

British Ports Association

Challenges and Opportunities for UK Ports



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Aberdeen Harbour

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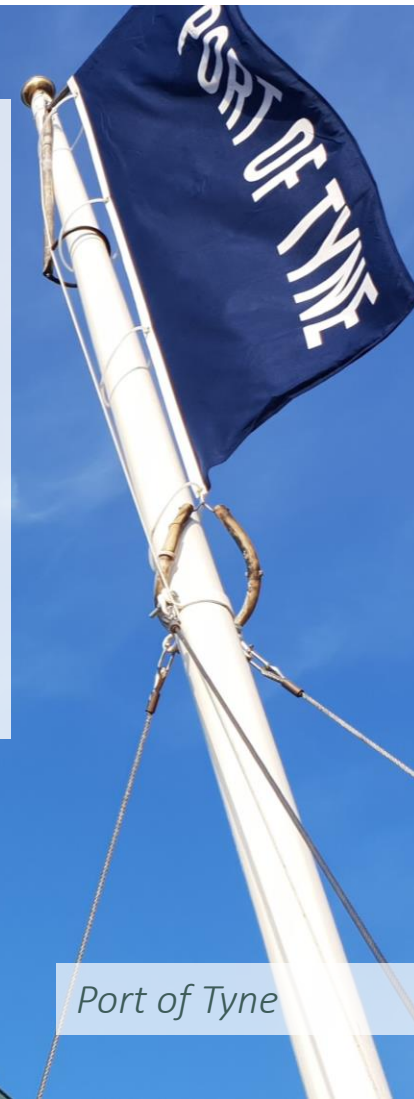
Challenges and Opportunities for UK Ports

The British Ports Association

The British Ports Association represents 350+ ports, terminals and port facilities across the whole of the United Kingdom

Second largest port sector in Europe

UK ports policy fully devolved in Scotland, Wales and Northern Ireland



Port of Tyne

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Challenges and Opportunities for UK Ports

The UK Ports Industry

UK Ports are independent, diverse and competitive

Ports in the UK each operate under very different models of ownership, integration

Three models of ownership:

- *Trust*
- *Private*
- *Municipal*

95%

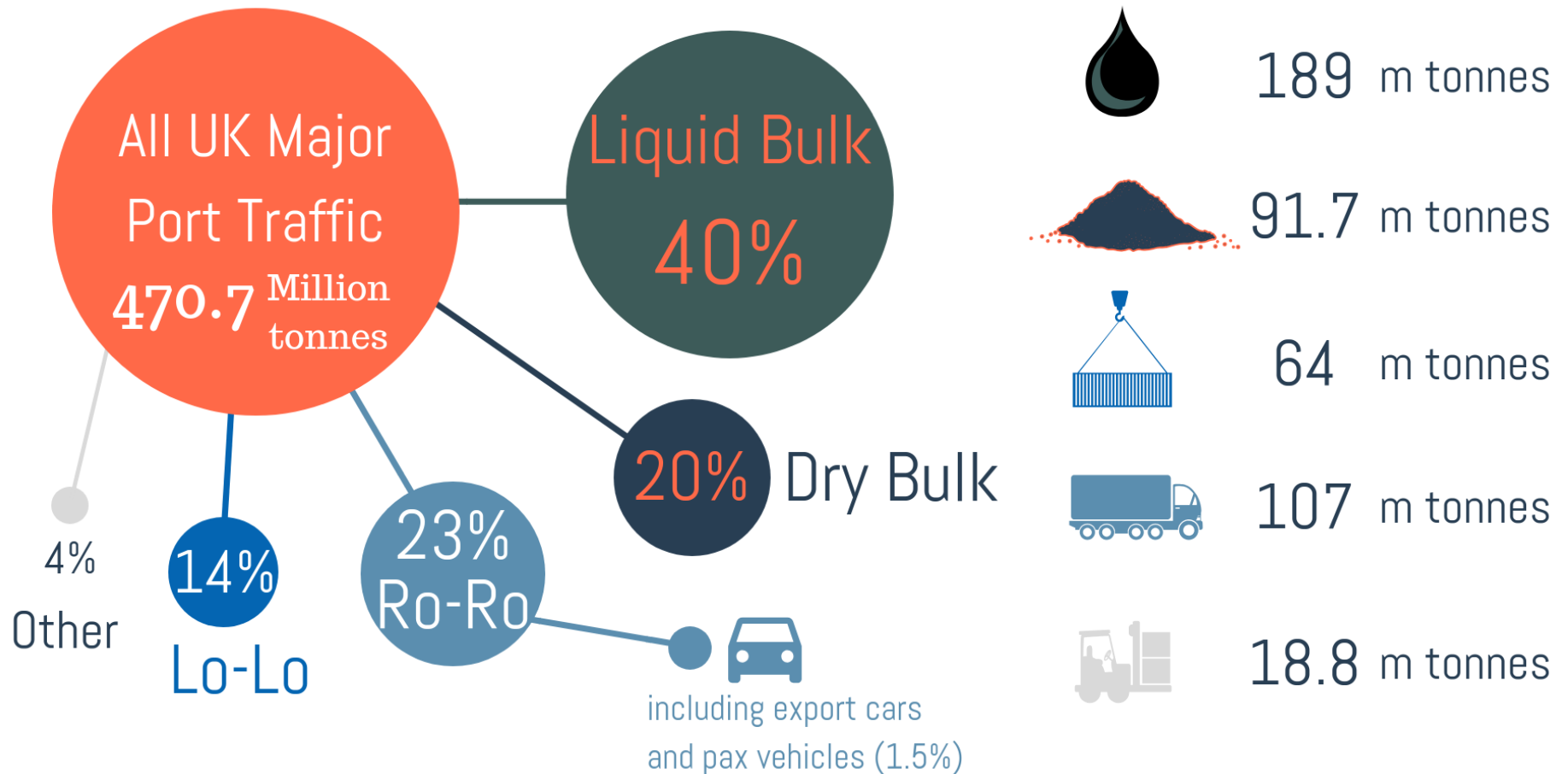
Ports Handle
95% of UK Trade

ABP Ayr

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UK Trade: Summary & Trends



UK Trade: Summary & Trends

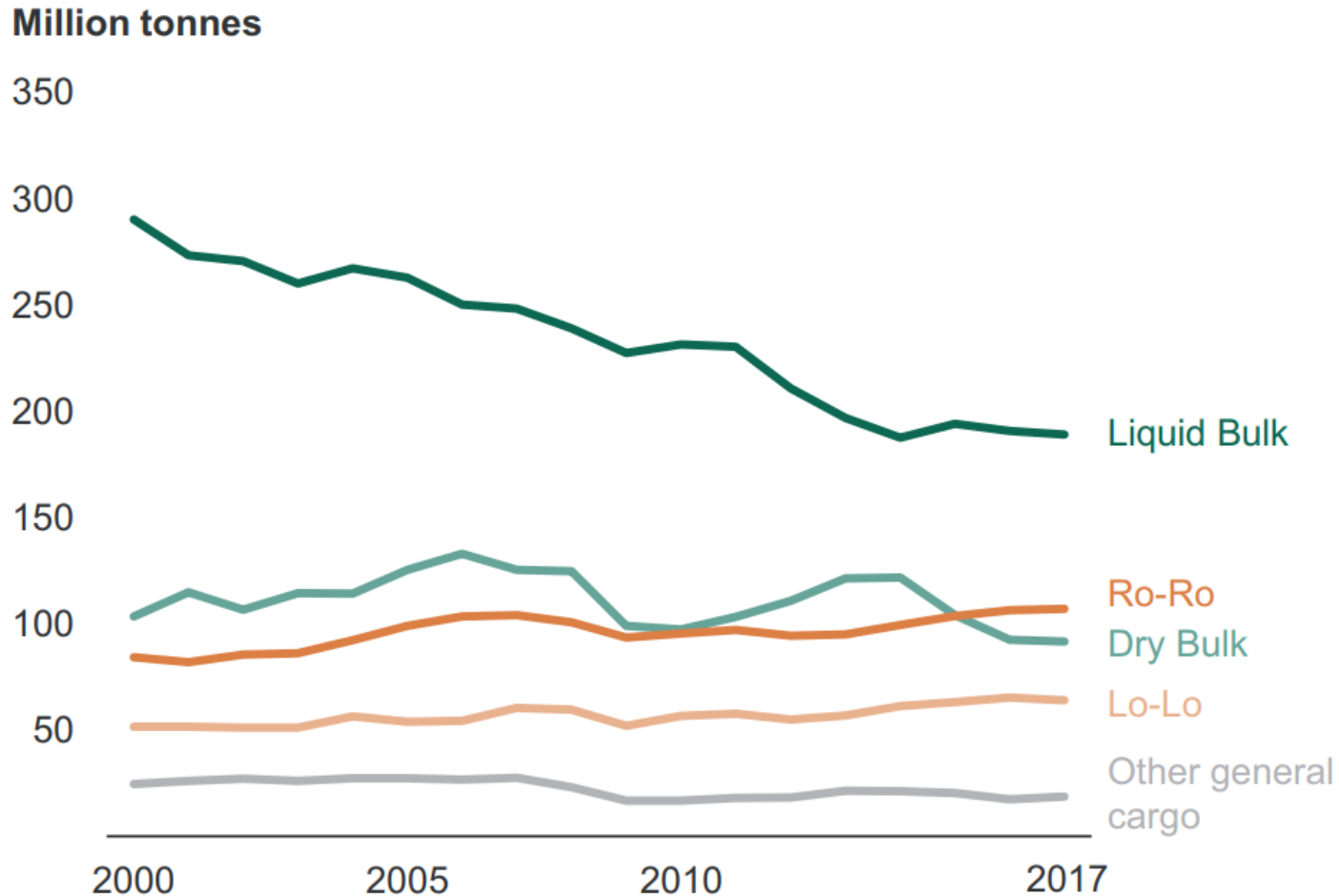
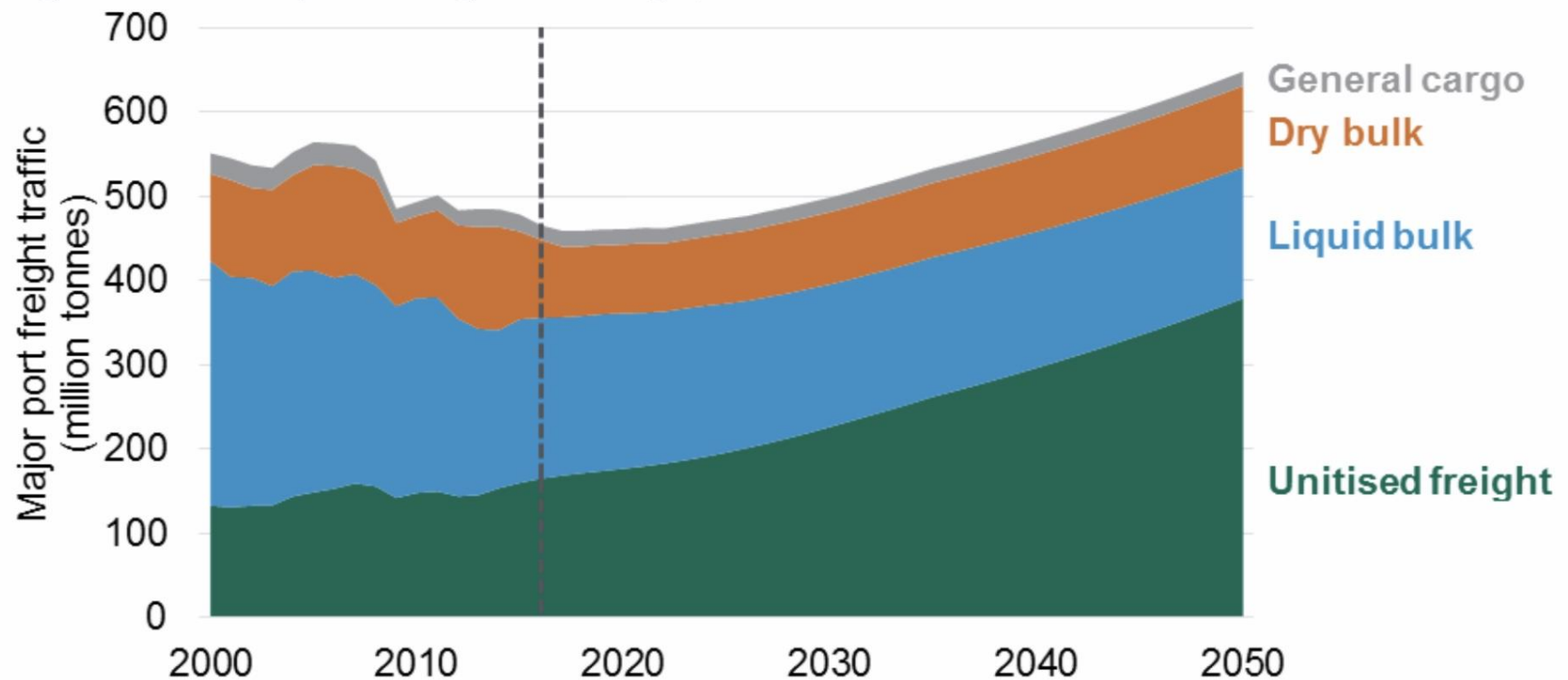


Figure 1 Total port freight tonnage, 2000-2050



Maritime 2050 is an ambitious UK Government strategy designed to support a world class future maritime industry

- **7 core themes:**
 - UK competitive advantage
 - Technology
 - People
 - Environment
 - Infrastructure
 - Trade
 - Security

Ports continue to invest significant sums in new infrastructure. Examples:

Dover

- £250m investment in new cargo terminal with over 2km of new quay and new distribution centre

Aberdeen

- £350m investment in new harbour facilities, 1,400m of new quay at depths of up to 10.5 metres (LAT)

£1.7bn

At least £1.7bn of port infrastructure investment in the development pipeline

Dover Western Docks Revival

UK Government published a study into port connectivity in England in 2018

Government recognises need for supporting port infrastructure with public investment in roads and rail

BPA pushing for action and investment to follow

85%

Overwhelming majority of surface traffic arrives and departs UK ports by road

Glensanda Aggregate Terminal

UK ports policy devolved in Scotland, Wales and Northern Ireland

Shipping policy 'reserved' (i.e. not devolved)

Opportunity to focus on national priorities, but also means diverging landscape

- Crown Estate
- Marine Licensing

Lerwick, Shetland

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EU Exit & the Future of Trade

UK Ports are resilient and able to cope with changing circumstances

UK Government has agreed an exit deal with the EU, but it is unlikely to pass UK Parliament

Without a deal, or a deal that includes agreement on regulatory alignment for goods and customs there will be disruption at some ports

44%

of UK exports are *to* the EU

53%

of UK imports are *from* the EU

Port of Dover

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Air Emissions

UK Clean Air Strategy published in '18

- All 'major' ports in England will be required to produce air quality plans by June 2019
- Proposal to extend North Sea Emissions Control Area

UK ports keen for focus on what works, which differs from port to port

Mode of Transport	Grams of CO ₂ /tonne-km
Shipping 	
Large bulk carrier (200,000+ dwt)	2.5
Large crude oil tanker (200,000+ dwt)	5.7
Large container vessel (8000+ TEU)	12.5
Rail 	
Intermodal (container) train	35
Diesel locomotive	49
Road 	
Truck (40 tonnes+)	80
Air 	
Boeing 747	435
Ilyushin IL 76T	1,100

Stranraer

Source: IMO Second GHG Study www.imo.org/en/OurWork/Environment/PollutionPrevention/AirPollution/Documents/SecondIMOGHGStudy2009.pdf

More responsive and certainty around planning and consenting is a key priority for UK ports – both terrestrial and marine

BPA/UKMPG 10 point plan on improving the terrestrial planning system published 2019

Changes in approach to English marine licensing been problematic in 2018

Portsmouth

Marine environment high on national and local political agendas

Some topical issues for ports:

- Open-Loop Scrubbers
- Water Quality
- Ship-to-ship oil transfers
- Ballast Water
- Dredging
- Noise

Scapa Flow, Orkney

UK represents 22% of European cruise 'output', generating £9bn for the UK economy

Port-of-call visits generated an additional £100m in direct expenditure such as tours and souvenirs. Passengers spent an average of £70 while in port and £160 at their port-of-embarkation.

1,094,000

passengers
embarked on a
cruise from UK ports

1,415,000

passengers visiting a
UK port in 2017

New 'offshore wind sector deal' launched as part of UK industrial strategy

Government and industry working together towards a 'revolution' in capacity and connected industries

Marine planning needs to ensure that offshore energy installations do not interfere with ports or shipping

30%+

UK Government targeting 30% of UK energy generated by offshore wind by 2030

UK Continental Shelf Opportunities:

- 302 oil and gas installations, 373 subsea installations, 16,000km of pipelines, more than 5,000 wells

Government planning on investing in ultra deep water berth

Highly competitive market within and outside of the UK

Onshore decommissioning likely to represent 1-3% of overall spend

£17.6 billion

Forecast decom
spend between
2016 and 2025

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Challenges and Opportunities for UK Ports Short Sea Shipping / Coastal Shipping

UK ports currently handle the largest amount of coastal shipping traffic Europe

Approximately two-thirds of UK live within 10 miles of the coast

Key growth areas: sea dredged aggregates, project cargo, and container traffic

Four barges deliver **18,000 tonnes** of aggregate to London wharves every day, taking 900 lorries off the streets.

Source: British Marine Aggregates Association
https://bmapa.org/about/key_facts.php

Shoreham Port

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Growth in Leisure Marine

Leisure marine sector continues to grow year on year

Particularly good for smaller ports

Challenges around enforcing harbour bylaws and other rules

17,000,000

Over 17m people
(31% of UK adults)
participated in a
general 'water-
based leisure
activity' in 2018

Arbroath Harbour

The BPA represents 47 of the top 50 fishing ports by landings

40% of fishing ports say that income from landings needs to rise if they are to remain competitive

BPA Fishing Ports Priorities:

- Barrier-free access to markets
- All 'UK' fish to be landed in UK ports
- An EMFF successor scheme

40%

UK fishing quota is landed abroad

75%

Fish landed in the UK that is exported

Sutton Harbour, Plymouth

Physical security

Focus on emerging threats and new patterns of activity

Long coastline and short crossings make policing borders difficult.

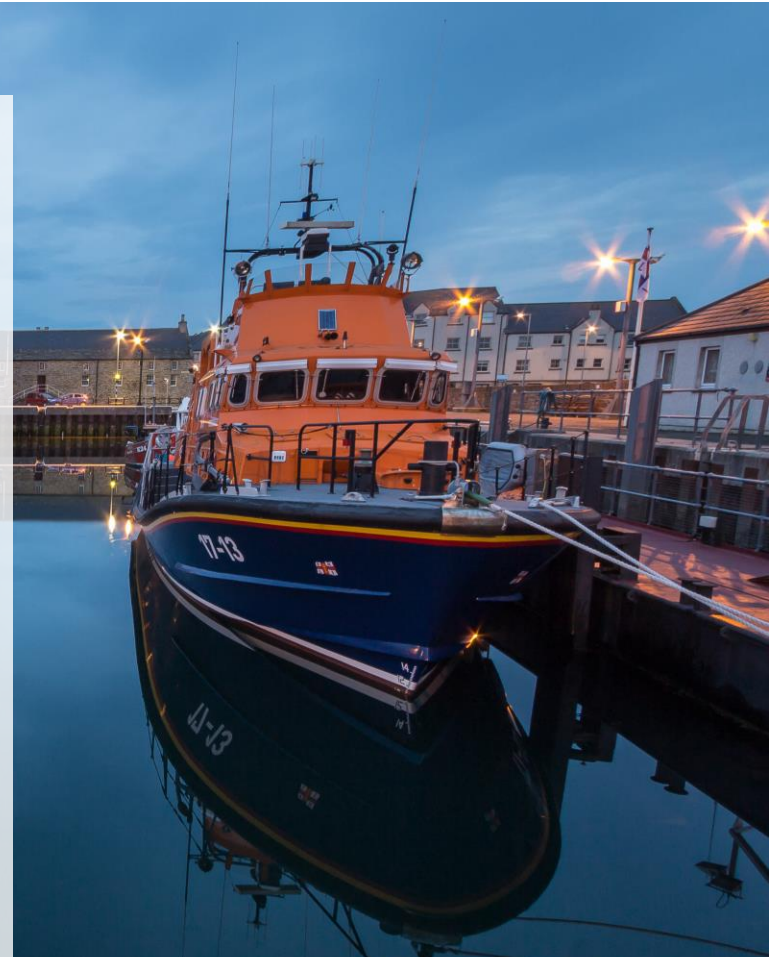
Cyber Security

New EU NIS Directive on cyber resilience came into force last year, affecting more than 10 UK ports

BPA & UKMPG established *Port Skills & Safety*, an industry association to promote and improve safety, focussing on terrestrial safety

‘Port Marine Safety Code’ introduced by Marine & Coastguard Agency in 2000 as national standard for improving ‘port wide’ safety

Compliance is ‘voluntary’ but steadily growing



Kirkwall, Orkney

A career in ports is rewarding

Wider industry promotional body,
Maritime UK launched a 'Women in
Maritime' programme to improve
gender balance

BPA launching 'People in Ports'
programme later this year to
showcase value of working in ports



Aberdeen
Harbour

Aberdeen (South Harbour)

Smaller ports face a number of specific challenges:

- Municipal authority budgets
- Availability of skilled board members and wider Governance issues
- Out of hours resources

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Questions



Portsmouth