

Introduction

1. Freeports are secure customs zones located at ports where business can be carried out inside a country's land border, but where different customs rules apply. They can reduce administrative burdens and tariff controls, provide relief from duties and import taxes, and ease tax and planning regulations. They are also being promoted as innovation hubs to boost global trade, attract inward investment and increase productivity. In doing so, the government wants freeports to generate employment opportunities to the benefit of some of our most deprived communities around the UK.
2. The government has drawn on evidence from successful Freeports around the world to develop a UK freeport model. The proposed model includes tariff flexibility, customs facilitations and tax measures. There is also consideration of planning reforms, additional targeted funding for infrastructure improvements and measures to incentivise innovation.
3. The Government has undertaken consultation on the establishment of freeports within the UK. This consultation closed in July 2020, but the consultation material can be found here: <https://www.gov.uk/government/consultations/freeports-consultation>
4. The consultation focused on the policy surrounding Freeports and how they will operate. In Autumn 2020, locations wishing to secure Freeport status will be invited to submit their proposals. Indications are currently that the Government are seeking to identify 10 locations across the UK.

Key Considerations for Freeport proposals

5. Freeport proposals which come forward in the Thames Estuary need to be able to demonstrate they deliver the best possible outcomes for the Estuary. It is not yet clear who the Government will be seeking proposals from, but it is possible that Local Enterprise Partnerships, within which the proposal sits, may make the submission with the proposal itself being drawn up by the Freeport promoter.
6. Our view is that Freeport proposals emerging from the Thames Estuary need to align with our 'The Green Blue' Action Plan, so as to maximise the benefits, potential and opportunities of the UK's most important waterway, the River Thames, and the land, communities, places and businesses that are bound to it.
7. The Growth Board outlines below its requirements for Freeport proposals that come forward within the Thames Estuary:

Economic: Clear articulation of the new employment opportunities, by sector and over time, that having Freeport status would generate. Proposals will need to demonstrate how Freeport status would improve productivity, boost trade, improve skill levels and overall prosperity across the Thames Estuary, and how it would support the realisation of the Growth Board headline ambitions of £115bn additional GVA by 2050.

Investment: credible demonstration of the investment, both public and private, that having Freeport status would bring to the wider Thames Estuary. This will need to also

include the infrastructure (both physical and digital) needed to deliver the economic benefits, and how this investment will also support wider issues such as housing delivery. Proposals must also demonstrate an ambition to scale up over time through the identification of further phases of the Freeport, ensuring wider distribution of benefits.

Innovation: proposals must show how Freeport status will be used to drive innovation. This should include the use of data and tracking technologies to support the operation of the Freeport as well as addressing wider issues such as decarbonisation and climate change. Proposals must also highlight innovative approaches to training and development opportunities for communities within the Thames Estuary to ensure that the benefits are felt locally. A Freeport would present a unique set of opportunities to do things differently and provide a unique test bed, working across different sectors, to generate a broad spectrum of potentially game changing ideas. Proposals must capture these possibilities, and ensure businesses and residents have the right connectivity to engage with them.

Environment: Freeports have an opportunity to create the conditions for rapid uptake of practices and technologies to address issues such as climate change, carbon emissions, congestion and the impact of economic activity on the natural environment within the Thames Estuary. Proposals must show how they will minimise their impacts, recognising the opportunities to develop genuinely innovative approaches. Investment in new infrastructure must make provision for these new approaches, while protecting and enhancing the natural environment.

Regeneration: Freeport status, and its economic benefits, must directly benefit the residents and businesses within the Thames Estuary. Freeport status, and the additional trade it generates, can drive 'levelling up' across the Estuary. Proposals must demonstrate how new opportunities will be opened up, both through the creation of new employment and training as well as new ways of connecting people to opportunity. Proposals must show how they will bring benefits (directly and indirectly) to the Thames Estuary, articulating the economic, social and environmental benefit to the Estuary community as a whole. Investment in the right infrastructure to enable communities to access opportunities created must form part of any proposals.

Community: A Freeport presents the opportunity for a collective of businesses to consider how they work with communities across the Thames Estuary to support access to the opportunities for work and training. Proposals must therefore show how they will work with local communities to support access to training which will enable access to opportunities within the Freeport. Proposals must also show how they will raise awareness of opportunities and raise aspiration, how communities will be connected to opportunity, and how this will have a positive impact on a range of outcomes for local communities.