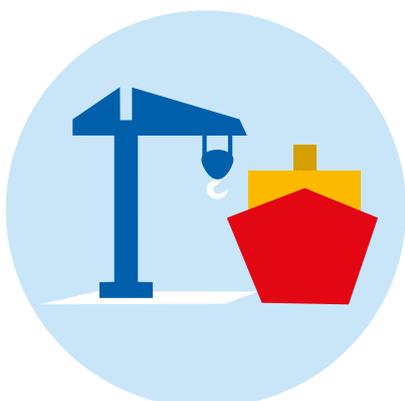
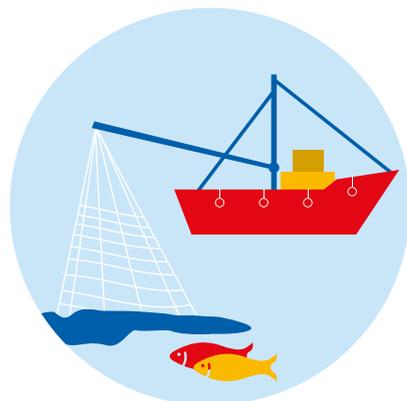
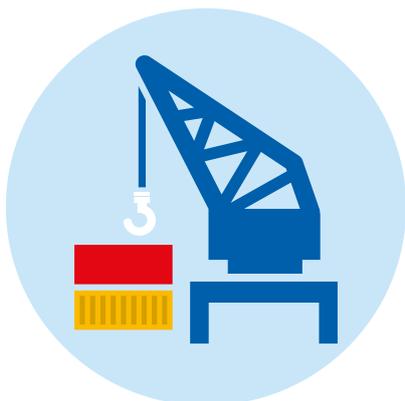
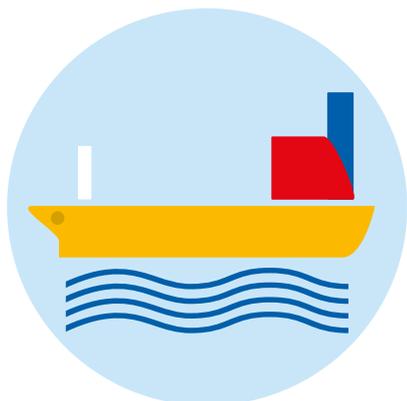


British Ports Association

An agenda for Westminster and beyond



Working in partnership with the new Government to help coastal communities and the country to thrive

Spring 2020

British Ports Association

Key areas of focus for the new Government, beyond the Brexit negotiations, must include trade facilitation, fast-tracked planning decisions and transport investment, delivered in partnership with industry.

As the new Government takes shape this briefing summarises leading topical issues the UK's diverse ports industry currently faces, although it is not an exhaustive document. As an all-inclusive organisation whose aim is to represent ports of all types and sizes, the **British Ports Association (BPA)** looks forward to tackling these challenges with the new Government. The UK Government recently published a comprehensive **Maritime 2050 strategy** and we are keen to progress some of its port-specific recommendations as well as working with the devolved administrations to promote an agenda for ports.

95% of the UK's international trade passes through our ports and they are vital gateways for economic success in the energy, tourism, recreation and fishing industries. The BPA represents ports that facilitate over 86% of the traffic handled at ports and harbours in England, Northern Ireland, Scotland and Wales to all tiers of UK government and beyond. Our membership also includes all international and domestic passenger ports throughout the UK, which collectively handle over 60m journeys each year. We also represent all the UK's main energy gateways, 19 of the top 20 fishing ports and an extensive network of ports and harbours that facilitate over one million leisure craft and yachts.



95%

of the UK's international trade passes through our ports

86%

of the cargo handled at ports and harbours in the UK is facilitated by the ports we represent

85%

of vessel arrivals are handled by our membership

We have an excellent relationship with Government and our priorities for a partnership approach are:

Government to provide:

- An efficient and streamlined planning and consenting regime for port activity and developments
- Priority given to public funding of road and rail connections to ports and support for local authority budgets
- A trade-friendly deal with the EU that prioritises trade facilitation at borders whilst also promoting access to new global markets
- An inclusive Freeports strategy which allows ports of all type and location to be engines of growth regionally and nationally
- Continued cooperation to improve marine and land-side safety and action to solve issues such as the lack of alcohol restrictions for non-professional mariners, the definition of a ship, defective pilot ladders and the continued use of dangerously weighted heaving lines
- Reduced burdens on port and maritime business through a comprehensive red tape and deregulation drive
- Enforcement of the Government's ambitious 'UK Content' rules in the Offshore Wind Sector Deal so that UK coastal communities see as much benefit as possible from renewables developer activity
- Recognition of the major benefits of maritime transport with targeted assistance for modal shift and water freight
- Active support for the cross-section of ports in an inclusive 'port zoning' and Freeports strategy
- Greater policy support at the Department for Business, Energy and Industrial Strategy to promote ports across Government, building on the important regulatory functions carried out by the Department for Transport
- Roll out further Port Economic Partnerships to support port developments and give Port Master Plans formal recognition by regional and national planners

The principles below are at the core of our successful collaboration between industry and Government.

Industry to provide:

- Hubs of economic activity, jobs and investment in port regions around our coastline
- An efficient, market-led ports sector responsive to users and contributing to the economy
- A responsible industry which strives to minimise environmental impacts
- Information to regional and national planners about how to stimulate maritime activity
- Modern infrastructure and facilities for the UK's international trade, offshore fuel and energy generation, maritime and shipping services, marine tourism and recreation, as well as hubs for the fishing industry
- A network of responsible UK anchored companies committed to their businesses
- High standards of marine and landside safety
- Skilled jobs and a well-qualified and trained workforce
- The BPA to provide governance and safety briefings to ports and duty holders and to support the work of Port Skills and Safety in driving up standards across the sector

UK ports directly
employ
115,000
people

The ports industry is
investing
£1.7bn in its own
infrastructure

The UK ports industry



The UK has the second-largest ports industry in Europe collectively handling almost **500m tonnes** annually and directly employing around **115,000 people**. The main markets for ports are **unitised** (which can be broken down into container and roll-on roll-off traffic), and **bulk trade**, most of which is comprised of oil, liquid products and dry cargo such as aggregates.

The main change over the past 20 years has been the growth of unitised traffic, reflecting changes in the UK economy, which is heavily import dependent, especially for high-value finished goods. Bulk cargo volumes had remained broadly steady in the last 10 years although recent changes in energy policy have seen, for example, coal throughput decline dramatically. Many of these cargoes are closely tied to, for example, changes in the oil price and the fortunes of the construction industry.

Other trades and non-cargo activities include providing services to the **offshore energy industries**, landside hubs for the **fishing industry**, helping facilitate numerous **marine leisure** activities and **cruise ship calls**. UK ports handle more than **60 million passenger journeys** each year, of which 100% of these journeys are facilitated by our members.

Ports are highly entrepreneurial. They continue to invest in infrastructure, equipment and their people at no cost to the Government. They play a vital role in driving regional and national economies, but our Government must provide the right policy and regulatory framework and explore investment opportunities to better connect ports with national networks.



Ports are critical to the UK economy, however, few people recognise that what ports bring to their local area goes beyond jobs and investment. Ports often act as stewards of the local community; from offering educational schemes, running community activities and work experience, to sponsoring breakfast clubs and accessibility projects. Unlike many businesses, ports are anchored to a specific location and therefore have a continuing interest contributing to their surroundings.



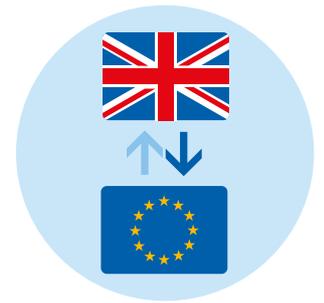
The port and wider maritime industry have historically been very male-dominated. The sector is striving to change and with many ports already signed up to Maritime UK's Women in Maritime Pledge, significant progress has already been made.

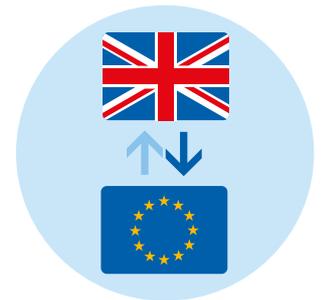
EU exit and trade facilitation

We welcome the vital part that ports will have to play in forging new trading relationships with nations around the globe and we look forward to the industry working alongside government to secure and deliver the future prosperity of Great Britain.

Since the 2016 referendum, there has been much focus on the ports sector and particularly the re-introduction of frontier and customs controls on European port routes. Furthermore, there has been an increase in attention on environmental policy changes, new trade opportunities, transport infrastructure investment and stimulus, and the fishing sector.

As the long term UK-EU trading arrangements are discussed we are working with Government officials looking at how a post-Brexit customs strategy can avoid delays at roll-on roll-off (Ro-Ro) ports such as Dover, Holyhead, Immingham and Portsmouth and also on domestic routes between Northern Ireland and Great Britain. A lot of work has been undertaken and we are keen to stress that the ports are as ready as they can be but more help will be needed to ensure the wider freight sector is adequately prepared. If there are delays and additional costs for traders and consumers, we are keen to highlight how much work our sector has done to avoid these possibilities.





At the recent Border Delivery Group event the Government highlighted what its outline vision for our borders is but there now needs to be an accelerated drive between Government and industry to iron out the details. There has been too little attention on how we efficiently process maritime freight and passengers at our gateways. Now is the opportunity to shape a new borders strategy but it is essential that flow and facilitation are prioritised to help keep the UK open and competitive for both businesses and tourists. Port Health Authorities, which will potentially have new roles screening animal and plant products at the frontier, are managed by local authorities and they need urgent resource to make sure trade is not held up. These authorities are also charged with preparing emergency plans for containing infectious diseases such as the Coronavirus and we have made similar calls for increased resource to help reduce cross border risks.

There are of course a number of rules which originated from Brussels that we would like to see removed and there is a **real opportunity** to hold to a cross-cutting **regulatory review** to assess and even revoke unsuitable legislation and red tape. Indeed, the recently passed **EU Port Services Regulation** has created a host of unnecessary requirements on service provisions in UK ports which are already engaged in open competition. The rules will cover bunkering, mooring, towage and waste services as well as increased financial transparency, potentially limiting the UK ports sectors competitive edge.

There will also be opportunities to review **habitats legislation** and conservation rules, not to rip up environmental protections but to make the marine and terrestrial planning system work better for developers. For example, there will be a number of opportunities stemming from offshore wind and renewables where ports will need to be agile in responding to opportunities which could go elsewhere.

Now is the opportunity to shape a new borders strategy but it is essential that flow and facilitation are prioritised to help keep the UK open and competitive for both businesses and tourists.



Freeports

The BPA has called for maximum ambition in introducing Freeports and for them to include new tax, planning and development rules. These zones could be overlaid with **customs-free zone designations** that support **sustainable port development** and wider economic activity, allowing ports to fast-track developments and have certainty about future activities.

If UK ports are going to compete with their European counterparts, the Government must push forward with our Freeports concept to fast track planning decisions and limit the impacts of environmental designations. With the right conditions, ports can further grow the economy and push regions forward.

The BPA is part of the Government's **Freeports Advisory Panel** and looks forward to exploring how ports can support national growth and prosperity.

Government **should not limit its ambition to 10 Freeports** in order to avoid being seen as providing state intervention in our competitive port market. This would ensure fairness and retain a level playing field for all regions. If necessary, a menu of different options could be introduced, allowing ports to apply for a package that best allows them to grow and attract new economic activity. This may include the possibility for 'virtual Freeports' and regional solutions covering multiple coordinated sites.



Sustainable development

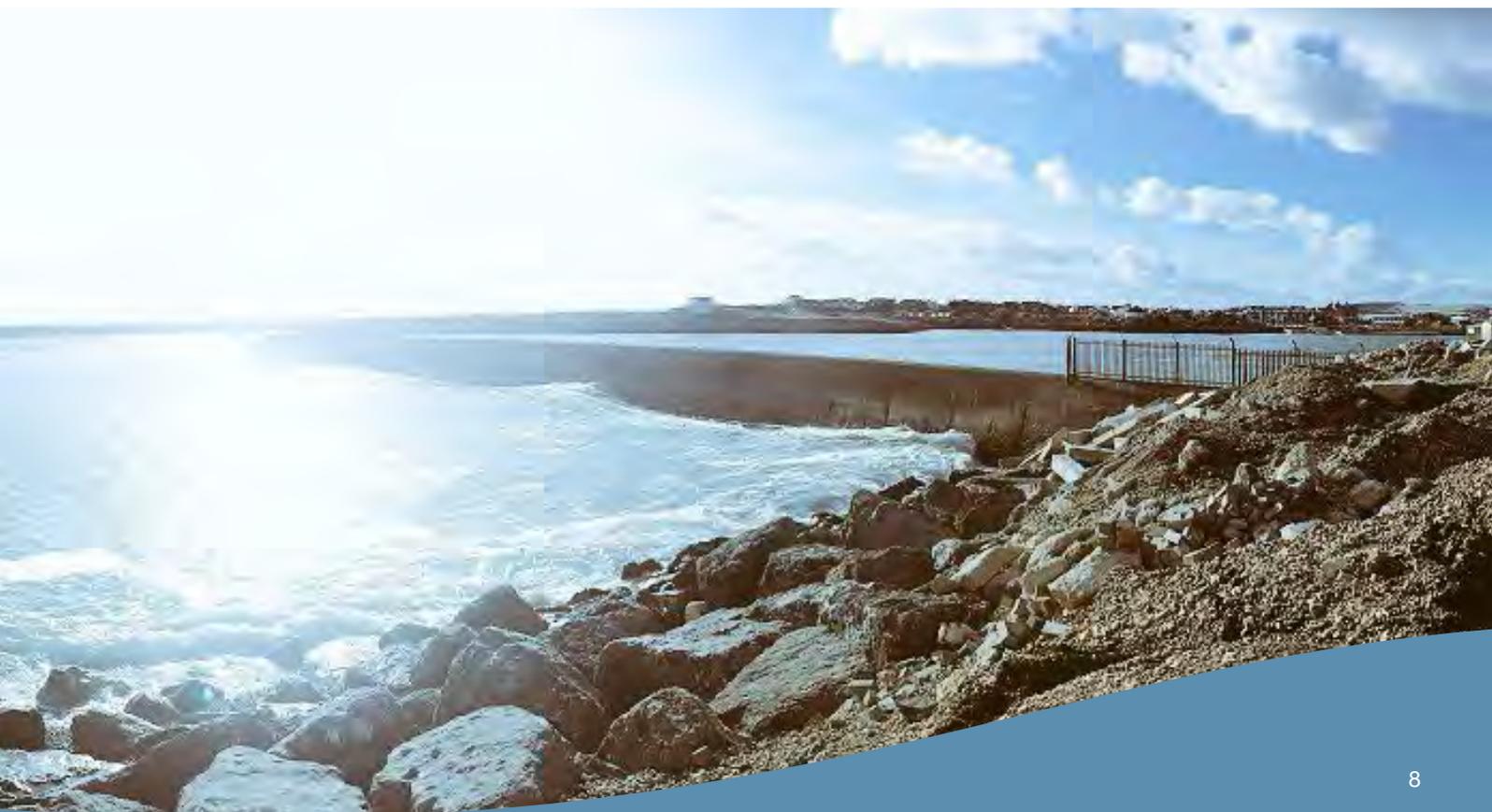


The ports industry has a range of **environmental responsibilities**, ranging from reception of waste generated by ships to issues of water and air quality. Many ports have substantial areas of land and water to manage, a high proportion coming under the robust protection regime set by EU-originated standards.

Ports wishing to expand and develop within these areas come under particular scrutiny to ensure that activities are compatible with rigorous standards of **environmental protection and conservation**. This has accelerated in recent years with new areas and zones of environmental protection, which has become a major development hurdle for ports. While we fully support the principles of suitable development and responsible port activity we are pressing the Government to find a suitable balance that reflects the complex dynamics of marine habitats and systems.

We are keen to see greater policy support at the **Department for Business, Energy and Industrial Strategy** (BEIS) to promote the ports sector across Government, building on the very important regulatory functions carried out by the Department for Transport. We would like to broaden understanding of our sector across Whitehall to evade future avoidable situations on planning and other regulatory issues and with its business and industry focus, BEIS could help support our sector grow.

Also in the UK Government's Maritime 2050 Strategy, there was a commitment to update the port master planning guidance and a recommendation to create new **Port Economic Partnerships** to speed up port infrastructure developments. We would like to see both rolled out and Master Plans being given formal recognition by regional and national planners to support investment and jobs. The Partnership involves policy support from the Department for Transport and is being piloted in Southampton at present and depending upon its effectiveness we would like to see this utilised across the sector to speed up the planning process.



30%

of UK electricity
to be generated
from offshore wind
by 2030

Energy transition

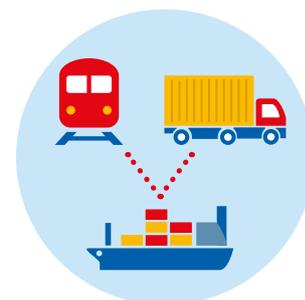
The BPA asks the Government to be supportive of the port and wider maritime sector's energy transition. This movement involves ports' transition to a greener industry, such as targets for **net-zero emissions by 2050**, cleaner fuels for ships and developments in shore-side power. We require the Government to make policies to incentivise this transition, without distorting the market.

The BPA also welcomed the **New Sector Deal for Offshore Wind** published last year, notably the ambitious plans for 30% of UK electricity to be generated from offshore wind by 2030. This target will see huge growth in offshore developments and could support 27,000 new jobs across the UK in this time, much of which will be facilitated by UK ports. UK ports are well placed to support the offshore wind industry but we will need a versatile and flexible planning system to help ports prepare. This will be vital to ensure that ports remain agile and responsive to the new opportunities to provide important landside hubs for offshore developments.

Alongside the New Sector Deal for Offshore Wind, we were pleased to see the commitment to increase 'UK content', initially to 50% and then to 60% by 2030. This means the manufacturing process must use a certain proportion of UK materials and it is anticipated that this target will require an increased domestic role for developers and projects. As a result, British ports will play an even more significant role in new projects and new sector deal, with inward investment and developers also encouraged. **However, this is not yet enforced by the Department for Business, Energy and Industrial Strategy, so we ask Government to consider making this a mandatory requirement.**



Transport, connectivity and national infrastructure



We are currently in a time of real opportunity for ports. However **national, regional and local planners will need to prioritise port transport and infrastructure needs** in order for the sector to realise new projects and developments. Ports manage and develop their own infrastructure and facilities but in terms of their hinterlands, the sector depends on road and rail connections which are owned and managed by local and national government.

The overwhelming majority of all goods and passengers coming into and out of ports do so by road. Although the UK has a strong motorway network, good connectivity can be seriously compromised by the inadequacy of a port's local infrastructure links. Despite some new investments, the UK has particularly limited public spending on transport infrastructure in comparison with our main industrial competitors. Indeed, investment has tended to be focussed on big-ticket passenger transport schemes and we are keen that freight and regional connectivity projects are prioritised. Meanwhile, **local authorities**, who are responsible for the 'last mile' connections into ports have had their funding squeezed over the last decade. Many ports urgently require this funding to be replaced in order to avoid congestion and ease connectivity issues for port users within their localities.

We welcomed the **Department for Transport's 2018 Port Connectivity Study** in England and will be renewing calls for funding to improved hinterland links to ports, as well as a UK-wide study. We support what was initially a stocktake exercise, but we hope this will be an opportunity to start seriously pursuing a range of high value for money (and much needed) local schemes for road and rail.



Tourism

Ports are a fundamental component of British tourism, from ferry ports to the cruise sector and the marine leisure industry. Over 60 million people travel on international and domestic ferries each year in the UK and it remains a significant aspect of British tourism. Ports remain essential to the growth in popularity of marine leisure which generates **£6.5bn in turnover each year**. Meanwhile, UK cruise passenger numbers also increased by 15% to 2.2 million last year, in continuation of the significant upward trend in recent years, which we expect to see continue in 2020.

This all needs a stable and welcoming immigration policy, swift planning processes to enable ports to react to new passenger opportunities and good road and rail hinterland connections. The network of ports around our coast means recreational sailing and cruising provide real growth opportunities and it is vital that national and regional tourism strategies recognise this potential.



Fishing



Many of our regional ports and their communities support **important fishing activity**. Our fishing port members have agreed on an outline Brexit position calling on whoever forms the new Government to refrain from using UK fisheries as a bargaining chip when negotiating trade deals. We are keen to see a pragmatic solution that allows more control over our fisheries without limiting fish landings from EU vessels into UK ports.

Many UK ports and communities now rely on landings by foreign vessels and with no immediate replacement with UK trawlers likely, future fishing related services and activities in certain areas could be threatened.

We have also made it clear that, given the level of fish traded between the UK and EU, a sensible solution that does not include additional tariffs or unnecessary restrictions at the border must be found, as we are concerned the UK could lose landings to European ports.

The BPA also published our [Fishing Ports Manifesto in 2019](#) that issued three recommendations to Government to help transform the fishing industry:

- 1. Land all UK fishing quota into UK ports**
- 2. A transformational fisheries fund open to all UK fishing ports**
- 3. Secure the long-term future of the industry and maintain favourable access to European markets for seafood**



Safety

We work closely with our partners at the specialist industry training and safety body **Port Skills and Safety** to ensure that workers within the ports sector are protected from harm. Ports have become far safer over the past 20 years, with a 64% reduction in incidents. However, there is definitely more to be done in this field and the industry is working with the Health and Safety Executive to improve practices at ports.

We also work with the Maritime Coastguard Agency and the Department for Transport on marine safety. We have partnered collaboratively to produce the Port Marine Safety Code which applies to all types of port. However technical issues such as defective pilot ladders, dangerously weighted heaving lines and the legal definition of a ship definitely need action.

Furthermore, the BPA has also called for new legislation to introduce **alcohol limits for non-professional mariners**, replicating the rules that already exist for commercial ships in British waters. Professional mariners and fishermen in charge of commercial ships are covered by alcohol limits but there is a loophole for those in the leisure sector.

There have been too many occasions when alcohol has endangered lives in the maritime environment, both within and outside ports and harbours. Rules for road users brought about a gradual change in culture for vehicle drivers but without new legislation in the marine environment, it is difficult to see how we can drive a similar shift in behaviour.

Security

Ports are key partners supporting Government security operations at our borders. Working closely with public agencies, the industry facilitates trade whilst keeping the country secure. This requires a risk-based approach to ensure that legitimate goods flow as freely as possible whilst reducing illicit activity including smuggling and clandestine entry.

The industry has written to Government about reassessing the maritime security regime so that it is fit to face both age-old and emerging challenges, including cyber and cyber-enabled risks.

We look forward to tackling these challenges with the new Government.



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