UK Chamber of Shipping – Comments on Communication from the European Commission – "Blue Belt, a Single Transport Area for shipping"

We have seen the Commission's proposals; indeed, we have been following their development for some time. They have been a long time in the gestation, and are intended to address complaints from ourselves (and others) that movements of goods by sea within the Internal Market are subject to controls while those by road are not.

The proposals should certainly improve the situation, and are to be welcomed accordingly. The abbreviating of the process for obtaining a Regular Shipping Service certificate is good news, as is the use of ships' manifests on other ships to identify goods that are moving within the Internal Market and which do not therefore require clearance in order to be allowed out of the dock gate at the port of discharge. It is also, of course, heartening to see a deregulation initiative from the Commission.

That said, the proposals also draw attention to the underlying EU tendency to over-regulate, which prevents the full potential benefits of the Internal Market from being realised, and the resulting unsatisfactory nature of the legal framework which they will (slightly) modify. Taking the two elements of the proposal in turn:

- "Regular Shipping Service" authorisation
  Why must an intra-EU sailing have a certificate in order to be recognised as an intra-EU sailing? The Dover-Calais ferry service, for example, operates only between Dover and Calais; everyone knows this, including HMRC and the Douane (and, if they are in any doubt, they can track the movement of the ships during their voyage). But, in order for the ships to be treated as intra-EU sailings and the trucks onboard allowed to drive off freely at the end of the voyage, the ship is required to have a Regular Shipping Service certificate. This adds no value to anything; it is purely a bureaucratic cost, albeit not a heavy one. Why can the EU not simply stipulate that the ship should be treated as what it obviously is, namely a movement within the Internal Market?

- e-Manifest
  The same dynamic is evident in relation to the e-Manifest element of the proposal. All ships' manifests already name the port at which each item of cargo was loaded onto the ship. Why do ships' manifests need to be "harmonised" by EU law before Customs can make use of the information which they already contain? And, while it may well be necessary for manifests to include an identifier of the Union status of the goods (to distinguish goods moving within the Internal Market, from transhipments of imports), why should a shipping company need a special authorisation in order add such data to his own manifest? (We do, of course, need to wait until the legislative proposal is published before we can comment authoritatively.)

In the context of the balance of competences review, it is necessary also to consider how Control Agencies in the UK will actually implement the EU regimes. We noted in our Evidence, submitted on Tuesday, that UK agencies have sought (on various occasions) to apply routine controls to ferries despite their authorisation as Regular Shipping Services – which would, had the Agencies succeeded, have nullified the Internal Market. And I have little confidence that the Border Force (on behalf of HMRC) will have any regard to a "Union status" identifier on an e-Manifest when deciding whether to stop a container for an X-ray or other physical examination that

obstructs its free movement within the Internal Market. So there are no grounds for supposing that replacing the EU control regime with a UK one would yield any advantages.