

# **EAST MIDLANDS FREEPORT**

The UK's Gateway for Green Growth



On the 3rd of March 2021, the Chancellor of the Exchequer announced that the East Midlands would be one of eight potential new Freeports in England. Over the next few months, the consortium that put the bid together are working closely with Government to make sure we get the East Midlands Freeport up and running. In the meantime, we have produced this document to provide details of our freeport proposal.

# Introduction.

**Based around East Midlands Airport, the UK's busiest 'pure' cargo airport, the East Midlands Freeport brings together a mix of industries to create thousands of jobs, boost skills, accelerate the region's commitment to decarbonisation, and drive low carbon energy investments.**

As the UK's only inland port, the Freeport is uniquely placed to capitalise and innovate on our industrial strengths in advanced manufacturing, automotive, and logistics and strengthen connectivity across the wider region to stimulate investment.

The Freeport straddles three of the East Midlands counties, including the East Midlands Airport and Gateway Industrial Cluster (EMAGIC) in North West Leicestershire, the Ratcliffe-on-Soar Power Station site in Rushcliffe in Nottinghamshire and the East Midlands Intermodal Park (EMIP) in South Derbyshire.

These sites are strategically located with strong existing road and rail freight infrastructure connecting them to most other parts of the country, including port-based freeports. There is significant room for growth across the sites, accelerating regeneration, increasing skills and training opportunities and helping to level-up some of the UK's most deprived areas.

Our bid was built on strong collaboration across business, local authorities and other sectors; and will deliver a powerful and unique proposition that will deliver a low carbon Freeport for the UK transforming the region's social and economic future.





# What is a Freeport?

**Freeports are a special kind of port where normal tax and customs rules do not apply.**

At a Freeport, imports can enter with simplified customs documentation and without paying tariffs. Businesses operating inside designated areas in and around the port can manufacture goods using the imports and add value before exporting again without ever facing the full tariffs or procedures. If the goods move out of the freeport into another part of the country, however, they have to go through the full import process, including paying any tariffs.

Freeports are similar to free zones, or 'enterprise zones', which are designated areas subject to a broad array of special regulatory requirements, tax breaks and government support. The difference is that a freeport is designed to specifically encourage businesses that import, process and then re-export goods.

Freeports are intended to stimulate economic activity in their designated areas. The main intention is to attract inward investment to build new manufacturing and research and development facilities which bring jobs and skills, taking advantage of the incentives of being inside the Freeport zone.



# The vision.

## THE UK'S GATEWAY TO GREEN GROWTH

- **Strategic location at the heart of the UK**
- **The UK's busiest dedicated cargo airport**
- **Multimodal connectivity**
- **Powerful local and national partnerships**

Our proposal will deliver a unique Freeport at the heart of the UK with unrivalled rail connectivity to all UK ports and bring significant investment to develop and drive innovation, alternative energy sources and green technologies, creating 60,000 new skilled jobs in the East Midlands.

It will capitalise and grow our sectoral strengths in advanced manufacturing, automotive and logistics and create opportunities in new sectors to generate large-scale inward investment that will help regenerate areas of deprivation. It will be a catalyst for more jobs, more apprenticeships and more skills qualifications. It will be an integral part of the vision led by the East Midlands Development Corporation.

At the heart of our proposal is the opportunity to accelerate decarbonisation and deliver our ambition of having the fastest carbon economy turn-around in the country, ensuring the UK meets its Net Zero target. As the home to world-leading businesses like Toyota, Rolls Royce and Alstom (formerly Bombardier) and universities, we believe our proposal will reinforce and increase innovation to drive new technologies and investments in low carbon energy.

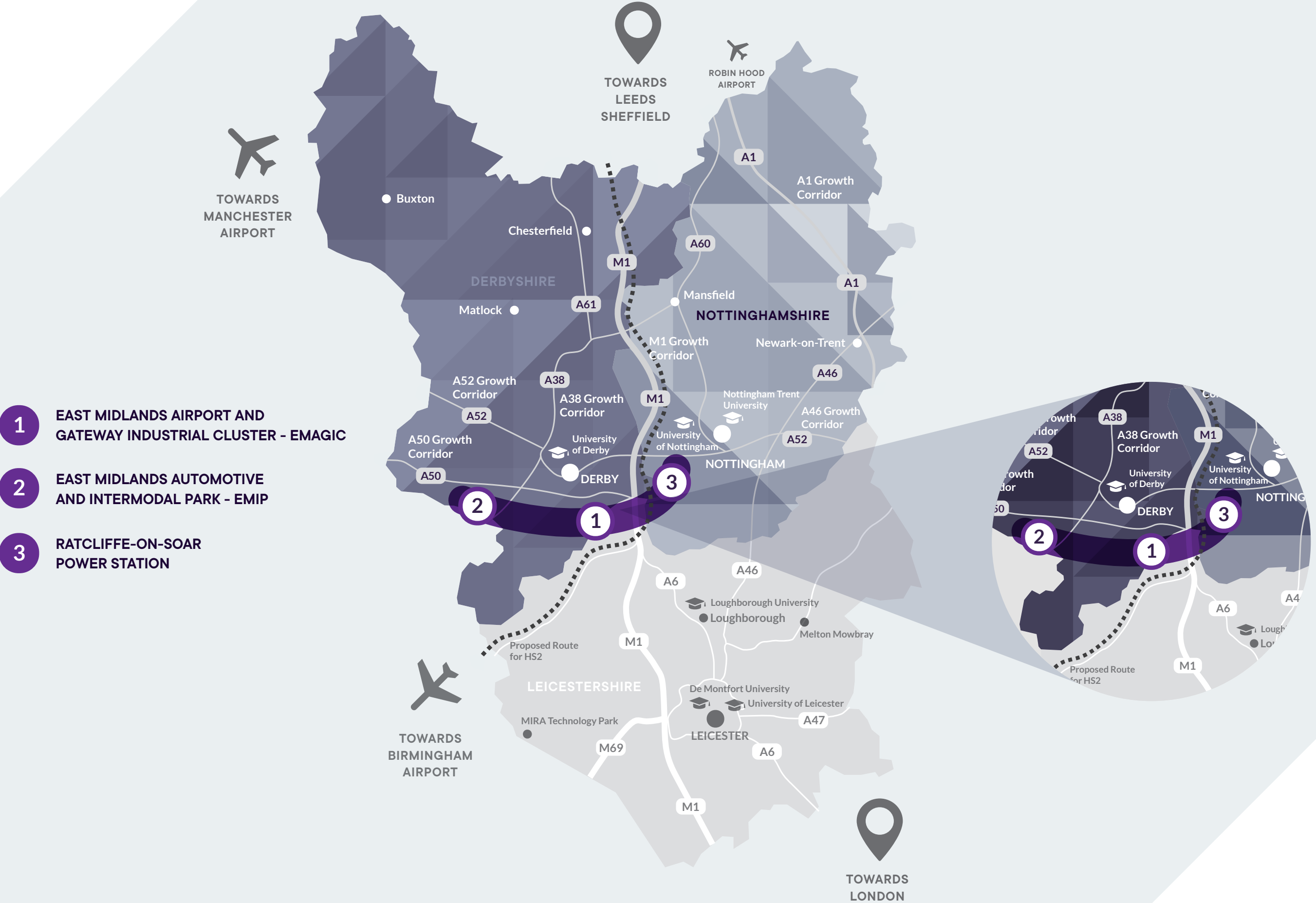
### **The East Midlands Freeport will:**

- Increase local and regional economic activity by incentivising new investment
- Boost international trade in high-value manufacturing goods
- Boost skills opportunities, increasing the number of apprenticeships, and increasing the level of skills qualifications
- Support the regeneration of local areas by creating sustainable employment
- Reduce greenhouse gas emissions in industrial and energy production
- Improve physical and digital regional, national and international connectivity and integration
- Enhance labour productivity in key sectors, such as manufacturing and logistics





# THE UK'S GATEWAY TO GREEN GROWTH



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## EAST MIDLANDS AIRPORT AND GATEWAY INDUSTRIAL CLUSTER (EMAGIC)



The primary customs site is the East Midlands Airport, the UK's largest freight airport handling 350,000 tonnes of cargo per year. EMAGIC includes plots on SEGRO's Logistics Park at the East Midlands Gateway, including access to a 50-acre Strategic Rail Freight Interchange and freight terminal, operated by Maritime.

- 24-hour operations with no runway slot restrictions
- Capable of handling up to sixteen 775m freight trains per day
- Container storage and HGV parking
- Adjacent to the UK motorway network with over 91% of UK population within a 4-hour drive





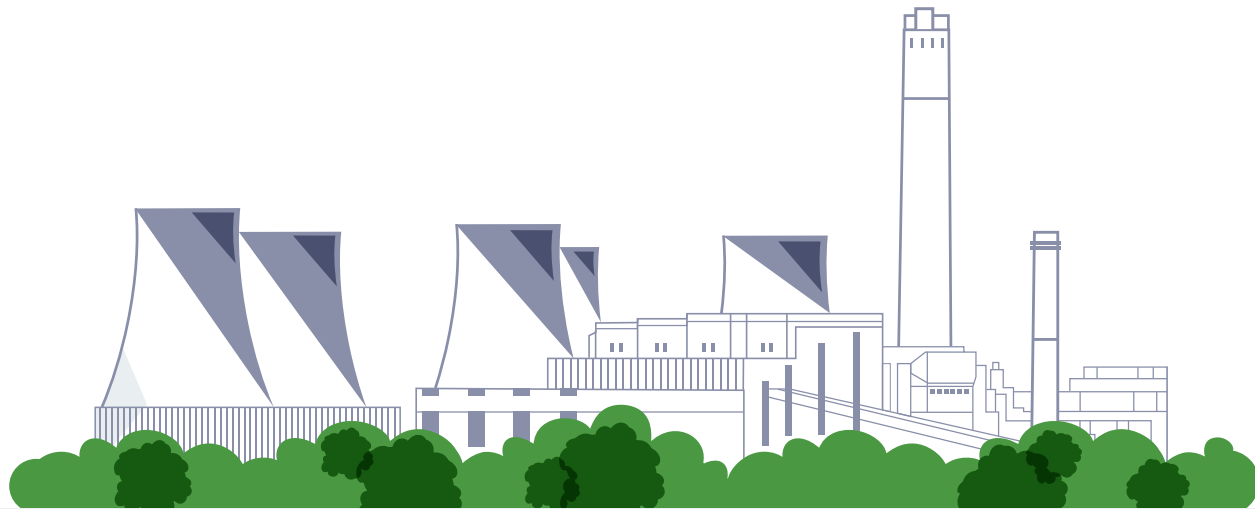


Located adjacent to the nationally significant Toyota manufacturing plant, the site has the potential to become one of the next generation of rail connected business parks. The proposed investment would also enable a significant modal shift, from road to rail freight, reducing carbon emissions for businesses within the region.

- Expands national network of Strategic Rail Freight Interchanges
- 5.2 million square feet of state-of-the-art manufacturing and distribution space
- Provides value-added accommodation for a variety of advanced manufacturers
- Potential for production, storage and use of hydrogen







Uniper's vision for the Ratcliffe site is to move towards becoming a zero-carbon technology and energy hub for the East Midlands. Emerging development plans have the potential to create jobs based around modern industrial and manufacturing uses, with sustainable onsite energy generation providing a local source of low carbon heat and power. Options are being explored that would enable areas of the site to be developed before the coal-fired power station closes in line with government policy by 1st October 2025, helping to secure jobs and investment in the region.

- **A 273 hectare site (size of the London Olympic Park) with areas available for development ahead of coal closure**
- **Excellent connectivity and accessibility to major road and rail links, with Ratcliffe located only one mile from the M1 and next-door to the Midland Mainline and East Midlands Parkway Station**
- **A dedicated Midland Mainline freight connection, which has a proven capacity of over five million tonnes per year**
- **Access to existing utilities infrastructure which could support a range of uses, such as large-scale manufacturing in the form of a Gigafactory**





# Next steps.

The successful bid was developed by a consortium of landowners, site developers, local authorities, the local enterprise partnerships for Leicester and Leicestershire (LLEP) and Derbyshire, Derby, Nottingham and Nottinghamshire (D2N2 LEP) and the proposed East Midlands Development Corporation. In line with Government guidance, Leicestershire County Council, as the lead authority, is coordinating the next steps of the Freeport bid, including:

- **Developing and agreeing on a detailed business case for the Freeport by Autumn 2021, which will require formal approval from Government for the Freeport to be established.**
- **Liaising closely with the Government, who are currently developing more detailed guidance on tariffs, tax and National Insurance. This will include new legislation in the Finance Bill 2021.**
- **Subject to Government approval, creating a Freeport governance board composed of a mixture of the public and private sectors with an independent Chair. The board will account for and be responsible for the delivery of the Freeport in its entirety.**
- **Continuing to engage with the business, skills and innovation communities. Subject to the progress of the Freeport, publish a clear timetable on how and when more detailed engagement will be undertaken to maximise the Freeport's benefits and opportunities.**



