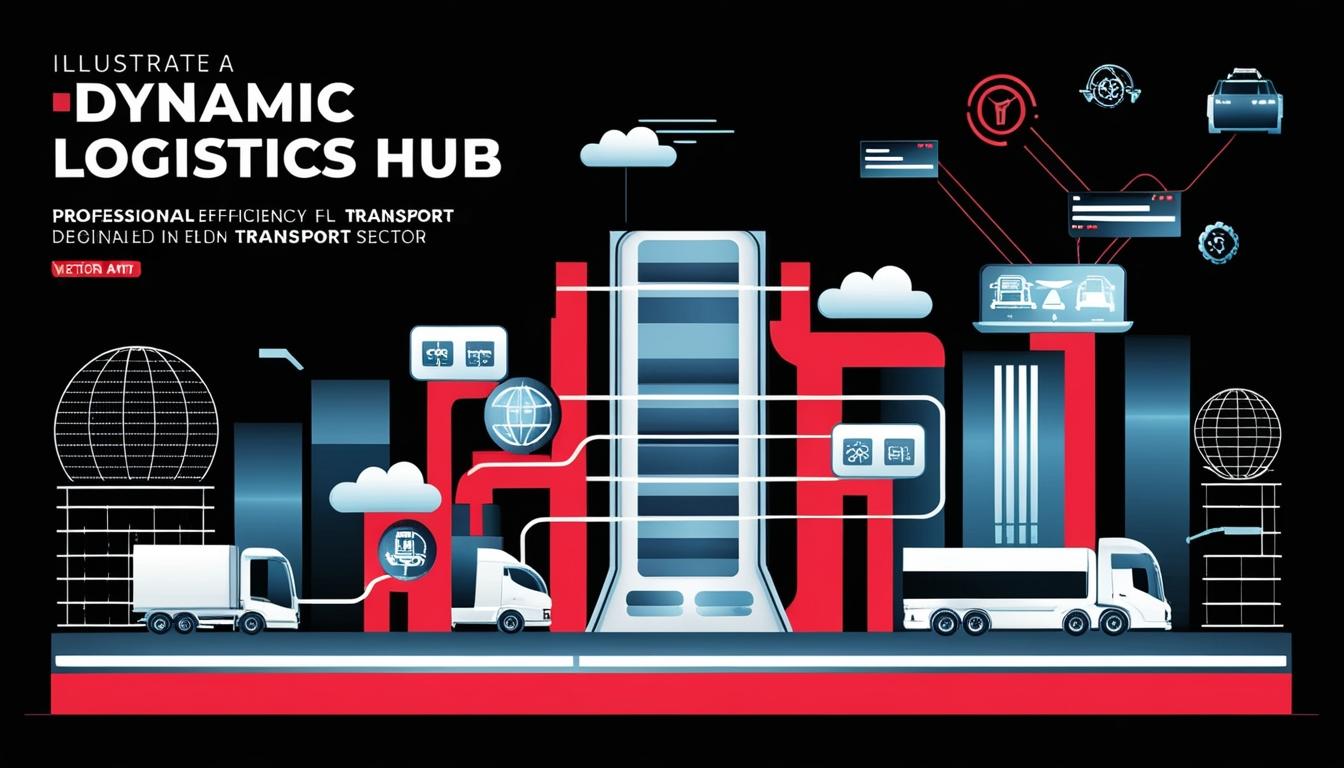
# Brexit five years on: A cautiously optimistic economic outlook for the UK transport sector



As the UK marks the fifth anniversary of Brexit on 31st January, the National Institute of Economic and Social Research (NIESR) is projecting a cautiously optimistic economic outlook for 2025. According to their findings, the UK is expected to experience some improvements in its economic performance, despite the ongoing challenges faced by the transport sector.

The recent years have been particularly tough for the UK-Europe transport industry. Factors such as economic uncertainty brought on by Brexit, the recovery following the pandemic, and fluctuating energy prices due to the Russia-Ukraine conflict have all contributed to a turbulent landscape. Adrian Redmile, Branch and Sales Director at Europa Worldwide Group, noted the pressures of rising operational costs and increasing National Insurance contributions. Speaking to FORWARDER Magazine, he stated, “The overall increase in the cost of running a business will hit everyone in 2025 – suppliers and customers alike. So, optimising the logistics of the supply chain will be essential to driving prosperity.”

In light of these conditions, companies within the logistics sector are increasingly focused on maximizing efficiencies and optimising operations. Redmile emphasised the role of digital technology in enhancing supply chain efficiencies across various transportation modes, including road, air, and sea freight. The ability for customers to book, manage, and track their consignments independently not only reduces administration time but also significantly aids companies in navigating current economic challenges. He remarked, “This is something that we have focused on over the past few years, and it certainly makes a difference to customers and has helped us succeed in a challenging economic climate. The upfront costs of these investments are certainly daunting, but if the return is a slick, streamlined supply chain, it is absolutely worth it – for us and for our customers.”

Europa Road has taken substantial strides in digitalisation, employing a dedicated team of software developers to innovate and integrate new technologies into their operations. This includes automated notifications and updates to keep customers informed throughout their consignments’ journeys. Furthermore, the company has committed resources to ensure rapid responses to customer enquiries.

In addition to digital advancements, operators are required to be adaptable to the changing market landscape. Redmile pointed out that customs clearance complexities and expenses have become significant challenges for businesses relying on European road freight services. To address this, Europa Road is helping customers consolidate shipments, which can manage the costs associated with customs clearance. He shared insights on operational changes, stating, “In road freight, we are seeing heavier loads being made and fewer journeys, which reduces customs clearance charges and the ‘pence per kilogram’ freight charge.”

Sustainability remains a crucial focus in the logistics sector, further influenced by new legislation in the European Union regarding Corporate Sustainability Reporting (CSR). Companies in both British and European markets are now required to assess and report on their carbon emissions and their impact on the environment. Europa Worldwide is taking proactive steps towards sustainability, with ongoing efforts to enhance decarbonisation initiatives. The company has embraced the Pledge platform for emissions measuring, reporting, and offsetting, and has recently introduced carbon insetting by implementing HVO-100, a cleaner alternative to diesel fuel.

In conclusion, Redmile expressed that navigating the impending challenges of 2025 will be imperative for companies in the industry to remain competitive. He stated, “The successful firms will be those who are creative and focus on their core strengths to provide the best value to customers.” As the transport sector continues to evolve, strategies centred around efficiency, innovation, and sustainability are poised to shape its future landscape.

Source: [Noah Wire Services](https://www.noahwire.com)

## References

* <https://niesr.ac.uk/publications/uk-households-better-off-election-looms?type=uk-economic-outlook> - This link supports the cautiously optimistic economic outlook for 2025 projected by NIESR, despite ongoing challenges in sectors like transport.
* <https://niesr.ac.uk/publications/navigating-uks-shifting-economic-landscape?type=gdp-trackers> - This source discusses the UK's economic outlook moving into 2025, highlighting concerns over growth and confidence.
* <https://www.bbc.com/news/business-64811141> - This link provides context on the economic uncertainty and challenges faced by the UK post-Brexit.
* <https://www.bloomberg.com/news/articles/2023-09-28/uk-economy-avoids-recession-but-growth-remains-sluggish> - This article discusses the UK's economic performance and the impact of Brexit on the transport sector.
* <https://www.reuters.com/business/energy-environment/uk-energy-bills-set-fall-2024-after-ofgem-cap-reduction-2024-02-01/> - This link explains the impact of energy price fluctuations on the UK economy, relevant to the transport sector's challenges.
* <https://www.forwardermagazine.com/> - This is the source where Adrian Redmile's statements about logistics challenges and digital technology were published.
* <https://www.europaworldwide.com/> - This link provides information about Europa Worldwide Group's efforts in digitalization and sustainability within the logistics sector.
* <https://ec.europa.eu/info/business-economy-euro/company-reporting-and-auditing/company-reporting/corporate-sustainability-reporting_en> - This source details EU legislation on Corporate Sustainability Reporting, impacting companies like Europa Worldwide.
* <https://www.legislation.gov.uk/ukpga/2023/34/contents> - This link provides access to UK legislation that might influence customs clearance and trade practices post-Brexit.