Call for Input on the Rail, Road and Inland Waterways Block Exemption Regulation

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About Logistics UK

Logistics UK is one of the country's largest business groups, supporting, shaping and standing up for safe and efficient logistics. We are the only organisation representing the entire logistics sector.

We represent a sector delivering an increasingly innovative, productive and sustainable system of essential national infrastructure. This system ensures the availability of the products that households, businesses and public services rely on every day, and is supporting the UK's transformation for the future. Our membership of over 20,000 includes global, national and regional businesses and SMEs spanning the road, rail, sea and air industries as well as the buyers of freight services, such as retailers and manufacturers.

Logistics UK's response to the Call for Input

During discussions with Logistics UK members, it was made clear that there was a distinct lack of awareness about the block exemption regulation and its role. This is a cause for concern as it appears that there are many areas in which the industry does appear to operate under the exemption. The Block Exemption enables industry to collaborate, ensuring capacity is used most efficiently and ensures that the timetable is optimised to ensure the maximum number of trains can be pathed. It is highly valued by the rail industry and provides an important function in increasing the efficiency of industry activity and providing better outcomes for operators, freight customers and Network Rail. Logistics UK is concerned that the removal of the exemption could therefore lead to additional bureaucracy and reduced efficiency.

It might be possible for businesses to self-assess in lieu of the block exemption when entering into extremely particular agreements. However, such an approach has the potential to increase expenses and complexity, burdening businesses further. Also, reliance on self-assessment could introduce inconsistencies and subjective interpretations potentially leading to legal uncertainties and disputes. Employing such an approach could inadvertently create a more challenging environment for businesses to navigate, ultimately hindering innovation and economic growth.

Undoubtedly, the RRIWTBER and its purpose and functionality are not well known or fully understood within the supply chain. However, there are instances whereby it appears that agreements and contracts – especially those pertaining to schedule paths – do fall under its purview. This lack of awareness regarding the RRIWTBER underscores the need for enhanced education and dissemination of information regarding its provisions and implications.

Self-assessment would not provide a sufficient substitute for the block exemption due to its inherent complexities and potential for inconsistencies. Consequently, if government opts to revoke the exemption, businesses could face heightened scrutiny and greater legal risk, necessitating a more cautious approach to operational decision-making to ensure compliance with competition regulations and mitigate potential repercussions.

If proposed a new exemption tailored to cover essential aspects of industry operations would need to be developed in consultation with stakeholders and regulatory experts. This new framework would have to aim to strike a balance between promoting competition and fostering innovation while ensuring adequate protection for businesses engaging in collaborative agreements within the logistics sector. In light of this, Logistics UK therefore supports the continuation of the RRIWTBER in UK law.

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