

30<sup>th</sup> April, 2021

## **Customer Advisory**

### **Adjustments to Infrastructure Charges to cover Road network improvements**

DP World at London Gateway aims to provide fast, reliable and flexible links to international supply chains and markets. With capabilities to handle the world's largest and most efficient container ships, a fully automated container stack and dedicated rail terminal, London Gateway is well placed to meet the needs of the UK container trade.

Connectivity to the hinterland is essential and DP World has contributed over £5 million to fund various road network improvements including the widening of the A13 and improvements to the M25 to reflect increasing traffic generated from the port.

These infrastructure improvements provide significant benefits to port users with increase regional competitiveness and environmental benefits through reduced congestion for the total supply chain.

In order to recover these upfront investment costs, it is unavoidable that the London Gateway infrastructure charge will be increased by £2.75 from 1<sup>st</sup> July 2021. In particular the following will apply:

- The revised infrastructure charge will change to £10.05 per laden import container
- The infrastructure charge will continue to be made to the clearing agent who makes the customs clearance or the removal request.
- The clearing agent will be credited 35p for each £10.05 for each infrastructure charge [paid] to cover administrative costs

We appreciate that there may be further questions relating to this subject and have enclosed some 'Frequently Asked Questions'. If you would like to learn more, please visit our website at [www.londongateway.com](http://www.londongateway.com) or send an email to [customer.services@londongateway.com](mailto:customer.services@londongateway.com).

Yours sincerely



Ernst Schulze  
CEO DP World UK

## **Frequently Asked Questions**

### **Why should London Gateway increase the infrastructure charge for contributions to road network improvements?**

London Gateway has excellent connections to the UK's strategic road network. However, increases in freight traffic have required capacity expansion through widening of the A13 and with the interchange on the M25. This additional capacity is benefiting terminal users and we need to recover this investment in incremental infrastructure

### **Why is the infrastructure fee being applied to Rail Traffic?**

Smooth road connections reduce the risk of congestion on the container terminal and this benefits all port users.

### **Will the charge be a negotiable item within customer contracts?**

No. The charge philosophy is cost recovery only to cover the works undertaken.

### **Does the increase in infrastructure charge represent an attempt by DP World London Gateway to recover other costs?**

DP World London Gateway are recovering costs in providing strategy infrastructure through the infrastructure fee. This includes landside infrastructure, dredging works and the road network improvement contributions.

### **When will the charges be introduced?**

The current infrastructure charge will be increased with effect from 1<sup>st</sup> July 2021.

### **Will all containers be charged?**

The charge will be applied to full import containers only. Export full containers, those containers that are for transshipment and all empty containers continue not to be subject to the infrastructure charge.

### **Why are DP World London Gateway only applying the infrastructure charge to full import containers?**

Import container flows dictate the capacity requirements of the container terminal. A high proportion of empty containers are repositioned from the UK ready to be reloaded. By only charging full import containers we follow the same principle as applied to other UK ports.

### **How much will the infrastructure Charge be?**



From 1<sup>st</sup> July, 2021 the infrastructure charge will be increased by £2.75. An import full container will attract a tariff rate of £10.05 per container.

**Who will be charged?**

The infrastructure charge will continue to be collected by the nominated clearing agent, as indicated at the time of out-gate, or the shipping line if no clearing agent is nominated.

**What about the Agents / Declarants cost incurred in collecting this adjusted charge?**

Our invoices will reflect this and will show a reduction, in respect of a handling fee per container. The net invoice charge to the declarant will be £9.70 /container from 1<sup>st</sup> July 2021

**How will the start date be applied?**

Import full units moved out of the terminal gate on or after 00:01hrs Thursday 1<sup>st</sup> July 2021 will incur the adjusted Infrastructure charge at time of gate out

**How will the charge be levied?**

The infrastructure charge will continue as is. Import full containers will be charged to the nominated clearing agent / manifest agent on a monthly basis in arrears, as per current practice and on the same invoice as for import ISPS and Exam Charges. The charges will be triggered when units are out-gated.

**For how long will the charge be levied?**

The £2.75 portion of the infrastructure charge will be levied until DP World London Gateway have earned back the costs for providing the additional capacity. The actual duration will therefore depend on the number of boxes being charged every year and the general level of port activity over the same period.