The course of seamless borders post-Brexit never runs true

The basis on which the UK will be trading with the EU after March 2019 is not settled. In any event, HMRC and Border Force are in the frontline, with responsibility for security and revenue capture from levies on imported goods under current and future regimes. As far as possible, HMRC targets inspection remote from ports to minimise disruption and relies on declarations from shippers and forwarding agents to direct activities. HMRC has estimated this will increase from the current 55 million entries to 255 million entries, which will necessitate up to 5,000 additional staff. Brexit also adds pressure to the project to replace the Customs Handling of Import and Export Freight system, the current IT platform for all customs entries.

There may be other factors mitigating the impact on cross-border disruption. First, a proportion of goods received by road from the continent are non-EU origin goods imported through main ports in Western Europe: the Rotterdam effect. If these transfer to direct shipment from non-EU origin, they will be handled by the main deep-sea ports such as London Gateway and Felixstowe, which already handle predominantly non-EU cargo, often in line with WTO rules. Estimates of the Rotterdam effect vary, but are unlikely to dent the substantial EU or transit goods handled through road freight ports such as Dover (ro-ro ports).

Second, there is the proposal in the Customs white paper to allow organisations to undertake self-assessment of import duties in the same way that VAT is collected. Whilst this shifts the administrative burden from HMRC, large companies are keen, as it will allow simplification of the payments process. Currently, imports cannot be released without a declaration at the time of each consignment arriving.

Third, the application of technology in allowing such improvements as digital preclearance, vehicle recognition and trusted trader schemes is expected by UK and others (notably Ireland) to ease cross-border traffic. The EU initiative is already underway through Union Customs Code project (UCC), which underpins the automation process. Despite the intention to adopt UCC as part of the Withdrawal Bill, the UK's exit from the EU will inhibit the participation in the project.

HMRC is only one of 26 agencies that can intervene in an international transaction, with bodies such as Home, Environment Agency, Port Health and local authorities accounting for up to 75% of the inspections at ports. Each of these agencies will have to scale up activities to varying degrees, depending on the reliance of each on the current controls in place within Europe.

Also, the flow of cargo is dependent on neighbours on the other side of the borders. Ro-ro traffic currently flowing unimpeded from France, Ireland and Scandinavia will feel the greatest impact, with increased inspection in France, Holland, Belgium, Sweden and Denmark. The Irish border currently has over two million vehicle movements, excluding smaller vehicles more likely to be engaged in local trade and sea and air freight. This suggests at least a threefold increase in entries to be handled.

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Brexit will increase the physical and administrative work in handling international trade. The two-year transition is the minimum that will allow all parties involved to prepare systems and processes. The UK will also have to ensure that the vision of an outward-looking free trade country is well received by all WTO members to ensure the easy resumption of the UK as a standalone member. The decision of the USA and others to reject the UK's WTO proposal on agricultural produce post-Brexit does not bode well. We may be exchanging the European Court of Justice for the Dispute Settlement Body comprising 164 members of the WTO.

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