29th December 2021

## Legislation affecting Teesport charging mechanisms in 2022.

As you are no doubt aware, there are key legislative changes during 2022 which will affect our charging mechanisms.

## The first is in relation to Brexit, and the commencement of full Customs border controls from the 1<sup>st</sup> January 2022.

It has been necessary to build significantly enlarged border control facilities at Teesport in recognition of both the legislative changes and the associated increase in controls. These facilities have been subject to a significant port investment over the past 12 months.

The Government agencies have advised that the number of cargo inspections will increase dramatically in comparison to pre-Brexit controls.

In order to recover our expenditure, as well as the ongoing running and resourcing costs associated with operating these facilities, it has become necessary to change the charging mechanism within our standard Schedule of Rates and Charges.

We will therefore be charging for import examinations via an alternative mechanism from the 1<sup>st</sup> January 2022, outlined below:-

- From 1<sup>st</sup> January 2022, all import laden units will be charged an import examination charge of £17.45 per unit.
  - This charge is inclusive of all port costs associated with Border Force and Trading Standards import examinations. It includes all shunting, handling and port examination resources.
  - The charge will be levied via MCP Destin8 to the nominated agent.
  - o Border Force X-ray scanning activity will remain at published rates.

The changes above covering standard import examinations are a much fairer way of distributing costs in comparison with a prohibitive per examination cost.

The second legislative change is in relation to rebated fuels entitlement (Red Diesel), whereby fuel duty rebates for port activity will cease from the 1<sup>st</sup> April 2022.

It is impossible for our port activities to absorb this unavoidable legislative increase, and hence a fuel surcharge will be applicable from the 1<sup>st</sup> April 2022.

Further detail on this charge will be advised early 2022.

## The third surrounds Controlled Food legislation which will commence from the 1<sup>st</sup> July 2022.

At this point in time, discussions are ongoing with Government and ports over charging mechanisms to cover the operation of the Border Control Posts (BCP's) and controlled food examinations. We will advise on charges in this respect as soon as we are able.

Unfortunately, these charges are unavoidable given the changes to legislations brought about by Brexit.

Should you have any queries regarding the above, please do not hesitate to contact us.

Yours Sincerely,



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