## **Brexit**

## Brexit forces German logistics group to suspend UK deliveries

DB Schenker says only 10 per cent of shipments bound for Britain have correct paperwork



DB Schenker said there was no immediate clarity on when services would restart © Björn Wylezich/Dreamstime

Peter Foster in Brighton YESTERDAY

German logistics group DB Schenker on Wednesday became the latest major parcels operator to suspend cross-border delivery services because of new red tape and customs paperwork imposed by Brexit.

In a note issued to customers the company said it was suspending shipments from the EU to the UK blaming the "enormous bureaucratic regulations" created by the post-Brexit trading arrangements that had left recipients in the UK unable to handle shipments in a "legally compliant manner".

The company added that the postponement would continue "until further notice" while it mobilised more staff to help with completing paperwork correctly.

A spokesman for the company in Berlin said there was no immediate clarity on when services would restart, adding that only 10 per cent of shipments were accompanied with the correct paperwork.

Last week another major international delivery company, DPD, suspended deliveries from the UK to the EU, saying that up to 20 per cent of parcels had incorrect information attached.

In a statement DPD blamed "challenges" with the government's New Computerised Transit System (NCTS) since January 1, when the EU-UK post-Brexit trade deal came into force. The company has said it will review the situation on Friday.

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Industry insider

The suspensions came as it emerged that the UK government is proposing to fasttrack empty supermarket food lorries returning to Europe to restock, as concerns mount in Whitehall that post-Brexit port disruption threatened supermarket supply shortages.

A consultation document sent to industry by Defra, the UK's agriculture ministry, on

Tuesday night warned that "the potential for further disruption remains high" and proposed the new expedited return scheme for supermarket hauliers using the short straits crossing.

"Given the potential for border delays to impact supply chains over the next few weeks, we are proposing an emergency contingency measure ... to expedite the return of empty food lorries from the UK to the EU where they can be restocked with supplies," said the 18-page consultation marked "official sensitive" and seen by the FT.

The scheme, if enacted, envisages allowing up to 300 trucks a day to skip queues outside the Channel ports of Dover and Folkestone and would be open only to the largest supermarkets and their subcontractors.

It is part of broader government plans to prepare for post-Brexit border disruption, which has so far not materialised.

Although pre-Christmas stockpiling has reduced pressure on ports, traffic levels are expected to return to normal soon.

French customs officials this week announced they anticipated full flows "within about 10 days" and warned they would be "especially vigilant" in coming weeks on enforcing border formalities.





A sign informs motorists: 'Freight to EU new documents required' © Nathan Stirk/Getty Images

The consultation document warns that the Dover-Calais route is "critical" to UK food supply, with approximately 10 per cent of food consumed in the UK coming across the Channel. In winter months about 75 per cent of fresh fruit and vegetables comes via this route, according to the British Retail Consortium, a trade body.

Under the proposal, lorries that could demonstrate they were working for a big supermarket or supplier and were planning to return to the UK within seven days would be granted a priority permit to bypass lorries stacked on the M20 under **Operation Brock.** 

The new plan would be triggered only when waiting times outside Dover reached eight hours or more and the loads delivered to UK supermarkets had fallen below 75 per cent of expectations for two consecutive days.

Rod McKenzie, director of policy at the Road Haulage Association, welcomed the idea in principle, but said: "The devil really is in the detail and in the administration of the scheme."

But another industry insider who asked not to be named said ministers were underestimating the complexity of supply chains and the roles played by secondary subcontractors.

"This is just embarrassing, and won't work. Another knee-jerk scheme," the person said.

Confirming the plan to fast-track empty supermarket lorries, a Defra spokesperson said the UK's food supply chain was "highly resilient" but it was planning the scheme as part of "contingency measures".

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