

# DOVER, FREIGHT AND SUPPLY CHAINS IN THE POST-BREXIT WORLD

By Stuart Stobie, *Group Sales and Marketing Director, Priority Freight*



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It would be true to say that there is a fair amount of trepidation surrounding Dover, as the United Kingdom's exit from the European Union in March 2019 draws ever closer. Uncertainty over new custom technology, capacity of the roads surrounding the port and the unknown economic impacts has meant that Port of Dover is being used as a political pawn for both the pros and cons of Brexit. However, what must not be forgotten in this political to-ing and fro-ing, is that an efficient supply chain at Dover can only be seen as a positive, and those responsible must strive to achieve this.

There is a reason for why Dover is at the very centre of this efficiency and supply chain debate. The port handles £120bn in imports and exports per year. During last year alone, 2.6 million freight units and 12 million passengers transited the port. It is, in more ways than one, the country's gateway to mainland Europe. It is clear to see why it is so important for the UK economy to have an effective and efficient logistics network operation coming out of Dover. So what are the potential problems that need to be solved before we exit the European Union and the Single Market?

## Tech Fears

Meg Hillier MP has recently claimed that queues to Dover could stretch back an astonishing 108km after Brexit if the new technology being implemented at boarder checks was to not work. The Labour Chairman of the all-party public accounts select committee was airing her concerns about the new system checks as MPs quizzed the HMRC Chief Executive Jon Thompson about the potential impact of the replacement for the current CHIEF technology, due to be introduced in January 2019, going wrong.

Obviously with the introduction of new technologies, there are always going to be concerns and reservations. As is human nature. We resist, and are therefore drawn to the negative implications. There are also factors around on boarding to consider. It is unreasonable to think that the technology will work at its maximum capacity upon introduction. No matter how long, or how thoroughly tested it is, there will be teething problems. Therefore patience is of the essence. Also in the post Brexit world, we should be willing to try new technologies and to innovate. The UK cannot afford to standstill if it is looking to compete with the major economic powers, independent of the European Union.

However, in something as important as the Port of Dover, new technology needs to be as ready as possible. If this means more investment from the HMRC, which claims it needs an extra £7.3m, then so be it. This is a port where hundreds of billions of pounds worth of imports and exports are going through annually. It is a small price to pay to ensure that supply chains are going to be efficient. In fact, this is where digital boarders, and customs clearance can be managed incredibly quickly with success being seen in Singaporean ports. Once shippers understand the new systems and technologies in place, we will hopefully see a working system meaning little impact on the surrounding roads, and Operation Stack will be less of a regular occurrence.

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## All Stacking Up

Current arrangements agreed under the Single Market, state no checks are made on goods leaving the UK for Europe and vice versa. This is set to change once we leave the market, and with the fears of the suitability of technology coming in, the Port of Dover could potentially, according to some, be facing an “Armageddon situation.” There is a real fear that Operation Stack will be a permanent feature on the M20 and the surrounding roads, something which many Kent town infrastructures will not be able to cope with.

This somewhat bleak outlook is compounded by the delays in building new lorry parks. For freight transporters, such as Priority Freight, it is of the utmost importance to keep supply chains moving. Having more Lorries and trucks on the road will only lead to more congestion, more frequent Operation Stacks and therefore clogged up supply chains leading to delays. Instead of these vehicles being on the road, would it not be better for them to be in a lorry park that can hold up to 2,000 articulated vehicles a night. We have already seen the manufacturing industry looking at alternative, and more costly transport solutions thanks to Operation Stack, and with Brexit and all that comes with it, we might see other sectors going the same way.

It is clear that the UK leaving the EU is going to cause a number of complications, costs to the supply chain and inhibit movement. However, this does not mean that this should be allowed to happen. Instead, there needs to be a certain amount of productivity and initiative ensuring that when the moment comes, supply chains are as prepared as possible for the inevitable change in procedures. Let's not let Brexit inhibit us, but make us reflect on current systems and how these can be improved for the future, meaning that the negative impact the UK leaving the Single Market is kept to a minimum.

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### Written by Stuart Stobie

Stuart Stobie, Sales and Marketing Director at Priority Freight, has 30 years' experience within the logistics industry. He has worked in a variety of roles from general management to board level in both International and Domestic transport and has experience across sales, marketing, operations and customer service and most recently in specialised customer solutions.



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