problems that will be created as a result of controls being imposed. Through the Kent Resilience Forum, **Operation Fennel**¹¹¹ has been established which would consecutively include Dover TAP (traffic management at Dover), **Operation Brock** (using the M20 as contraflow on one carriageway and HGV parking on the other), Operation Stack (utilising the M20 as HGV parking from junction 8 up to junction 11 if necessary), and Manston Airport Operation Stack (as HGV parking).

Due to a judicial review, the UK government withdrew its proposal to construct a 4000 space lorry park at junction 11 of the M20 in November 2017¹¹², no public information has been released regarding any investigation into alternatives. The M26 has also been mooted should further capacity be needed; Highways England has been undertaking work to install gates on the central reservation as a contingency¹¹³.

106 <https://www.theguardian.com/business/2018/sep/18/bmw-shut-mini-plant-brexit-no-deal>

107 <https://www.kentonline.co.uk/maidstone/news/haulage-group-calls-for-compensation-41958/>

108 <https://www.britishchambers.org.uk/news/2018/04/bcc-business-cant-rely-on-just-in-time-brexit-preparation>

109 <https://www.dover.gov.uk/Corporate-Information/Brexit/FINAL-DDC-Brexit-Impact-Report-Update-October-2018-final.pdf>

110 <https://democracy.kent.gov.uk/documents/s85283/ImportControlsPostBrexitandtheirImpactonKent.pdf>

111 <https://www.dover.gov.uk/Corporate-Information/Brexit/FINAL-DDC-Brexit-Impact-Report-Update-October-2018-final.pdf>

112 <https://www.bbc.co.uk/news/uk-england-sussex-42002776>

113 <https://www.bbc.co.uk/news/uk-politics-45827197>

While this plan (excluding the M26) adds capacity for up to around 10,500 HGVs, it imposes considerable costs and questions remain as to its possible efficacy. Operation Stack alone was estimated to cost the Kent economy £1.4m a day when it last occurred and while cost estimates of £250m a day to the UK economy as a whole are questionable¹¹⁴, it is clear significant cost is imposed by Stack.

While these contingencies are designed to act as a buffer so that an overflow can be controlled for a period of time, they cannot solve any chronic problems because they do not address throughput at ports such as Dover; around 16,000 HGV's pass through Dover and Eurotunnel each day¹¹⁵. Operation Fennel projects can only somewhat mitigate problems in supply chain problems the traffic backlog could create, nor the environmental impact. With 34 government agencies operating at Dover capable of stopping traffic¹¹⁶, there also remains risks in ensuring effective coordination.

Other concerns have also been raised regarding **Operation Brock**. While Brock is intended to be ready before March 2019 the National Audit Office noted that there was significant risk it might not be ready in time, with little room for delay¹¹⁷. Dover District Council has also reported that it requested that Brock not impede the operation of businesses in the Dover district itself, this included preventing Dover businesses needing to queue at Maidstone to enter the port. Dover District Council was told that this cannot be achieved¹¹⁸.

Customs Systems

On a UK-wide basis the government is due to replace its current CHIEF customs declaration system with a new IT system. This system was planned before the 2016 referendum and as such was designed to deliver 60 million customs checks a year, the system is now expected to have to handle over 255 million¹¹⁹. The new system is intended to be running before the UK leaves the EU, although the National Audit Office has warned that there remains large risks should it not be ready¹²⁰. Dover itself has also been attempting to encourage plans whereby lorry traffic can be pre-notified to customs so that vehicles do not have to stop at the port itself¹²¹. Included within this is the requirement that any required checks are done away from the port as well. However this would require a large spread of infrastructure which could take a significant amount of time, neither is there evidence that this kind of work is being undertaken.

One suggestion has been to 'wave through' inbound traffic at Dover (and other ports) in the event of a no-deal Brexit so as to avoid having to conduct checks. This however could very quickly lead to various types of abuse if no systemised checks are taking place, with little ability to maintain security at the border. In such a situation the EU is also likely to impose checks regardless of this because the UK has become a third country with the legal obligations this creates for both sides, something that would still create very similar traffic issues. It is also possible that such a move is illegal under WTO trading rules¹²².

Another suggestion has been for goods to be diverted away from Dover to other ports such as Ramsgate, Sheppey and other ports such as London and Felixstowe. While encouraging this diversion may bring some slight relief, there is little evidence that alternative ports have enough spare capacity to take meaningful amounts of goods away from Dover due to Dover's sheer size. Many of these alternative ports are also primarily or solely container based rather than roll-on / roll-off. These ports generally cannot provide the speed or frequency required for the time-critical goods such as food or manufacturing parts that pass through Dover. Diversion would also require some degree of decision-making, with a government or market level of diversion both likely to incur economic loss. The Port of Dover has estimated that just this diversion alone could cost £2.5bn due to lost efficiency¹²³.

114 <https://publications.parliament.uk/pa/cm201617/cmselect/cmtrans/65/6506.htm>

115 <https://www.theguardian.com/politics/2018/jul/17/dover-calais-facing-economic-catastrophe-due-to-brexit>

116 <https://www.economist.com/britain/2017/04/06/to-see-how-trade-may-work-after-brexit-visit-dovers-docks>

117 <https://www.nao.org.uk/wp-content/uploads/2018/07/Implementing-the-UKs-Exit-from-the-European-Union-Summary.pdf>

118 <https://www.dover.gov.uk/Corporate-Information/Brexit/FINAL-DDC-Brexit-Impact-Report-Update-October-2018-final.pdf>

119 <https://www.economist.com/britain/2017/04/06/to-see-how-trade-may-work-after-brexit-visit-dovers-docks>

120 <https://www.nao.org.uk/wp-content/uploads/2018/06/The-Customs-Declaration-Service-a-progress-update.pdf>

121 <https://www.kentonline.co.uk/kent/news/the-only-way-is-dover-190666/>

122 <http://www.politics.co.uk/comment-analysis/2018/08/24/demolishing-peter-lilley-s-wto-brexit-nonsense>

123 <https://www.kentonline.co.uk/kent/news/the-only-way-is-dover-190666/>

RAMSGATE, UK



Description

First mentioned within the Kent Hundred Rolls in 1274¹²⁴ as a small coastal fishing hamlet, Ramsgate became part of the Confederation of Cinque Ports in 1483 under the 'limb' of Sandwich. Construction of a harbour in Ramsgate began in 1749 and was finished in 1850, with Ramsgate holding the distinction of being the only Royal Harbour in the UK. During the Napoleonic wars Ramsgate grew in importance due to its geographical proximity to mainland Europe. This was further reinforced during the course of both World Wars, with Ramsgate the second most important port during the course of the evacuation of Dunkirk in Operation Dynamo. Today the commercial port of Ramsgate is operated by Thanet District Council, making it among one of the 26 municipal ports across England and Wales¹²⁵.

Operational Profile

Ramsgate is a small-scale port focusing on ro-ro traffic, with three ferry berths giving a stated capacity of 1.1 million units a year (2016). Along with this is space for 550 lorries on site, including the capability to handle unaccompanied loads of cargo. The port advertises that it has similar road distances between it and the M25 as the Port of Dover does, while also avoiding the M20 and associated impacts that Operation Stack has had on it¹²⁶. The port also plays a role in hosting businesses which collectively service 320 nearby offshore wind turbines.

Despite these publicised advantages, Ramsgate has struggled to maintain steady cargo throughput and arrangements with ferry and shipping businesses. While in 2010 the port handled 1.7 MT of cargo, this had dropped precipitously to just 59 thousand tons (0.059 MT) by 2017, which itself is an increase from a low of 0.014 MT in 2014.¹²⁷

124 <https://www.ramsgatetown.org/history>

125 <http://www.portoframsgate.co.uk/royal-harbour-marina/historic-ramsgate/>

126 <http://www.portoframsgate.co.uk/media/3435071/Discover-the-Port-of-Ramsgate-6-page-article.pdf>

127 <https://www.gov.uk/government/statistical-data-sets/port-and-domestic-waterborne-freight-statistics-port/#port-level-statistics>

One of key causes of this was the collapse of the TransEuropa ferry service to Ostend in 2013, which was the last time ferries carrying lorries operated from Ramsgate¹²⁸. While new services have since been suggested, they have failed to materialise. This includes a new Ramsgate-Ostend service which was due to begin in March 2018¹²⁹. Since 2010, the port has incurred losses of approximately £20 million, although the council has said that these numbers included some losses from other council services which interact with the port¹³⁰.

A £6 million infrastructure plan to expand the port in 2016 also failed to come to fruition when central government rejected a bid for £4 million towards this plan, the rest was intended to come from Thanet District Council itself¹³¹. The plan involved improving and upgrading the port's ro-ro and bulk cargo handling capacity. While Ramsgate signed a deal with car shipment company GEFCO in January 2016, this agreement lapsed after 12 months. Since then Ramsgate has only been used by the company on an ad-hoc basis when other ports such as Sheppey and Felixstowe are at maximum capacity¹³². In January the port itself received planning permission for some of its ferry loading areas to be used as parking for up to 90 lorries.

Ramsgate Factsheet¹³³

TOTAL FREIGHT (2017) <ul style="list-style-type: none"> 0.059 MT 	FREIGHT MIX <ul style="list-style-type: none"> Liquid Bulk - 0 MT Dry Bulk - 0.057 MT Containers - 0 MT Ro-Ro — 0.001 MT General Cargo - 0.001 MT 	FREIGHT DISTRIBUTION <ul style="list-style-type: none"> UK - 0.055 MT EU - 0.004 MT
PORT AREA <ul style="list-style-type: none"> 13 Ha 		

How will Brexit affect Ramsgate?

Due to Ramsgate's currently low levels of freight throughput, particularly in comparison to its theoretical capacity, Brexit does not necessarily create issues in Ramsgate that are seen in other ports. While increased checks will undoubtedly increase workload above current levels, because Ramsgate does not maintain a meaningful flow of freight traffic any added delays within the port are unlikely to have knock-on effects overall.

The issue of spare capacity has led to the suggestion that Ramsgate could gain business if transporting cargo through Dover becomes more difficult. Thanet District Council itself has suggested that the port could play a part in ensuring the UK's logistical resilience after Brexit¹³⁴. Although it has also stated it is open to selling the port and / or turning it into a residential marina.¹³⁵ This potential was noted recently in a Kent County Council report regarding preparedness which suggested that Ramsgate could help ensure the continuity of cross-channel ro-ro freight traffic by taking a larger share if needed¹³⁶. In the event of this happening the KCC report also proposes further infrastructure investment to further allow Ramsgate to develop.

The suggestion for further infrastructure investment is certainly compelling by helping to open up spare capacity within Kent and benefiting the port itself, on a strategic level it is unlikely to bring major relief to Kent as a whole. Taking Ramsgate's 2010 throughput of 1.7 MT as an estimation of the ports capacity (assuming no depreciation), this amounts to around just 6.6% of the Port of Dover's own throughput. This also assumes that Ramsgate can fully operate at this amount under a Brexit scenario involving full customs checks, including the additional surrounding road traffic that operating the port at a high tempo would create.

128 <https://theisleofthanetnews.com/2018/06/18/ramsgate-port-has-made-losses-of-20million-over-eight-years/>

129 <https://theisleofthanetnews.com/2018/04/14/thanet-council-confirms-talks-with-ostend-ramsgate-ferry-operator-hopeful/>

130 <https://theisleofthanetnews.com/2018/06/18/ramsgate-port-has-made-losses-of-20million-over-eight-years/>

131 <https://theisleofthanetnews.com/2018/06/18/ramsgate-port-has-made-losses-of-20million-over-eight-years/>

132 <https://theisleofthanetnews.com/2018/07/21/car-import-deliveries-expected-to-take-place-at-ramsgate-port/>

133 <https://www.gov.uk/government/statistical-data-sets/port-and-domestic-waterborne-freight-statistics-port#port-level-statistics>

134 <https://www.kentlive.news/news/kent-news/fortunes-port-ramsgate-could-turned-1999467>

135 <https://www.kentlive.news/news/kent-news/thanet-district-council-leader-refuses-2141866>

136 <https://democracy.kent.gov.uk/documents/s85242/Brexit%20-%20KCC%20Position%20Paper.pdf>

While Ramsgate is certainly directly free from Stack / Brock operations on the M20, this does not necessarily free the port from being affected by knock-on disruption throughout Kent.

Likewise, potential lorry parking on the M26¹³⁷ is likely to produce similar problems, especially in regards to freight heading into the UK via the south of London. Closer to Ramsgate the Department for Transport has undertaken preparations to utilise the space at Manston Airport for lorry parking, something also suggested as a contingency by KCC. Any extensive use of this area for this purpose is likely to bring considerable traffic into the area, in particular on the A299 which the port connects to. Lorries directed to Manston for parking could easily prevent smooth flows of cargo into and out of the port.¹³⁸

Brexit Preparations

Apart from suggestions regarding the future of the port, the port is currently undertaking little to no physical preparations. However it must be noted that this is not necessarily surprising given Ramsgate's current throughput which does not require extensive preparations. Without any concrete decisions regarding the port's actual post-Brexit future there is arguably a limited amount that the port is capable of doing, although this is certainly something being considered as part of Kent and central government planning.

137 <https://www.kentonline.co.uk/kent/news/government-urged-to-abandon-m26-lorry-park-plan-192133/>

138 <https://www.dover.gov.uk/Corporate-Information/Brexit/FINAL-DDC-Brexit-Impact-Report-Update-October-2018-final.pdf>

HOLYHEAD, UK



Description

Positioned on the tip of Holy Island, which is now connected by a causeway to the larger island of Anglesey, Holyhead and its region has a long history as an important strategic position within Wales¹³⁹. A Roman fort built on Holy Island to secure the area in the first century AD is emblematic of the area's importance, something further enhanced by its proximity to Ireland. With the advent of a connecting road and new harbour facilities in the 1800s, Holyhead became the main port of Anglesey, surpassing the nearby port at Beaumaris. Today Holyhead is primarily a ferry port, and is owned and operated by Stena Line¹⁴⁰.

Operational Profile

Holyhead as a port is dominated by the use of ro-ro freight carried through Holyhead's ferry terminals. Of Holyhead's 5.2 MT throughput, over 99% is loaded using ro-ro methods. Because of Holyhead's position the port operates the fastest ferry route across the Irish Sea, with a ferry journey to Dublin taking just over three hours.¹⁴¹ This proximity has made Holyhead the second busiest ro-ro port in the UK after Dover by number of lorries; approximately 430,000 passed through Holyhead in 2016¹⁴². Holyhead holds a key role in connecting the UK to Ireland; around 85% of Ireland's trade with the EU28 goes via the UK, of this around 40% is freight using the UK as route to mainland Europe.¹⁴³

Almost all of Holyhead's outgoing freight is destined for Ireland, primarily through the Port of Dublin. Of Holyhead's incoming freight, approximately two thirds originates in the Republic of Ireland, while one third comes from Northern Ireland. This Northern Irish freight is routed this way because it is often faster to drive from Northern Ireland and offload at Dublin than using a route such as Belfast to Liverpool, a route which takes eight hours¹⁴⁴.

139 http://www.bbc.co.uk/blogs/waleshistory/2011/06/opening_of_holyhead_harbour_1880.html

140 <http://holyheadport.co.uk/about-holyhead-port/what-we-do-at-holyhead-port>

141 <https://www.bbc.co.uk/news/uk-politics-45589275>

142 <https://www.irishtimes.com/news/ireland/irish-news/holyhead-will-be-one-of-the-biggest-losers-from-brexit-1.3343977>

143 <https://www.bbc.co.uk/news/uk-politics-44657460>

144 <https://www.bbc.co.uk/news/uk-politics-45589275>

Holyhead Factsheet (2017)¹⁴⁵

TOTAL FREIGHT <ul style="list-style-type: none">• 5.2 MT PORT AREA <ul style="list-style-type: none">• 260 Ha (harbour area)	FREIGHT MIX <ul style="list-style-type: none">• Liquid Bulk - 0.02 million metric tons• Dry Bulk - 0 million metric tons• Containers - 0 million metric tons• Ro-Ro — 5.2 million metric tons• General Cargo - 0 million metric tons	FREIGHT DISTRIBUTION <ul style="list-style-type: none">• UK - 0.008 MT• EU - 5.2 MT
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How will Brexit affect Holyhead?

Due to Holyhead's role as a ro-ro port connected almost entirely to the Republic of Ireland, the port faces considerable Brexit challenges. For example the ferries which dock within 25 minutes of each other at the port unload three miles worth of lorries (400 to 500) as they disembark¹⁴⁶, even short customs checks is likely to introduce delays with Holyhead having limited space to park lorries or conduct the checks themselves. Even under existing arrangements large traffic problems have arisen when weather has prevented ferries from sailing, similar problems have also occurred when there has been disruption to the bridge between Anglesey and the mainland.¹⁴⁷ With Holyhead's role as the fastest freight connection to Ireland, large quantities of perishable goods such as food pass through the port. These kinds of cargoes are more likely to require enhanced checks (such as sanitary and phytosanitary) and because they are time-critical are more likely to be affected by delays.

Since the completion of the EU Single Market in 1993, trade volumes between Holyhead and Ireland have grown 694%.¹⁴⁸ This makes accommodating customs controls particularly difficult as Holyhead faces having less space for checks but with much more checks to undertake with and little geographical space to expand. Operator Stena Line warned when giving evidence to the Welsh Assembly that each of the large ferries which Holyhead uses carry more traffic than the port is capable of dealing with at once.¹⁴⁹ The same Welsh Assembly report noted that Holyhead's functioning is predicated on frictionless trade.¹⁵⁰

Irish and EU plans to bypass the UK¹⁵¹ to secure their own separate logistics routes are also likely to negatively affect trade volumes at Holyhead in the longer term. The port has also stated that it could lose out to more northerly British ports connected to Northern Ireland. This is based on Holyhead's experience pre-1993 where freight carriers preferred to utilise the UK-Ireland land border because customs checks were considered less onerous than ones done at sea-ports. This was due to the larger capacity of the wider land-border and the focus on security leading to faster checks¹⁵².

Brexit Preparations

While the very limited space at Holyhead is a limiting factor, the port has continued to undertake investments, with operator Irish Ferries spending €144 million on a new larger capacity ship¹⁵³. The port has also undertaken coordination and fact-finding missions with HMRC's Brexit teams, and has asked the Welsh government for further support and co-operation. Stena Line has stated that stronger preparations would require more certainty in regards to the Brexit deal the UK government is seeking to reach, even as March 2019 is getting ever closer.

145 <https://www.gov.uk/government/statistical-data-sets/port-and-domestic-waterborne-freight-statistics-port#port-level-statistics>

146 <https://www.bbc.co.uk/news/uk-politics-45589275>

147 <https://www.theguardian.com/uk-news/2017/aug/16/welsh-port-fears-chaos-of-uk-leaving-customs-union-holyhead-ireland-brexit>

148 <http://senedd.assembly.wales/documents/s63674/04POR%20Irish%20Ferries.pdf>

149 <http://www.assembly.wales/laid%20documents/cr-ld11158/cr-ld11158-e.pdf>

150 <http://www.assembly.wales/laid%20documents/cr-ld11158/cr-ld11158-e.pdf>

151 <https://www.politico.eu/article/brexit-french-ireland-ports-cut-out-of-eu-trade-route-after-brexit/>

152 <http://senedd.assembly.wales/documents/s63674/04POR%20Irish%20Ferries.pdf>

153 <http://senedd.assembly.wales/documents/s63674/04POR%20Irish%20Ferries.pdf>

Irish Customs have also raised the possibility of a post-Brexit scheme whereby goods destined for Ireland from the EU could pass through the UK¹⁵⁴ (primarily through Dover and Holyhead) so long as they were kept sealed. This scheme however is yet to be mentioned by the EU as a whole, and would need approval on an EU level. It would also require a certification system for businesses. On a UK level HMRC has stated that it is prepared to recruit thousands of additional customs officers, although the timetables for this recruitment and how many would be sent to ports (including Holyhead) is unclear.¹⁵⁵

154 <https://www.theguardian.com/politics/2018/sep/06/ireland-hopes-side-deal-with-eu-could-allow-it-friction-free-trade-across-border>
155 <https://www.euronews.com/2018/02/22/brexit-how-do-eu-countries-customs-plans-compare-with-the-uk->

CALAIS, FRANCE¹⁵⁶



How will Brexit affect Calais?

As a port whose throughput is dominated by ro-ro traffic, Calais faces very similar challenges to its counterpart Dover across the channel. The high frequency cargo flows that Calais is designed for mean that it has little to no current infrastructure for dealing with the various checks that could be required beyond the relatively low number that are currently undertaken.

As with Dover, the port has warned that a change from the minimal time taken now to checks taking just two minutes or more could result in tens of miles of queues out of the port.¹⁵⁷ The French National Federation of Road Transport linked two minute checks to 16 mile tailbacks around major French ports, including Calais. Officials at Calais have noted that such situations would be reminiscent of July 2015 where disruption caused by immigrants and striking port workers resulted in 30 mile queues going east from Calais to Dunkirk, 25 mile southerly queues to Saint-Omer and 20 mile westerly queues towards Boulogne. This also created queues in Dover and required the activation of Operation Stack even though the port of Dover itself remained functional.

As such, there are dangers that even if either Calais or Dover can successfully mitigate disruption they could still be damaged by the other port not doing the same. As such preventing these problems requires easing problems at both (including other major entry points such as Eurotunnel and Dunkirk). For example Calais currently has no inspection area capable of performing checks on 3rd country food products as it has had no previous need to do so¹⁵⁸.

¹⁵⁶ N.B data regarding the Port of Calais was not verifiable such that it could be included, hence this profile focuses on known effects and preparations.

¹⁵⁷ <https://www.portstrategy.com/news101/world/europe/brexit-could-cause-tailbacks-and-food-shortages>

¹⁵⁸ <https://www.dover.gov.uk/Corporate-Information/Brexit/FINAL-DDC-Brexit-Impact-Report-Update-October-2018-final.pdf>

Jean-Paul Mulot, Hauts-de-France's permanent representative to the UK has cautioned that these new food controls could lead to lorries carrying food blocking other lorries from entering the port¹⁵⁹. Because most of the food entering Calais are perishable, any delays will reduce quality or prevent supply entirely, damaging the effective functioning of parts of the UK's food supply chain. The BBC recently reported that there could be a 75-80% drop in traffic going through the Calais-Dover route in the event of a no-deal Brexit¹⁶⁰.

Brexit Preparations

Calais is undergoing an ambitious expansion plan which began in 2015 and is due to finish in 2021. €662.3m is planned to be spent primarily on increasing capacity and improving efficiency, including more berths for larger ferries¹⁶¹ and a much larger port basin. However this upgrade plan was designed before Brexit and therefore the expansion is based on different assumptions than any upgrade based in view of Brexit, including an organic 40% growth in cross-channel traffic by 2030. These assumptions mean the Calais' expansion does not significantly increase the ports ratio of inspection capacity to cargo throughput.

Despite this, the port has been attempting to work towards increasing capacity alongside this expansion, with the port recently purchasing 17 Ha of additional land for inspection posts and warehousing¹⁶², including refrigerated spaces for food cargo. The city of Calais itself has also announced plans to build its own 40 Ha area for similar purposes on the outskirts of the city between the port and the Eurotunnel¹⁶³. The Hauts-de-France region has also said that it has the option of preparing another area at the cost of around €100million¹⁶⁴ but no construction has been yet been started and it is unclear how this project would be funded. Building facilities at the site, from start to finish, could also take at least 18 months, so the area would only be ready if a transition period was agreed in a Brexit deal. The port also intends to test a new "Fastpass" virtual queuing system¹⁶⁵ where hauliers can pre-confirm their passport and cargo information so that their checks at the port can be reduced.

The French government has also been making preparations, including the hiring of 700 additional customs officials¹⁶⁶, with a portion of these likely to be assigned to Calais. Hauts-de-France estimates that it needs 250 additional border agents, 195 customs officials in the region and 250 sanitary agents across the region as a whole. Concerns have been reported that recruiting large numbers of veterinarians for livestock controls will be impeded by an ongoing shortage in vets across the EU¹⁶⁷. Legislation is also being fast-tracked through the French parliament to ensure the legal basis for French no-deal planning¹⁶⁸.

While there have been reports the French government could intentionally slow flows of freight passing through the port¹⁶⁹, officials have dismissed this suggestion and there is little evidence that France is intending to create any more controls and checks than is legal and necessary. Although it should be noted that predictions of disruption are already predicated on the requirements of necessary checks rather than intentional delays to freight.

159 <https://www.theguardian.com/world/2018/oct/17/france-says-britons-could-need-visa-to-visit-after-no-deal-brexit>

160 <https://www.bbc.co.uk/news/uk-politics-45955500>

161 <https://www.portbougnecalais.fr/en/calais-port-2015-2>

162 <https://www.theguardian.com/politics/2018/jul/17/dover-calais-facing-economic-catastrophe-due-to-brexit>

163 <https://www.thelocal.fr/20181026/calais-prepares-to-fork-out-20-million-to-cover-brexit-costs>

164 <https://www.reuters.com/article/uk-britain-eu-france/hurry-up-calais-region-urges-eu-uk-leaders-as-no-deal-brexit-looms-idUSKCN1LM2F1>

165 <https://www.theguardian.com/politics/2018/jul/17/dover-calais-facing-economic-catastrophe-due-to-brexit>

166 <https://www.politico.eu/article/france-prepares-for-no-deal-brexit-cliff-edge-legislation/>

167 <https://www.reuters.com/article/uk-britain-eu-france/hurry-up-calais-region-urges-eu-uk-leaders-as-no-deal-brexit-looms-idUSKCN1LM2F1>

168 <http://www.senat.fr/leg/pjl18-009.html>

169 <https://www.bbc.co.uk/news/uk-politics-45990243>

DUNKIRK, FRANCE



Description

Beginning in the 11th century as a fishing port, Dunkirk eventually became an important commercial hub, with Dunkirk declared a free port from the time of Louis XIV to the French revolution¹⁷⁰. With the eventual arrival of the railway in 1848, the port became connected to industrial activity going on throughout France and its traffic rapidly increased. Over time the port increased in size, although it suffered extensive damage in both World Wars. By the 1950s the port underwent growth in both its traffic and facilities. Today the port is one of the three major ports in the Hauts-de-France region and is under 20 miles from the France-Belgium border along with Calais and the fishing port of Boulogne-sur-Mer with Dunkirk now the third largest cargo port in France as a whole. Since 2008 the port has been operated by “Grand Port Maritime de Dunkerque” (Dunkirk Major Sea Port), which acts as Dunkirk’s port authority.

Operational Profile

While Dunkirk is France’s third largest port, it is the second largest French port on France’s northern coast, after Calais. Dunkirk’s cargo mixture is dominated by heavy bulk cargos (29.7 MT) and ro-ro traffic (16.2 MT)¹⁷¹. This emphasis on heavy cargo gives Dunkirk a strong industrial focus. For example steel manufacturer ArcelorMittal operates a liquid steel site within the port fed by ore from Dunkirk itself, with 6.8MT produced in 2017¹⁷². Because of this traffic Dunkirk is France’s largest single point of entry for ore and coal imports¹⁷³. The rail network which facilitates this also makes Dunkirk France’s busiest rail port, with 11% of total French rail freight transported by Dunkirk. While Dunkirk’s total container traffic is relatively low (3.2 MT), Dunkirk maintains a niche as France’s largest import location for containerised fruit, which typically is transported frozen within refrigerated containers.

170 <http://www.dunkerque-port.fr/en/dunkirk-port/history-dunkirk-port-origins.html>

171 <http://www.dunkerque-port.fr/en/dunkirk-port/online-documentation/activity-report.html>

172 <https://www.metalbulletin.com/Article/3770667/ArcelorMittal-Dunkirk-site-setto-achieve-record-high-liquid-steel-output-in-2017.html>

173 <http://www.dunkerque-port.fr/en/press/press-kit.html>

Around one third (16.7 MT) of all of Dunkirk's traffic is connected to that of the UK¹⁷⁴, with these flows overwhelmingly concentrated within Dunkirk's ro-ro capacity. This is due in large part to a combination of Dunkirk's geographical proximity to the UK, requiring just a two hour ferry journey, as well as the general ease of use of ro-ro itself; particularly given that Dover is the closest major UK sea-entry point.

Currently Dunkirk is also at the tail-end of a four-year €250 million expansion project which began in 2014¹⁷⁵. In 2015 a new border post for conducting plant and animal controls was built which increased Dunkirk's capacity for checks from 1000 to 5000 per year¹⁷⁶. A new car terminal and logistics warehouse were also opened in 2016¹⁷⁷. This year the port also opened a new secure parking site with the capacity for 225 heavy goods vehicles, along with improved fencing and surveillance at the port entrance¹⁷⁸. Dunkirk is also working on building road transit lanes within and into the port which are intended to segment container and ferry traffic to improve traffic flow. Additionally Dunkirk has been working with the other Hauts-de-France ports (including Calais) and French customs to implement a Cargo Community System which is intended to share shipment information between them¹⁷⁹.

Dunkirk Factsheet (2017)¹⁸⁰

TOTAL FREIGHT <ul style="list-style-type: none"> • 50.2 MT PORT AREA <ul style="list-style-type: none"> • 7000 Ha, including wider port territory and industrial space. 	FREIGHT MIX <ul style="list-style-type: none"> • Liquid Bulk - 5.1 MT • Dry Bulk - 24.6 MT • Containers - 3.2 MT • Ro-Ro — 16.2 MT • General Cargo - 1.2 MT 	FREIGHT DISTRIBUTION (DRY BULK ONLY) <ul style="list-style-type: none"> • Europe - 2.3 MT • North America - 5.5 MT • Russia - 2.2 MT • Brazil - 5.5 MT • Mauritania - 0.2 MT • South Africa - 0.2 MT • Australia - 1.6 MT 	UK SPECIFIC FREIGHT <ul style="list-style-type: none"> • Approx 1/3, 33% - 16.7 MT
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How will Brexit affect Dunkirk?

As with the other channel ports, Dunkirk faces considerable problems in attempting to avoid traffic and disruption issues arising from undertaking customs controls on ro-ro traffic, which currently requires little to no controls. One leaked study by the French government¹⁸¹ estimated that 970,000 separate lots of cargo per year across Dunkirk and Calais would need to become subject to some form of checks such as phytosanitary and sanitary controls, as well as VAT and other assorted checks. For example UK car manufacturers also utilise steel produced in Dunkirk¹⁸², with such additional checks likely to make this less attractive on both sides. The study also warns that most of the French businesses which will be affected have little current knowledge of customs procedures or the kinds of additional paperwork which will be required.

With warnings that the Port of Calais may face tens of miles of queues due to the imposition of controls, there is however the possibility for gains if businesses choose to utilise Dunkirk instead. To some extent this was seen in 2015 when the Port at Calais was temporarily closed, with diversion to other ports boosting Dunkirk. However, when this is applied to Brexit, gains for Dunkirk are harder to envision.

174 <https://www.la-croix.com/Economie/Monde/Brexit-port-Dunkerque-veut-garder-avantage-2018-09-27-1200972054>

175 http://www.asm.org.uk/media/96111/ifg_brexit_customs_web_0.pdf

176 <http://www.dunkerque-port.fr/en/press/news/2015-10-08-port-of-dunkirk-inauguration-of-new-border-inspection-post-en-40946.html>

177 <http://www.dunkerque-port.fr/en/press/news/2016-03-16-inauguration-of-new-channel-terminal-in-the-port-of-dunkirk-en-43582.html>

178 <http://www.dunkerque-port.fr/en/press/news/2018-10-21-new-secure-parking-lot-for-heavy-goods-vehicles-starts-service-at-dunkerque-port-ferry-terminal-en-56845.html>

179 <https://www.hellenicshippingnews.com/norlink-ports-dunkirk-annual-review-and-challenges-lying-ahead/>

180 <http://www.dunkerque-port.fr/en/dunkirk-port/online-documentation/activity-report.html>

181 https://www.lemonde.fr/politique/article/2018/09/29/hard-brexit-le-prefet-des-hauts-de-france-tire-le-signal-d-alarme_5362083_823448.html?html?

182 <https://www.ft.com/content/cd937756-ea52-11e7-bd17-521324c81e23>

This is because Dunkirk will still also have to impose checks and the delays they create; even short time penalties will cause flow problems in the port just as much as in other places.

This would also not solve or relieve any potential traffic bottlenecks on the UK side as Calais traffic distributed to Dunkirk will still utilise the Port of Dover as its UK point of entry. While Dunkirk has been judged to be more capable of handling disruption than Calais, both French ports could lose out to Belgian and Dutch ports such as Zeebrugge and Rotterdam which are generally considered better prepared both systemically and in terms of infrastructure.

This observation has led to initial European Commission proposals bypassing the UK by investing in EU-Irish sea freight links also bypassing French ports such as Calais, Dunkirk, Roscoff and Cherbourg. Instead the Commission proposal has suggested focusing on Zeebrugge, Rotterdam and Antwerp instead¹⁸³. If this were to go ahead it would reduce the amount of extra trade that Dunkirk might get from increased direct trade with Ireland. However given the French government has threatened to veto such a proposal¹⁸⁴, in all likelihood French ports such as Dunkirk may be included in this plan in the end. Apart from the potential gains in trade it would allow the port to bid for EU funding apportioned to the project, although again these gains are likely to only somewhat mitigate the overall disruption made.

Brexit Preparations

Part of the reason as to why Dunkirk is considered better prepared than Calais is due to its pre-existing experience with handling non-EU cargo through its container and bulk operations, which already comprises a not-insignificant portion of Dunkirk's total throughput¹⁸⁵. This has meant that Dunkirk has retained some expertise and infrastructure on-site which it otherwise would have lost.

A French government report has warned that it could take 18 to 24 months to more fully develop and create the infrastructure required for the depth and frequency of the necessary checks¹⁸⁶. In preparation the French government itself has announced it is hiring 700 additional customs officials, of which around 200 are expected to be placed at Dunkirk. French Prime Minister Edouard Philippe also announced on October 11 that he would appoint a governmental coordinator to manage the issues that Brexit raises for its ports and channel territories¹⁸⁷.

While the port is likely to remain involved with a large amount of trade with the UK, Dunkirk has also been attempting to diversify away from UK cargo. Since the completion of its LNG terminal in 2016 Dunkirk has seen increasing non-EU liquid bulk traffic. The transport of gas products, mainly LNG, increased by 230% from 2016 to 2017. The port is also developing infrastructure to fuel new ships running on LNG¹⁸⁸. The port is also developing infrastructure to fuel new ships running on LNG¹⁹⁴ and trying to leverage its expertise in containerised fruit to encourage further imports, mainly from Latin America.

183 <https://www.politico.eu/article/brexit-french-ireland-ports-cut-out-of-eu-trade-route-after-brexit>

184 <https://uk.reuters.com/article/us-britain-eu-france-trade/france-fumes-at-proposed-post-brexit-eu-sea-trade-links-idUKKBN1KW0KB>

185 <https://uk.reuters.com/article/uk-britain-eu-france/france-ramps-up-border-controls-in-preparation-for-no-deal-brexit-idUKKCN1MCOTS>

186 https://www.lemonde.fr/politique/article/2018/09/29/hard-brexit-le-prefet-des-hauts-de-france-tire-le-signal-d-alarme_5362083_823448.html?

187 <https://kozpost.com/blog/brexit-philippe-appoints-a-coordinator-in-response-to-concerns-of-french-ports/11249/>

188 https://www.containerst.com/news/view,dunkirk-port-getting-ready-for-brexit_50479.htm

ROTTERDAM, THE NETHERLANDS



Description

With a history stretching back to the 13th Century¹⁸⁹, the Port of Rotterdam has been a near constant presence on the Northern European coast. In 1938 Rotterdam surpassed London as Europe's largest port and in 1962 overtook New York to become the largest port in the world. While it lost this crown in 2004 to the Port of Shanghai, Rotterdam remains the largest in Europe and is the only deep-sea port capable of operating with all types of ship 24 hours a day between Le-Havre and Hamburg¹⁹⁰. Rotterdam has operated container shipping since 1966¹⁹¹ and today it comprises a major portion of Rotterdam's total operations. The port is run by the Port of Rotterdam Authority which is joint owned between the municipality of Rotterdam itself and the Dutch government.

Operational Profile

Rotterdam performs an outside role in terms of EU port capacity, conveying over 460 million tons (MT) of cargo each year¹⁹². This dwarfs the individual capacity of any other EU port; with Rotterdam approximately the same size as the next three largest ports (Antwerp, Hamburg and Amsterdam) combined¹⁹³. The majority of cargo that passes through Rotterdam is Bulk cargo in the form of liquid or dry bulk. As of 2017 45.8% of Rotterdam's total throughput by mass consists of liquid bulk, with dry bulk making up another 17.2% and container shipping constituting 30.5%¹⁹⁴. The remaining 6.5% is composed of so-called break bulk / general cargo. Of this 6.5% (30.3 MT), 23.8 MT is Roll-off/Roll-on freight with the small remainder listed by Rotterdam as other general cargo.

189 <https://www.portofrotterdam.com/en/asia/why-rotterdam>

190 <https://www.portofrotterdam.com/en/our-port/facts-and-figures/facts-figures-about-the-port/throughput>

191 <https://www.portofrotterdam.com/en/asia/why-rotterdam>

192 <https://www.portofrotterdam.com/sites/default/files/facts-and-figures-port-of-rotterdam.pdf>

193 <https://www.ft.com/content/b5ee770a-ced1-11e7-9dbb-291a884dd8c6>

194 <https://www.portofrotterdam.com/sites/default/files/facts-and-figures-port-of-rotterdam.pdf>

Rotterdam's unique size and deep-sea capabilities are such that Rotterdam "is a principal point of entry for goods headed for destinations throughout the EU"¹⁹⁵ from outside the EU. Approximately 55% of Rotterdam's throughput is involved with goods either heading to or from non-EU states.

Rotterdam Factsheet (2017)¹⁹⁶

TOTAL FREIGHT <ul style="list-style-type: none"> • 467.4 MT PORT AREA <ul style="list-style-type: none"> • 12,643 Ha 	FREIGHT MIX <ul style="list-style-type: none"> • Liquid Bulk - 214.3 MT • Dry Bulk - 80.2 MT • Containers - 142.6 MT • Ro-Ro — 23.8 MT • General Cargo - 6.5 MT 	FREIGHT DISTRIBUTION (2016) <ul style="list-style-type: none"> • Europe - 44.4% • Africa - 10.1% • Americas - 18.6% • Asia - 21.2% • Oceania - 1.8% • Unknown - 3.7% 	UK SPECIFIC FREIGHT <ul style="list-style-type: none"> • 8.5% - 40 MT
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UK-specific shipping to Rotterdam

While large portions of the cargo handled by Rotterdam is either liquid or dry bulk, UK specific shipping at Rotterdam occupies 90% of its Ro-Ro capacity and more than 55% of its short sea container capacity¹⁹⁷. These kinds of cargo types, particularly Ro-Ro are far more frequent, less massive and less homogenous compared to liquid and dry bulk. As such any non-frictionless Brexit would create checks which are likely to disproportionately affect UK-Rotterdam trade. Cargo transported as part of the Rotterdam effect would also face being checked twice upon entry to Rotterdam and then in the UK. The Dutch Food Authority (NVWA) estimates that such checks would incur delays of between 20 minutes and 24 hours depending on the cargo and the checks necessary.

Under EU law, checks must be done on animal or plant products leaving or entering the single market. When these are done in Rotterdam a lorry driver must wait while a veterinary inspector opens their cargo, checks the temperature and verifies the health certificates attached to the cargo. On average this process takes 30 minutes but if the inspector deems additional checks are necessary a sample of the cargo is sent for laboratory testing, which takes far longer. After Brexit, UK related goods are likely to face similar kinds of checks. The port itself expects that it will have to undertake 30% more import checks and 100% more export checks than currently¹⁹⁸.

How will Brexit affect Rotterdam?

Both Rotterdam and the Netherlands have a large exposure to Brexit related effects. The Netherlands and UK are major trade partners with approximately 54 MT of trade annually between them. Analysis by the Netherlands Bureau for Economic Policy Analysis forecasts that even if the UK and EU strike a free-trade deal the Netherlands will lose 0.9% of its GDP by 2030 as a result of trade loss and disruption¹⁹⁹.

Given that Rotterdam alone handles approximately 40 out for this 54 MT makes Rotterdam a lynchpin to UK-Dutch trade. A large proportion of this trade between UK ports and Rotterdam are transshipments where Rotterdam is used as a middle stage for non-EU exports to the UK and UK exports to outside of the EU. This is because Rotterdam's advantages in terms of facilities and better accessibility often mean that transporting goods to the UK is cheaper and faster than doing it directly to UK ports. This re-exportation is often known as the 'Rotterdam effect' and while it happens to some extent in most ports with any trade coming from outside the EU's customs union, it is particularly pronounced in Rotterdam itself.

¹⁹⁵ <https://www.ft.com/content/b5ee770a-ced1-11e7-9dbb-291a884dd8c6>

¹⁹⁶ <https://www.portofrotterdam.com/sites/default/files/facts-and-figures-port-of-rotterdam.pdf>

¹⁹⁷ <https://www.womblebondnickinson.com/uk/insights/articles-and-briefings/brexit-and-port-rotterdam>

¹⁹⁸ <https://www.ft.com/content/b5ee770a-ced1-11e7-9dbb-291a884dd8c6>

¹⁹⁹ <https://www.cpb.nl/sites/default/files/omnidownload/CPB-Policy-Brief-2016-07-Brexit-costs-for-the-netherlands-arise-from-reduced-trade.pdf>

An ONS analysis done in 2015 using trade data from 2013 theorised that this effect could involve as an upper bound up to 50% of Dutch exports to the UK²⁰⁰. While this is simply an estimate it is certainly true that a non-trivial amount of UK-Rotterdam trade is based on this effect.

Checks and Delays

There are major concerns regarding how Rotterdam can handle these checks and the delays they are likely to incur. High speed supply chains utilising just-in-time manufacturing are currently able to use lorries to make an under 24 hour round-trip to most destinations within the UK from Rotterdam²⁰¹. Any delays will require the use of more lorries to maintain the same level of throughput, which could in turn create more potential traffic. Despite Rotterdam's large site size and extensive land reclamation the port has limited space for queuing lorries awaiting entry. The port has warned of 9km lorry tailbacks at the port under a no-deal WTO scenario.

Customs

Customs offices at Rotterdam's short sea port were removed in 1993 after the completion of the EU single market while the number of lorries transiting the port has quintupled since 1989.²⁰² The number of new checks needed is unprecedented in Rotterdam's history. Meanwhile the port estimates that 35,000 of the 80,000 Dutch businesses which engage with the UK "have no practical experience of making customs declarations"²⁰³ of the type that will be needed while HMRC has estimated that 131,000 UK businesses are in a similar situation. Officials at the port estimate that most of Rotterdam's own 3000 on-site businesses are involved with the UK in some way or another²⁰⁴.

Rotterdam Port has warned that it could lose up to half of its current trade with the UK over time, in addition to the potential long-term economic impact to the Netherlands as a whole.²⁰⁵ While UK ports might gain if non-EU countries ship directly to UK ports rather than via Rotterdam, it is unclear if existing UK ports have either the capacity or facilities to manage these possible new cargo flows. This disruption also goes both ways, with delays at Rotterdam likely to impede UK exports to the EU, post-Brexit. For example, Stena Line, which operates four to five ships a day to UK ports has warned that disruption is likely to impact its ability to deliver food in time to the UK²⁰⁶.

Brexit Preparations

The Dutch government has planned to hire 928 additional customs officials and 145 veterinary inspectors²⁰⁷. The first initial group of 150 started training in April 2018²⁰⁸. This number includes 100 extra customs officers intended to be ready in Rotterdam by March 2019²⁰⁹. The Dutch government is also operating a 'Brexit Scanner' which allows Dutch businesses to check their readiness²¹⁰.

Apart from a wide variety of investments (e.g. in new customs posts at the port) and contingency planning Rotterdam is also undertaking a post-Brexit customs trial beginning in November 2018 and lasting 90 days²¹¹. This will test customs checks including food and animal inspections as well as new IT system intended to better handle the new workload. The port is anticipating that this trial will create disruption and extra traffic as a result however this is intended to give Rotterdam a real-life view of where potential problems and bottlenecks will be post-Brexit.

200 <https://www.parliament.uk/documents/commons-committees/PACAC/Correspondence/Sir-Andrew-Dilnot-Chair-UK-Standards-Authority-to-Bernard-Jenkin-Chair-PACAC-28-04-16.pdf>

201 <https://www.independent.co.uk/news/uk/politics/brexit-ports-customs-union-u-turn-rotterdam-eu-trade-single-market-theresa-may-david-davis-a8303436.html>

202 <https://www.theguardian.com/business/2018/sep/22/rotterdam-prepared-for-worst-after-brexit>

203 <https://www.womblebondickinson.com/uk/insights/articles-and-briefings/brexit-and-port-rotterdam>

204 <https://www.independent.co.uk/news/uk/politics/brexit-ports-customs-union-u-turn-rotterdam-eu-trade-single-market-theresa-may-david-davis-a8303436.html>

205 https://theloadstar.co.uk/port-rotterdam-plans-post-brexit-customs-trial-discover-bottlenecks/?utm_source=The+Loadstar+daily+email&utm_campaign=23fa8892a8-EMAIL_CAMPAIGN_2018_06_27_11_50&utm_medium=email&utm_term=0_c4570e43d4-23fa8892a8-153503493

206 <https://www.theguardian.com/business/2018/sep/22/rotterdam-prepared-for-worst-after-brexit>

207 <https://www.theguardian.com/business/2018/sep/22/rotterdam-prepared-for-worst-after-brexit>

208 <https://www.theguardian.com/world/2018/apr/27/port-of-rotterdam-infrastructure-plans-stall-amid-brexit-uncertainty>

209 <https://www.portofrotterdam.com/en/news-and-press-releases/brexit-and-port-of-rotterdam>

210 <https://business.gov.nl/brexit/>

211 <https://www.supplychaindive.com/news/Port-Rotterdam-Brexit-trial-customs/527138/>

In comparison, this level of planning is not being undertaken at other ports and is a testament to the investment that Rotterdam has put into its Brexit planning, driven by the obvious challenges both structurally and economically that Brexit creates. Despite this the port says that "It remains to be seen whether customs capacity from 2019 can handle all the extra declarations."²¹²

212 <https://www.portofrotterdam.com/en/news-and-press-releases/brexit-and-port-of-rotterdam>

ZEEBRUGGE, BELGIUM



Description

Although the coastline near the city of Bruges has had a coastal history almost as long as it has existed, Zeebrugge itself has a comparatively recent heritage²¹³. In a period characterised by Bruges taking a role as a relative provincial backwater which had lost its access to the coast to nature, it was decided by the Belgian government in the late 1800s to construct a new port for Bruges. This port was named Zeebrugge; literally translated as “Bruges-by-the-sea”. Work began in 1896 and completed in 1905. By the 1960s Zeebrugge grew strongly based on the expansion of liquid bulk cargo such as oil and both the rise of roll-on / roll-off traffic and containerisation. Zeebrugge is operated by its port authority MBZ²¹⁴, which was created with Zeebrugge’s establishment in 1895 and has the city of Bruges as its largest shareholder.

Operational Profile

Zeebrugge is primarily both a ro-ro port and a container one; of Zeebrugge’s 37.1 MT throughput, 30.4 MT is near-equally split between the two²¹⁵. While Zeebrugge’s container throughput does not compare to much larger container ports, it’s ro-ro capacity occupies a substantial chunk of cross-channel traffic. Zeebrugge’s importance to the UK, and therefore its sensitivities to the effects of Brexit, is heightened by the fact that approximately 45% of Zeebrugge’s capacity is involved with UK-Belgian trade. This exposure, along with the general proximity of Belgium to the UK as a whole, means that Belgium, like the Netherlands is particular exposed to the economic effects of Brexit.

Zeebrugge also holds a unique role as a shipping port for cars; Zeebrugge is the EU’s largest shipment point for completed cars, with 2.8 million typically passing through the port each year²¹⁶. Of these around 1 million are involved with the UK, making Zeebrugge a key economic node for the British car industry, whose reliance on modern just-in-time manufacturing methods requires logistics chains with high frequency and minimal delays. Zeebrugge’s role as a ro-ro port is one of the main reasons why it is utilised so much in this manner.

213 <https://www.portofzeebrugge.be/en/port/history>

214 <https://www.portofzeebrugge.be/en/port-authority/about-us-0>

215 <https://www.portofzeebrugge.be/sites/default/files/2017-12/Connect%20-%20Annual%20magazine%202017.pdf>

216 <https://www.apnews.com/8459fe24a63541c78c2f4d3801be1c5c>

For these same reasons the port is used as the sole transporter of goods into the UK for products such as Volvic and Evian bottled water²¹⁷, as well as tens of millions of litres of Tropicana orange juice. Its owner Tropicana Products uses Zeebrugge as a transshipment location after the juice is shipped into the port from Brazil. In recent times the port has sought to encourage its use for food and drink shipping by leveraging both its ease of access and position as a so-called non-industrial 'clean port' for perishable items.

Zeebrugge Factsheet (2017)²¹⁸

TOTAL FREIGHT <ul style="list-style-type: none"> • 37.1 MT 	FREIGHT MIX <ul style="list-style-type: none"> • Liquid Bulk - 4.1 MT • Dry Bulk - 1.3 MT • Containers - 15.4 MT • Ro-Ro — 15 MT • General Cargo - 1.3 MT 	FREIGHT DISTRIBUTION <ul style="list-style-type: none"> • Europe - 79% • Asia - 10% • Americas - 5% • Other - 5% 	UK SPECIFIC FREIGHT <ul style="list-style-type: none"> • Approx 45% - 16.7 MT
PORT AREA <ul style="list-style-type: none"> • Approx 550 Ha 			

How will Brexit affect Zeebrugge?

Because large portions of Zeebrugge's throughput is devoted to both ro-ro traffic and UK trade, the port's sensitivities to Brexit are particularly high. Approximately 4,000 lorries drive from Zeebrugge to the UK each day²¹⁹ with the port warning that delays due to customs checks or knock-on traffic from the UK or elsewhere could lead to tens of miles of traffic leading from the port.

Currently, checks on non-EU countries are done similarly to other ports via a statistical sampling system which selects shipments for inspection; these checks are done on around 1.5% of all non-EU cargo²²⁰. Brexit will likely extend these kinds of checks towards UK cargo as well, increasing burdens on the ports customs checks and raising the likelihood of delays. Additionally all post-Brexit UK freight will require a larger and more detailed collection of customs documentation than currently. Due to its membership of the EU Customs Union UK freight currently only needs to provide general categorisations of the cargo being carried, something which is not allowed for third country freight.

Under a no-deal Brexit, Zeebrugge would be particularly affected by the 10% tariffs that the WTO imposes on cars as well as high tariffs on some particular food and drink items. This tariff increase could lead to higher prices as car manufacturers try to protect relatively slim profit margins. Such changes could also depress investment if manufacturers can no longer justify the capital costs of updating factories or creating new ones. One business, ICO shipping, which handles around half of the one million UK related cars passing through Zeebrugge has seen shipping reduce by 15% since 2016 as a result of uncertainty. The company further warns that another 20% (100,000) might be lost in the event of a no-deal Brexit²²¹.

Brexit Preparations

Despite these difficulties and the warnings that the port has produced, it has also stated that it has made progress in its preparations. Zeebrugge has accelerated the introduction of apps and scanners to reduce the burdens of potential paperwork, with the intention to digitise the customs process as much as possible. Due the importance of the UK to Zeebrugge the port has also been undertaking "a UK-specific programme for every stage of the logistics chain"²²² with the objective to allow prepared lorries to pass the customs checks before they appear at the port itself. The port is also encouraging operators to apply for schemes such as the Authorised Economic Operator (AEO)²²³ which are intended to reduce paperwork for businesses which meet the correct standards.

217 <https://www.theguardian.com/politics/2017/oct/07/zeebrugge-brexit-braced-for-tariffs-trade-loss>

218 <https://www.portofzeebrugge.be/en/port/facts-and-figures>

219 <https://www.apnews.com/8459fe24a63541c78c2f4d3801be1c5c>

220 <http://europe.autonews.com/article/20180521/ANE/180529957/the-brexit-bottleneck-how-freight-could-get-stuck-at-the-border>

221 <https://www.apnews.com/8459fe24a63541c78c2f4d3801be1c5c>

222 <https://www.theguardian.com/politics/2017/oct/07/zeebrugge-brexit-braced-for-tariffs-trade-loss>

223 https://ec.europa.eu/taxation_customs/general-information-customs/customs-security/authorised-economic-operator-aeo/authorised-economic-operator-aeo_en

The Belgian government has also announced that it is in the process of hiring and training an extra 141 customs officials for the port²²⁴. Officials at the port have also stated that there is a potential for checks to encourage more businesses to use Zeebrugge's ro-ro facilities instead of Calais because Zeebrugge is capable of operating 'people-free' ro-ro where no drivers need to go through UK border controls²²⁵. In the longer term, the port is hoping to focus more on markets farther afield, with the authorities citing growth in trade from countries such as Turkey, Iran and China. In July a freight train carried Volvo cars from China to the port for the first time²²⁶ under the Chinese Belt and Road initiative, with the port then shipping them onto the rest of the world.

The European Commission has also sought to encourage new shipping routes between Ireland and ports such as Zeebrugge so as to reduce Irish dependence on cargo transported through the UK. Under the European Commission's proposed 2021 - 2027 budget for example, €30.6 billion would be assigned to the EU's Connecting Europe Facilities, with ports such as Zeebrugge, Antwerp and Rotterdam able to bid for this funding²²⁷. The port of Dublin has also upgraded its facilities to accommodate the new ship MV Celine, which is the world's largest ro-ro vessel²²⁸. Both Zeebrugge and Rotterdam are intended to be used by the Celine.

224 <https://www.portofzeebrugge.be/en/business/business-logistics/brexit>

225 <https://www.theguardian.com/politics/2017/oct/07/zeebrugge-brexit-braced-for-tariffs-trade-loss>

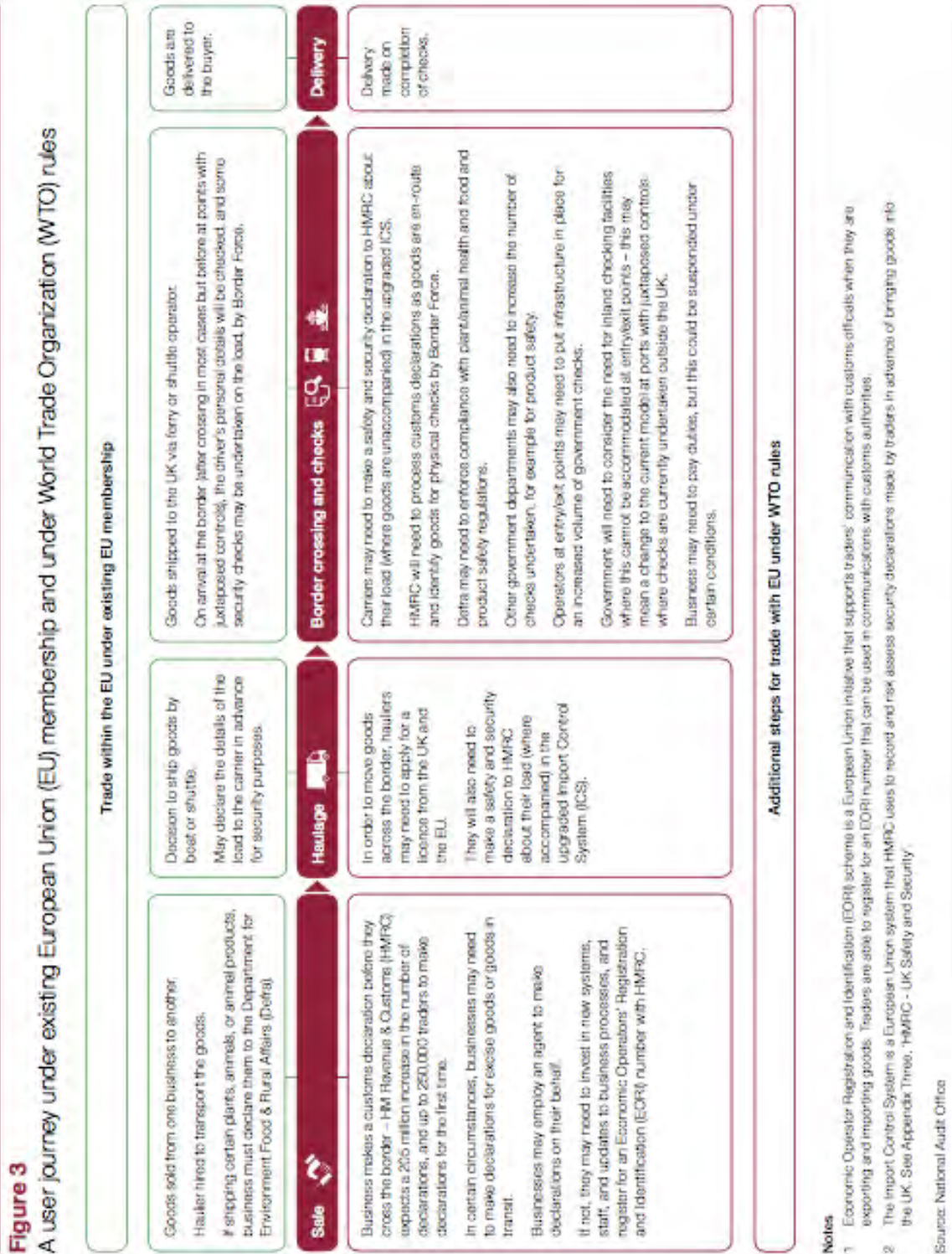
226 <https://www.flandersinvestmentandtrade.com/invest/en/news/first-ever-chinese-vehicle-train-reaches-port-zeebrugge>

227 <https://www.politico.eu/article/brexit-french-ireland-ports-cut-out-of-eu-trade-route-after-brexit/>

228 <https://www.thejournal.ie/ship-launching-celine-dublin-port-3969187-Apr2018/>











ANNEXES

Annex 1



Annex 2

Key systems projects monitored by the Border Delivery Group (BDG)

Project	System	BDG risk rating of project as at September 2018	Summary of position on risk as at September 2018 drawn primarily from BDG's assessment as at 10 September 2018
Imports of animals and animal products (Trade Control and Expert System - TRACES replacement) ¹	TRACES replacement	 Amber-Red ²	There is a large challenge in engaging stakeholders and ensuring businesses/customers are ready.
Automated Licence Verification System ²	Automated Licence Verification System (ALVS)	 Amber	This system needs to be tested to ensure throughputs to and from the Customs Handling of Import and Export Fre (CHIEF)/ the Customs Declaration Service (CDS) work with TRACES replacement.
Tariff Application ¹	Tariff Application (TAF)	 Amber-Red	The main risk is that the system depends on CDS, or an upgraded CHIEF, being ready on time. There is also a risk that legislation may not be approved on time and there may be insufficient time for tariff and quota measures to be implemented if there is late agreement on policy. HM Revenue & Customs (HMRC) and the Department for International Trade (DIT) are working on contingency arrangements to ensure late pre-decisions can be accommodated in the system.
UK Trade Remedies ³	Trade Remedies	 Amber-Green	System development is broadly on track although the system go-live depends on the DIT's ability to recruit and train staff before October 2018.
Transit ⁴	Transit	 Red	HMRC is unsure whether it can deliver the full capability and infrastructure for the Common Transit Convention (CTC) project by March 2019. Discussions to accede to the CTC are ongoing. Work on the National Transit (NT) system has been stopped to enable resources to be focused on delivering the requirements for accession to the CTC which puts both the CTC and NT at risk.
Freight (non-inventory linked) ⁵	Roll-on, roll-off (RORO)	 Amber-Red	This involves a complex set of requirements and ensuring all government agencies have access to key data and that the process is understood by ports, operators, hauliers. Requirements are still not agreed by stakeholders and a review is underway.
Northern Ireland border ⁶	VAT, Customs, Excise	 Red	This project's requirements need to be signed off by ministers and adaptations made to CDS and/or CHIEF to accommodate them. Changes are already being made. There is a risk that cross-government sign-off means some changes must be modified. Also, there is a risk that unanticipated late changes cannot be made in time.
EU Risk & Response, Import Control System (ICS) ⁶	Safety and Security	 Amber-Red	The system is being moved to a remote system to facilitate extra capacity, with migration planned for January 2019 although this could be affected by technical resource pressures in HMRC.
Excise ⁷	Excise Movement and Control System (EMCS)	 Amber-Red	There is a critical dependency on CDS and/or CHIEF to deliver export functionality and challenges relating to business readiness.
Parcels (import and VAT) ¹	Parcels (Import and VAT)	 Amber-Red	A number of policy exceptions have been identified that require function and process changes. HMRC is not sure these can all be legislated for by March 2019. There is a concern about the size and scope of activities required from overseas businesses and intermediaries.

Key systems projects monitored by the Border Delivery Group (BDG)

Project	System	BDG risk rating of project as at September 2018	Summary of position on risk as drawn primarily from BDG's as 10 September 2018
Customs Declaration Service ¹	CDS	 Amber-Red	There are increasing technology uncertainty around Release 3 data modified to work in tandem.
Binding Tariff ²	Electronic Binding Tariff Information (EBTI)	 Amber-Red	The proposed solution was agreed subject to questions about integr

<https://www.nao.org.uk/report/the-uk-border-preparedness-for-eu-exit/>

Notes

- 1 See Appendix Three for a description of the system.
- 2 System that will provide an essential link between CDS and/or CHIEF and other government systems such as the TRACES n
- 3 New system to replace current EU system for managing tariffs around certain goods coming onto the market at a lower price tha
- 4 New system being built to manage movement of goods across the UK border under NT and CTC. These schemes allow for customs territories under duty suspense, that is, without paying duty.
- 5 A system to manage freight movements at those locations which do not have systems to link inventory to customs declarati
- 6 See Appendix Three, 'HMRC - UK Safety and Security'.
- 7 See Appendix Three, 'HMRC - Excise'. EMCS is part of a suite of systems supporting excise. The others are the System for I and Excise Movement Risk Analysis (EMRA). The risk rating applies across the suite of systems.
- 8 See Appendix Three, 'HMRC - Binding tariff'. EBTI is part of a suite of systems supporting binding tariff. The others are Transfer o Electronic Binding Tariff Information (eBTI); and Binding European Retrieval of Tariff Information (BERTI). The risk rating applies i
- 9 As at 8 October 2018, BDG reassessed the Defra TRACES replacement project as Amber, in light of information received in Infrastructure and Projects Authority's review of TRACES replacement.

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