

## PRESS RELEASE

### Brexit – How Business Gets Ready

Brussels, 29 January 2019 – At the first European Logistics Platform (ELP) event of this year, 50 EU policymakers and industry stakeholders met to discuss how businesses are preparing themselves for Brexit.

The event was hosted by **MEP Caroline Nagtegaal** (ALDE, NL) member of the Committee on Economic Affairs (ECON) and Committee on Industry (ITRE). In her introductory remarks, Ms Nagtegaal voiced her disappointment about Brexit, noting that ‘with Brexit everybody loses, and no-one comes out as a winner.’ She emphasised the need to ensure that the negative impacts of Brexit are taken care of as trade will go on. In this regard, she noted that ‘the current situation needs to be addressed with more clarity, communication, as well as cooperation. Only in that way it will be possible to address the challenges posed by Brexit effectively.’

**Sebastiaan Scholte, CEO of Jan de Rijk Logistics**, illustrated how a truly European company like Jan de Rijk Logistics is preparing for Brexit. Since much of this is out of company control, he gave some figures on the possible impact in terms of costs: Just for Jan de Rijk one hour delay at each side of the tunnel will increase cost by € 1.5 million per year. Shifting cargo to other modes of transport such as air freight would not be a feasible option as the approximately 2 million trucks crossing the channel yearly would need 600 B-747 400 freighter flights a day. On a more positive note, Mr Scholte noted that ‘ultimately industry will overcome the chaos caused by Brexit and adapt.’

**Ian Howells, Senior Vice President of Honda Motor Europe**, gave a holistic overview on how Brexit will impact on a complex manufacturing company such as Honda. The key risks for Honda relate to the restrictions on access to people, disruptions to the supply chain, regulatory divergence and the impact of tariffs on competitiveness. Mr Howells noted that ‘any disruption represents a problem and any variations in requirements of checks performed between the UK and the EU will lead to additional costs. Furthermore, significant delays in the transposition of EU law into UK legislation pose a significant problem.’ An example therefore is type approval, where it could lead to a situation in which cars could be produced in the UK, but not be sold there. He pointed out that packaging is a significant issue, as automotive packaging is not designed for container transports and thus there are only a number of ports which can be used for that purpose.

**Marty van Pelt, Manager Business Relations & Communications at Portbase** gave a presentation on a joint stakeholder initiative to get ready for Brexit in the Netherlands, initiated by Portbase. The recently launched website ‘[getreadyforbrexit.eu/en](http://getreadyforbrexit.eu/en)’ provides importers and logistics service providers with a step-wise guidance on how to prepare. This chain-wide solution conveniently enables parties to comply with the new customs formalities that will soon be applicable to both shortsea and ferry traffic. Mr van Pelt noted ‘As national Port Community System, PortBase has a coordinating role in making the necessary joint agreements and in the development of the required IT process. A lot has already been achieved in recent months, and a central working method has been embraced by all participating parties. But there’s no time to sit on our laurels, as 29 March will be here before we know it. And we really need to be ready.’

**Martin Jones, Deputy Director EU at the UK Department for Transport**, gave some further insight in the preparations in the UK. He reminded the audience that two deals are needed, namely the Withdrawal Agreement and an agreement on the future relationship. The draft Political Declaration outlines what will be covered by the future relationship agreement but it will be negotiated after the UK leaves the EU. Regarding the contingency preparations for road and air transport services, Mr Jones noted that the Commission's recent legislative proposals would preserve basic connectivity by guaranteeing rights for UK airlines and hauliers to operate between the UK and EU, provided the UK granted equivalent rights. He confirmed that the UK would do this. He also talked about a range of UK contingency plans to mitigate disruption to transport and supply chains.

In concluding the event, Nicolette van der Jagt, Chair of the ELP, thanked MEP Ms Nagtegaal and the speakers for their valuable insights noting that 'a no-deal Brexit should be prevented, as regardless of Brexit preparedness, it will lead to disruption, delays and extra costs in trade, and damage the economies of both the UK and EU.'

*The European Logistics Platform consists of more than twenty industry stakeholders representing a wide variety of actors involved in logistics and supply chains across Europe. Current members are ACEA, Amazon, BDL, CER, CLECAT, Deutsche Bahn, Deutsche Post DHL Group, duisport, ECG, ESC, ECSLA, ERFA, FEPORT, FERRMED, FTA, Goodyear Dunlop Tires Europe, Hutchison Whampoa, IRU, Michelin, NLA, Port of Rotterdam, P&G, TLN, UIRR, Volvo Group.*

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