

**Brexit**

## Port of Rotterdam reveals scale of Brexit challenge

UK will no longer be able to rely on giant Dutch facilities when it leaves EU



© Reuters

Michael Acton in Rotterdam DECEMBER 27, 2017

At the port of Rotterdam, the biggest in the EU, the sheer scale of the bloc's trade with the rest of the world — and the infrastructure needed to handle it — is there for all to see. But the cranes, gantries and port equipment also illustrate the challenge for the UK when it breaks with the bloc in 2019.

At a border inspection post, porters lift out outside boxes of South American beef. It is one of 120 containers of agricultural products unloaded at the facility every day, a fraction of [Rotterdam's](#) overall activity.

The Dutch port, which processes 461.2m tonnes of cargo overall each year, is a principal point of entry for goods headed for destinations throughout the [EU](#) — including the UK, just 140 miles away.

“English ports are not equipped with the same facilities as Rotterdam, which is why most of it comes here,” says Ricardo Rackwitz, the site's commercial manager, as he watches the porters heave the boxes. “It's actually quicker to send it here first. Then we put it on pallets and send 10 or 12 per cent of it on to the UK.”

Theresa May's government says it is progressing on Brexit, after striking an initial divorce deal with the bloc this month. But leaving the EU is not just about negotiation and legislation; it is also about implementation and infrastructure.

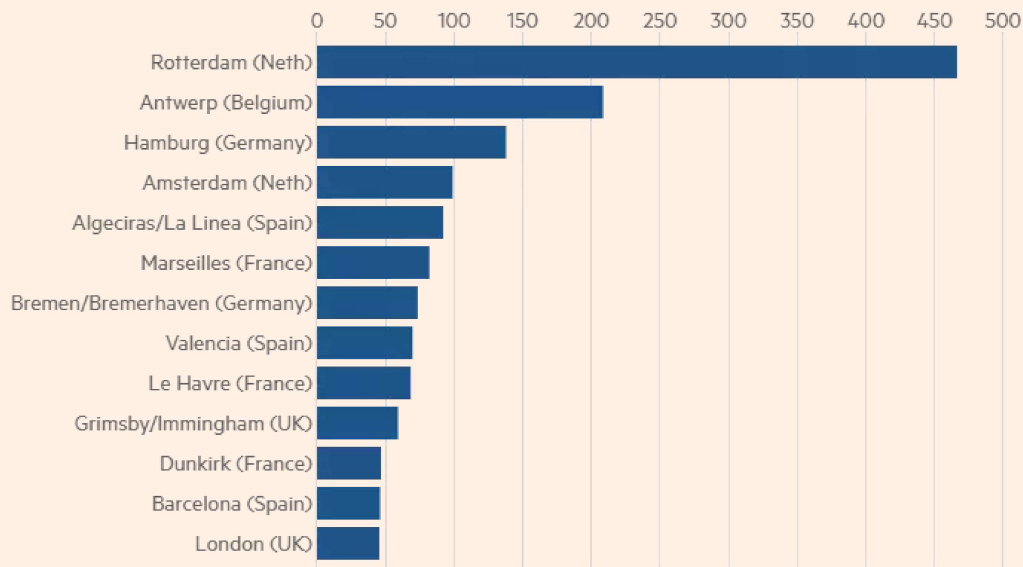
Once Britain leaves the EU's customs union, the UK will no longer be able to rely on the port facilities in Rotterdam or elsewhere in the EU — and will instead have to develop its own, for

trade both with Europe and beyond.

Precise statistics are elusive on how much of the work at Rotterdam is for the UK's benefit, since official figures do not make clear what proportion of the goods that travel from the Netherlands to the UK originates from outside the EU.

### The UK lacks the capacity of the larger EU ports

Top EU ports (total cargo handles, 2015, tonnes m)



Source: AAPA World Port Rankings

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But according to the Office for National Statistics, as much as half of the Netherlands' annual €40bn goods exports to the UK come from third countries.

After Britain's final break with the EU, this trade will have to go directly to the UK, or pass through two separate borders, first European and then British.

Under EU law, checks must be carried out on all plant and animal products entering or leaving the single market.

When such checks are carried out at Rotterdam, the lorry driver must get out of the vehicle and sit in a waiting room. The container is opened by the veterinary inspector, the temperature of the product is checked, and health certificates are verified and stamped.

On average this process takes half an hour, but sometimes samples are sent to a lab, delaying shipments for substantially longer. These are the procedures that British goods could face after [Brexit](#).

Even if the UK and the EU agree a two-year transition period to maintain much of the status quo — the subject of negotiations beginning next month — non-tariff barriers to trade and subsequent delays to shipments may be unavoidable when the UK finally leaves the single market and customs union.

“From a customs point of view, it’s always a hard Brexit,” says Elmer de Bruin, head of international affairs at the Dutch Association for Transport and Logistics.

“Even a two-year transition period is unlikely to be long enough for governments and businesses to prepare.”

Part of the problem facing authorities on both sides of the North Sea is that no similar facilities to Rotterdam exist for UK-EU trade.

Most trade between the UK and the Netherlands is done via ferry, rather than large cargo ships. The ferry terminal at Hook of Holland, from which goods travel to UK ports such as Harwich, currently has no border inspection post.

Once the UK is out of the single market and customs union, established trade routes may well have to change, since building border inspection posts will take time to construct and may not be possible at many locations.

“There is no physical space in ferry ports, either in the UK or on the continent,” says James Hookham, deputy chief executive of the UK Freight Transport Association.

“This is going to create congestion in these port areas and potentially long queues.”

Figures provided by Dutch customs suggest that Brexit could increase the number of import declarations processed by the country’s authorities by 732,000 a year — an 18 per cent rise. Export declarations could jump much more dramatically — up by 4.2m or 33 per cent.

Producers that ship goods on a ‘just-in-time’ basis, with the product going from field to shelf in a matter of hours, are particularly concerned by such looming delays.

“It’s difficult to be optimistic,” says Sylvie Mamias, secretary-general of the Brussels-based International Flower Trade Association, whose sector is one of many that are time sensitive and could be badly affected by delays. “Having not just one border check, but two — this is a very difficult prospect.”

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