

Trade Secretary announces Freeports Advisory Panel will ensure UK is ready to trade post-Brexit

- Ports and airports across the UK will be invited to bid to become one of up to 10 Freeports.
- The Freeports Advisory Panel will include Ministers from the Department for International Trade and HM Treasury, as well as experts including technology advisor Daniel Korski, small business champion Emma Jones MBE, tax specialist Tom Clougherty and economist Dr Eamonn Butler.

International Trade Secretary Liz Truss will today (Friday 2 August) announce a new Freeports Advisory Panel to advise the government on the establishment of up to 10 Freeports.

Expected to transform the country's ports and airports just as freedoms transformed London's Docklands in the 1980s, up to ten Freeports will be created after the UK leaves the EU on 31 October. More details on how ports and airports across the country will be able to bid for Freeport status will be announced soon.

Freeports are hubs for business and enterprise for both manufacturing and services trade. These could be free of unnecessary checks and paperwork, and include customs and tax benefits. These zones reduce costs and bureaucracy, encouraging manufacturing businesses to set up or re-shore. The most successful Freeports globally attract businesses and create jobs for local people through liberalised planning laws.

Freeports ensure Britain's port cities and airports are ready to take full advantage of post-Brexit opportunities, including increased trade with the USA and fast-growing Asian markets as we sign our first free trade deals with global partners.

Britain's decision to leave the EU on 31st October will mean we can operate an independent trade policy for the first time in 45 years, setting our own regulations and developing our own policies to boost economies around the country.

There are already thousands of very successful free trading zones around the world, with the United States having pioneered the creation of over 250 free trade zones, employing 420,000 people, many in high-skilled manufacturing jobs. If the UK model is implemented as successfully, it could have a significant economic impact.

On Friday, the Secretary of State will see how becoming a Freeport could benefit one of the UK's major ports in the Northern Powerhouse, Teesport, alongside Tees Valley Mayor Ben Houchen. The Mayor has championed Freeports, and a report commissioned by his authority found a Freeport could provide a

significant boost to his region and the UK area's GDP. Other ports which have expressed an interest in the bidding process include the Port of Tyne, Milford Haven and London Gateway.

International Trade Secretary Liz Truss MP said:

Freedoms transformed London's Docklands in the 1980s, and Freeports will do the same for towns and cities across the UK. They will onshore enterprise and manufacturing as the gateway to our future prosperity, creating thousands of jobs.

We will have a truly independent trade policy after we leave the EU on October 31. I look forward to working with the Freeports Advisory Panel to create the world's most advanced Freeport model and launch the new ports as soon as possible.

Chief Secretary to the Treasury Rishi Sunak said:

We are exploring freeports as an innovative way to drive growth and support thousands of high-skilled jobs across the UK.

We will focus on those areas that could benefit the most, as we look to boost investment and opportunity for communities across the country.

Tees Valley Mayor Ben Houchen said:

Teesport played a crucial role in this nation's historic trading past, and is key to our great trading future.

Creating a Freeport right here would turbocharge jobs and growth, bringing investment into the region and making us a global hub of enterprise and innovation.

During her visit, the Secretary of State will also meet with PD Ports and tour Teesport to learn more about the port's operations, priorities and plans for the future and saw first-hand the size and scale of operations undertaken there.

Case study: USA

There are many Freeport models across the US, known as Foreign Trade Zones. One such port is in Miami, which sees over 7 million tons of cargo pass through its port every year. Businesses within the zone can import, warehouse and re-export products duty-free. This cuts down costs for businesses, helping them become more globally competitive. Businesses can also defer paying tax on their products while they are stored on site, adding peace of

mind for businesses looking to manage cash flow and respond more quickly to spikes in demand for their products. Freeports with less regulation doesn't just help businesses cut down on paperwork, but they offer greater flexibility on when, where, and how they trade.

Freeports Advisory Panel Members

- Tim Morris, CEO of UK Major Ports Group
- Richard Ballantyne, CEO of British Ports Association
- Dr. Meredith Crowley, Trade Economist, University of Cambridge
- Henry Overman, Professor of Economic Geography, London School of Economics
- Dan Korski, CBE, Founder, Public
- Dr Eamonn Butler, Director, Adam Smith Institute
- Tom Clougherty, Head of Tax, Centre for Policy Studies
- Emma Jones, MBE, Enterprise Nation Founder
- Ben Houchen, Tees Valley Mayor

Note to Editor:

UN Source: "Free Trade Zones as originally conceived do not exist anymore in the EU"; United Nations Economic and Social Commission, Free Trade Zone Development