Logistics UK Submission to the Environment, Food and Rural Affairs Committee Call for Evidence on biosecurity at the border.

29 January 2025

About Logistics UK

Logistics UK is one of the country's largest business groups, and the only trade association which represents all of logistics. Our mission is to support, shape and stand up for safe and efficient logistics. Our membership of more than 20,000 includes global, national and regional businesses and SMEs spanning road, rail, inland waterways, sea and air as well as the customers of freight services, such as retailers and manufacturers. We deliver services, representation and thought leadership, helping members and policy makers to seize new opportunities for the sector and the economy as a whole, right across the country.

The logistics sector

Logistics underpins our economy and is fundamental to our way of life. It supplies our hospitals, schools, factories and shops with everything they need, everywhere, every day – nothing moves without it.

The efficiency of logistics and the productivity of the economy are completely intertwined. Due to this relationship, Oxford Economics found in 2023 that getting the policy and infrastructure environment right for logistics would unlock up to £8 billion a year in productivity-led growth by 2030.

However, we are not currently going in the right direction. The UK fell from 4th to 19th place in the World Bank Logistics Performance index over the past decade, largely as a result of border friction and underinvestment in transport corridors.

Logistics is a major sector in its own right. It contributes £185 billion to the economy each year (12% of UK non-financial GVA), is one of the UK's largest employers, providing good jobs with strong career progression – 2.7 million people (8% of the UK workforce) are employed in logistics roles, and its key hubs provide a catalyst for further growth and investment, helping places to thrive.

Logistics has transformed the UK and is now delivering for the future. It helped deliver the country's canals, roads, railways, airports and ports, has driven revolutions in global trade and e-commerce and is now innovating to deliver decarbonisation and even greater efficiency.

Call for Evidence Response

Logistics UK welcomes the opportunity to submit written evidence to the Environment, Food and Rural Affairs Committee in its examination of biosecurity measures for animal and plant imports to the UK.

Logistics UK supports the government's commitment to a reset in UK EU relations and within that, a new UK EU Sanitary and Phyto-Sanitary (SPS) Agreement. This new Veterinary Agreement should be comprehensive in nature to reduce and remove friction on the trade of SPS goods between both Great Britain (GB) and the European Union (EU), and between GB and NI where the movement of SPS good must meet a series of requirements under the Windsor Framework.

In the interim period until such an agreement is reached, the logistics sector remains very concerned about the implementation of the Border Target Operating Model (BTOM), and the impact on the movement of commodities subject to SPS controls from 30 April 2024.

In response to the committee's request, please find below industry feedback on the adequacy and impact of SPS controls on commercial imports, the performance of Defra and other agencies in delivering the Border Target Operating Model, and suggested remedies.

Disproportionate impact on SMEs

BTOM continues to risk delays, traffic congestion, higher prices, reduced choice for consumers and shortages, particularly to perishable and 'just in time' products. It poses a disproportionate risk to smaller importers and groupage operators given the impact of additional paperwork and costs. The burden on businesses has also been heightened by the repeated failure of government to provide the clarity that businesses need, in a timely manner, to enable them to plan ahead.

Recommendations:

- Government to establish a meaningful engagement mechanism with the logistics sector on the operation of BTOM.
- Government to work with groupage operators to identify additional measures of support, given the reliance of sole traders and SMEs on the groupage model for affordable transportation of their goods.

Supply of Information and notification to drivers

When industry was first consulted, there was a commitment from government that there would be an App for drivers to use for notification of whether their consignment has been selected for a physical SPS (or customs) control. The logistics industry is still awaiting delivery of this app.

Timely information to the haulier and importer on whether a shipment is subject to a physical inspection is crucial for all movements, not least at the Short Straits where the crossing times are 35 minutes to a maximum of 2 hours. At the inventory linked ports, carriers are informed by email that a trailer is being inspected at a very late stage, and often at night, where few agents or forwarders are 24/7, and therefore the haulier cannot anticipate who to communicate with, neither their customers nor the drivers.

Where the trailer or container has multiple consignments, carriers also have no knowledge of which consignment is to be inspected and therefore do not know which customers to inform.

In addition, only the trailer number is mentioned, not which consignments will be inspected. There is a lack of information, which is creating scheduling problems, as it is unclear which consignments are subject to inspection and which are not. This also disrupts the scheduling of timeslots and ferry bookings, adding to greater congestion.

Recommendations:

- An increase in the speed of information flow. Systems should be put in place to inform the carrier before the 'point of no return' of a ship is reached. This is currently when the shipment is past the halfway point. Ideally the carrier would be informed at a much earlier stage e.g. when the ship has left the quay.
- Improvements in the information flow regarding inspections and links between the CHED-PP (Common Health Entry Document for Plants and Plants products) and GMR (Goods Movement Reference number) to make it immediately clear whether goods are subject to inspection or not.

The physical inspection process ("turn out").

Turn outs at Border Control Posts (BCPs) are time-consuming and confusion remains around charging. Most GB BCPs are privatised, with individual ports responsible for setting their own charges. The variation in charging, which can range between £300 and £750 a turn, is creating confusion and leading to difficulties in the accurate prediction and calculation of costs and charges to be passed on.

The average waiting time per inspection is approximately four hours, but depending on the staffing level of a BCP, it can reach 10 or even as much as 20+ hours. This unpredictability and delay disrupts carrier schedules and causes significant financial loss when drivers are unable to board ferries in time at an inventory linked port (ILPs) or when they are unable to meet other scheduled activities.

At the Short Straits, goods are selected for SPS (and or customs) control during the short crossing, and the driver is informed to attend at the Sevington Inland Border Facility (IBF) and BCP. Sevington is 22 miles from the port of Dover and 12 miles from the Channel Tunnel. Having this distance between the port of entry at the Short Straits and inspection facility creates the potential of a biosecurity risk for the UK. This could be as a result of a lack of understanding of the process on the part of the driver, or in rare cases, intentional non-compliance.

Recommendations:

- Greater transparency in relation to importation charges, via a one stop shop containing a breakdown of all fees.
- Sufficient capacity provided at Sevington, and within other relevant authorities, to efficiently and effectively carry out inspections and process samples, to ensure just in time produce is not delayed.

Loading and unloading at BCPs

The industry remains concerned about damage caused to delicate goods (e.g. dairy, flowers and plants) during physical unloading and reloading by BCP personnel during inspections, and the resulting negative impact on quality, shelf life and value. Reports have been filed on damages as a direct result of inappropriate handling, especially when reloading. Damages during inspections can neither be insured nor claimed elsewhere. It is also relatively common for a truck to be reloaded in reverse order, which means the unloading schedule is disrupted and reversed as the final destination now has to become the first stop.

Recommendations:

- Improved training of inspection staff, especially on how to handle and reload goods more carefully and at busy periods. These staff must be aware of the major financial consequences of mishandling goods. Carriers are willing to give instructions on this and in the cases of unaccompanied transport are willing to provide further additional instructions.
- Drivers permitted to assist inspectors in reloading cargo. This would assist the carrier in continuing its journey more efficiently while reducing the risk of damage or mistakes during the checking process.

Drivers' waiting times and facilities.

Logistics drivers are experiencing a great deal of disruption and frustration due to long waiting times and knock on impacts on their schedules. This is leading to possible violation of driving and rest time legislation. Logistics drivers do not want to wait in ports for hours under unsatisfactory conditions. The delays can result in recruitment and retention issues for logistics drivers, given the added disruption to

work life balance. Moreover, the facilities these drivers are expected to use are unacceptable compared to what is offered elsewhere throughout continental Europe. This disparity is actively discouraging European hauliers from transporting goods to GB. This situation must be improved.

Recommendation:

- Set up adequate facilities for drivers whilst inspection is occurring. Facilities should include an area where drivers can rest, access adequate restroom and washing facilities and have good food and drink options available for purchase.

Opening hours and border checkpoints

Transport is a 24/7 operation. Ferries leave or arrive in the UK at all hours of the day and sailings also take place at weekends. However, the opening hours of BCPs do not match the arrival times of ferries. As an example, the ferry from DFDS Vlaardingen to Immingham arrives in the UK at 06:15. Defra starts at 08:30. Some BCPs operate from 07:00 to 19:00 five days a week only. Any arrivals outside these hours have to wait until the next day. Fresh goods, including cut flowers, are not able to absorb these delays. For time-critical cargo, every hour of delay counts. These issues heighten the risk of EU suppliers withdrawing from the GB market, which in turn will mean less choice for UK consumers.

Recommendation:

- Extend and streamline opening hours in all BCPs so imports are not unnecessarily delayed.

Invoicing

Common User Charge

Concern remains that the government's Common User Charge (CUC) is disproportionate and unfair for smaller traders and operators and will also increase the price of SPS goods for UK consumers. As the CUC is a not-for-profit policy, there is a responsibility on government, in the interests of transparency, to publish data and information on the operational costs for Sevington that the CUC has been set to cover.

BCP charges

Members have received a range of different invoices at BCPs in terms of amount and addressee. Carriers are often receiving the invoice, rather than the importer, causing further confusion. The result is that the invoiced party must work out how costs are to be divided amongst the various parties.

Recommendations:

- Invoices to contain all the necessary information that involved parties need, ensuring each party pays the correct fees.
- The initial inspection fees to be charged to importers and not carriers – unless the carrier chooses to be invoiced instead. As every importer has to declare all shipments in IPAFFS, and the importer is known to inspection authorities, a link to invoicing can easily be made. The carrier is the link between the exporter and importer of these goods and should not receive the invoice for initial inspection fees, unless they have proactively chosen to be invoiced in the place of the importer.

Communication

Traders and logistics providers require clarity, certainty, stability, simplicity and affordability when it comes to border processes. Regrettably, the lack of clear, sufficiently detailed and timely guidance and responses from government has been a persistent difficulty for our members in their efforts to prepare and adapt to the BTOM. The resulting uncertainty and added complexity are leading some EU suppliers to simply opt out of serving the GB market. From member feedback, this is also true for logistics businesses, with a decline in continental logistics operators willing to deliver to GB, alongside a decline in UK operators willing to continue to serve the Short Straits route. This will ultimately impact GB consumers in the form of lower product availability and higher prices, outcomes none of us wish to see.

There is also a need to improve the communication flow between the various authorities involved in the operation of BTOM, and from these agencies to transport companies who have submitted enquiries.

Recommendations:

- Government to provide clear, sufficiently detailed and timely information, and responses to businesses, including specific details on holds on trucks and consignments.
- Urgent clarity from government on how and when BTOM checks will be fully scaled up. As set out above, substantial problems are being encountered by traders and logistics providers and this is before inspections are ramped up to the full 100% inspection regime.

Conclusion

As an industry we want to see UK-EU trade thrive. As carriers, we want to protect the UK's biosecurity and food safety. The logistics sector wants to work constructively with government to achieve these goals. As outlined in this submission, several significant concerns remain in respect of the current operation of the BTOM, and crucially, this is in advance of full implementation of the 100% inspection regime. We believe all of these issues require urgent review and we have set out a series of recommendations to inform the government's response and action to address these barriers in advance of a comprehensive Veterinary Agreement between the UK and EU.