



House of Commons
Transport Committee

Maritime 2050: Government Response to the Committee's Fifth Report

**Fifth Special Report of Session
2022–23**

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Transport Committee

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Fifth Special Report

The Transport Committee published its Fifth Report of Session 2022–23, [Maritime 2050](#) (HC 1178) on 6 March 2023. The Government response was received on 24 May 2023 and is appended below.

Appendix: Government Response

Introduction

In welcoming this report, the Government would like to thank the Transport Select Committee for undertaking its inquiry into progress in delivering the recommendations set out in Maritime 2050.

Published in 2019, Maritime 2050 is an ambitious joint plan between Government and the maritime industry setting out how the UK will continue to be a world leading maritime nation by meeting the challenges and opportunities of the long-term future. It covers seven themes: environment, people, infrastructure, security & resilience, trade, technology, and competitive advantage. Alongside Maritime 2050 we have published a series of route maps setting out how we will deliver its ambitions. The published route maps are:

- Clean Maritime Plan (2019)
- People Route Map (2019)
- Trade Route Map (2019)
- Technology & Innovation Route Map (2019)
- The Recovery Route Map (inc. Competitive Advantage Route Map 2022)

The Security & Resilience Route Map is contained in the National Strategy for Maritime Security (2022), whilst details on the delivery of the infrastructure chapter of Maritime 2050 are covered by the Future of Freight Plan (2022) and the Recovery Route Map.

We welcome the Committee's recognition of the importance of the maritime sector to the regional and national UK economies. UK maritime is vital to the prosperity of the country, whether through its essential part in enabling the flow of goods, creating jobs and providing world class training opportunities, attracting investment from partners across the globe or being a driver for levelling-up our coastal communities. The Government's commitment to the maritime sector and to delivering Maritime 2050 is as strong as ever, and we recognise the importance that maintaining our excellent relationships with the sector will play in delivering the strategy's shared vision.

Since the then Maritime Minister gave evidence to the Committee, Government has continued to drive delivery of Maritime 2050. We are establishing a new Maritime Council to prioritise and deliver the remaining recommendations, working closely with industry

to ensure alignment. We will publish our Biennial Report later this year, highlighting actions and progress across all seven Maritime 2050 themes. The last Biennial Report was published in September 2021.

The Government's responses to the Committee's recommendations are set out below.

Maritime 2050 Structure

Recommendation 1 (M2050 recommendations)

To avoid confusion for the sector, the Government needs to more clearly distinguish between which Maritime 2050 recommendations are specific actions and which are aspirations. To ensure the continued success of the Maritime 2050 strategy, the Government should review the current recommendations and set out key performance indicators and targets for each so that it is possible to track and assess where progress has or has not been made. The same constructive Government-industry dialogue that produced the strategy should also be used to streamline and prioritise its 184 recommendations, so that it becomes a more useful tool for tracking progress and accountability.

The Government agrees this recommendation. As recognised by the Committee, Maritime 2050 is the Government and maritime sector's shared vision. Its ambitions, objectives and recommendations represent the shared pathway to ensure that the UK continues to be a world leading maritime nation long into the future. 184 recommendations are a substantial amount, however they provide a blueprint for dealing with the challenges faced by the sector, such as climate change and resilience events, preparing for long term growth in seaborne trade, emergence of disruptive technologies, and ensuring that the sector can attract, support and keep the workforce it needs.

Whilst Maritime 2050 sets out the overarching vision for the sector, the detail of how Government and industry will work together to deliver that strategy (and the recommendations it contains) is set out in the accompanying series of route maps. The route maps set out tangible actions and outcomes which will ensure that the Maritime 2050 recommendations are delivered.

The Government recognises the importance of tracking and assessing the progress of delivering the aims and ambitions of Maritime 2050. The new Maritime Council (further detail is set out in response to recommendation 21) will provide a forum for Government and industry to come together to review progress and agree how best to prioritise and take forward the outstanding Maritime 2050 recommendations. It will consider which of these are aspirational or ongoing, and which would benefit from clearer performance indications, success measures or targets for completion.

Trade

Recommendation 2 (Trade Route Map)

The Government's publication timetable means that the next Trade Route Map update is due in 2024. Given the global shocks that have occurred since 2019, there is a need for a permanent resilience plan, not just a singular response to the pandemic. The Government should bring forward the publication of the updated Trade Route Map as soon as possible, focussing on how it will assist the industry to build and maintain long-term resilience in supply chains.

The Government agrees and is considering when best to revise the Trade Route Map.

The UK recognises the maritime sector's vital role in facilitating global trade. Maritime 2050 and the Trade Route Map build on the Department for Transport's (DfT) strategic priority of increasing our global impact. They demonstrate DfT's ambition to pursue an agile approach to leverage the UK's experience and reputation to take advantage of trade opportunities.

We are committed to working with industry to make trade easier by removing barriers and unlocking the potential of increased international trade in goods and services through the International Maritime Trade in Services (IMTS) Annex to the Department for Business and Trade's (DBT) free trade agreement (FTA) programme.

In addition to the FTA programme, the UK is seeking cooperation on maritime matters with international partners to improve market access and promote business activities for the maritime industry through bilateral agreements and partnerships.

DfT is working with partners across Government to enhance our knowledge regarding the implications of closure or changes in access to chokepoints, and their potential impact on UK and global supply chains. This includes work with DBT looking in depth at commercial transits through key straits and trade corridors to understand vulnerabilities which may impact the right of freedom of navigation for vital maritime trade and energy routes. This is an ongoing piece of work which will continue to develop with the addition new data sets as more Government departments share their critical goods. This will inform a holistic cross-Government view of security of chokepoints and highlight the centrality of commercial maritime security in national resilience – this data can then be used to justify and inform policy interventions by DfT or other Government departments to mitigate security risks and support continued maritime trade.

How Government can work with industry to improve the resilience of the freight and logistics sector in the UK is also detailed within the Future of Freight plan published in June 2022. The plan sets out a shared vision for a freight and logistics sector that is cost efficient, reliable, resilient, environmentally sustainable and valued by society. One of the Plan's core objectives is for day-to-day reliability that is complemented by resilience in the freight and logistics system. Specifically, the systems' capacity to anticipate, absorb, resist, or avoid disruption and to recover when it does occur. Engagement with industry has tested how best to jointly deliver the vision outlined in the Future of Freight plan.

Government and industry have agreed that the most urgent challenges are in five priority areas and have committed to delivering actions for a stronger future for freight in each of them:

- National Freight Network (NFN)
- enabling the transition to net zero
- planning
- people and skills
- data and technology

The Freight Council, a cross-modal freight forum to drive collaboration between Government and the freight sector that was first established in 2021, will continue to oversee the delivery of Future of Freight's commitments. Maritime interests are represented by the British Ports Association, UK Major Ports Group and UK Chamber of Shipping.

We recognise that the constantly changing geopolitical landscape has reaffirmed the necessity of long-term resilience in global supply chains. A world of increasing tensions and challenges to the international rules-based system, as outlined in the Integrated Review Refresh, will see these issues gain greater prominence.

Competitive Advantage

Recommendation 3 (Regional Clusters)

The Department for Transport should continue to fund the Regional Council and assist in the development of potential new regional maritime clusters while assessing the benefits of existing clusters for levelling up.

The Government notes this recommendation. Regional maritime clusters are in a prime position to help us drive growth in a way that embraces clean maritime, provides skills and training to help our coastal communities, and retain talent, experience and ideas in the UK. Whilst the sector has the enthusiasm, skills and experience to build clusters itself, Government support will accelerate the development of maritime clusters. This will enable us to ensure that clusters focus on delivering Maritime 2050 as well as our wider aims to drive growth within our coastal communities (which are some of the most deprived in the country), our regions and across the UK.

Since 2019, Government has provided Maritime UK and Mersey Maritime with £350,000 to support the development of maritime clusters. This funding provided resource to enable Mersey Maritime to use their long-standing expertise as a maritime cluster to bring together a network of 10 maritime clusters (with early-stage plans for two more) and develop and provide a secretariat for a formal governance structure (including the Regional Council). They have been able to facilitate and guide the development of new clusters and the promotion of maritime clusters at a national and international level, which is particularly important as it has amplified the impact that clusters have on a national and international basis. The existing and emerging maritime clusters are:

- Mersey Maritime
- Maritime UK South-West
- Cornwall Marine Network
- Belfast Maritime Consortium
- Maritime UK Solent
- Scottish Maritime Cluster
- East Anglia
- South-East
- Humber Marine and Renewables
- North-East.

Government is clear in its commitment to continue supporting the development of regional maritime clusters across the UK. The department is working closely with Maritime UK and the cluster network on a joint Regional Maritime Cluster Development Programme which we plan on launching later this year. This will set out a joint Government / industry programme of work to boost the effectiveness of maritime clusters, strengthen their capabilities, and ensure there is effective governance in place. It will also include development plans for each cluster.

Alongside the development programme we are considering other ways that Government can support the development of regional clusters both individually and as a network. This could include the provision of funding to developing and emerging clusters as well as continuing to support the development of the networks governance system (including the Regional Council). Any funding will focus on enabling maritime clusters to reach their potential as self-financing centres of excellence for the maritime sector and enable the medium and long-term benefits of the cluster network (including their impact on regional and national growth supporting the department's strategic priorities to grow and level up the UK) to be realised sooner.

Recommendation 4 (UK Ship Register)

As with other elements of Maritime 2050, adoption of a concrete target for growth of the UK Ship Register would assist in concentrating minds on this goal.

The Government accepts the recommendation.

The Maritime and Coastguard Agency (MCA) has a three-year Strategic Growth Programme that will create the conditions for the sustainable growth of the UK Ship Register. KPIs from the growth programme are being prepared and will be published later this year. We will learn from the progress already made and review actions to deliver flag growth, as well as determining the best approach to target setting.

The launch of the UK Shipping Concierge is an example of where the UK is moving to a more customer focused and responsive approach to attracting ship owners and operators

to the UK. Since its launch in 2021, the Concierge has provided a one-stop shop to help maritime businesses interact with Government departments, supporting the growth of the UK's maritime economy. This has included promoting the UK at international events in partnership with the Department for Business and Trade, securing tonnage tax reforms that were announced at Budget 2023, and influenced changes to immigration and visas policy to make it easier for maritime executives to enter and do business in the UK.

Any future growth target for the flag should be sustainable, focused upon wider objectives such as a cleaner global fleet and recognise the additional costs of servicing an increased number of vessels on the UK Ship Register.

Recommendation 5 (Tonnage Tax)

As an investment in the maritime workforce and a way to capitalise on the reputation of UK maritime training, tonnage tax needs to retain its training link.

The Government agrees. The training link has been an integral part of the UK Tonnage Tax regime since its inception in 2000 and will continue to remain so.

We have increased funding support through our Support for Maritime Training programme to 50% of cadets training costs and are considering options to ensure that the training received by officer cadets and ratings trainees continues to be high quality and relevant to the current and future UK maritime requirements. The vessels and operators within the UK Tonnage Tax are an important part in delivering those objectives.

Environment

Recommendation 6 (Decarbonisation – The Clean Maritime Plan)

The UK must have a defined plan for decarbonising the maritime sector with clear, measurable targets for both home and abroad. The 2019 Clean Maritime Plan was a good starting point, but a more focused plan for achieving net zero in 2050 is now necessary. The industry needs certainty about the part it will play, the fuels and vessel types that will be supported, and the regulatory environment which will be in place to achieve the target. Having originally promised it in 2022, the Government should now bring forward the refreshed Clean Maritime Plan without further delay.

The Government agrees. We will publish the updated Clean Maritime Plan by the end of 2023. The refresh will build on the achievements set out in the original Clean Maritime Plan and the Transport Decarbonisation Plan to deliver an ambitious, action-focused plan to accelerate maritime decarbonisation and reduce the environmental impact of the maritime sector. Building on the outcome of the International Maritime Organization's (IMO) negotiations on international shipping greenhouse gas emissions and as set out in the Transport Decarbonisation Plan, the refresh will include indicative targets for the domestic maritime sector to provide it with a roadmap to zero greenhouse gas emissions by 2050. In addition to these targets, the Plan will also include details of existing and future policy interventions, to provide further clarity to the sector. We will work closely with the Clean Maritime Council and the maritime sector to develop the Clean Maritime Plan.

Recommendation 7 (Clean Maritime Demonstration Project – UK SHORE)

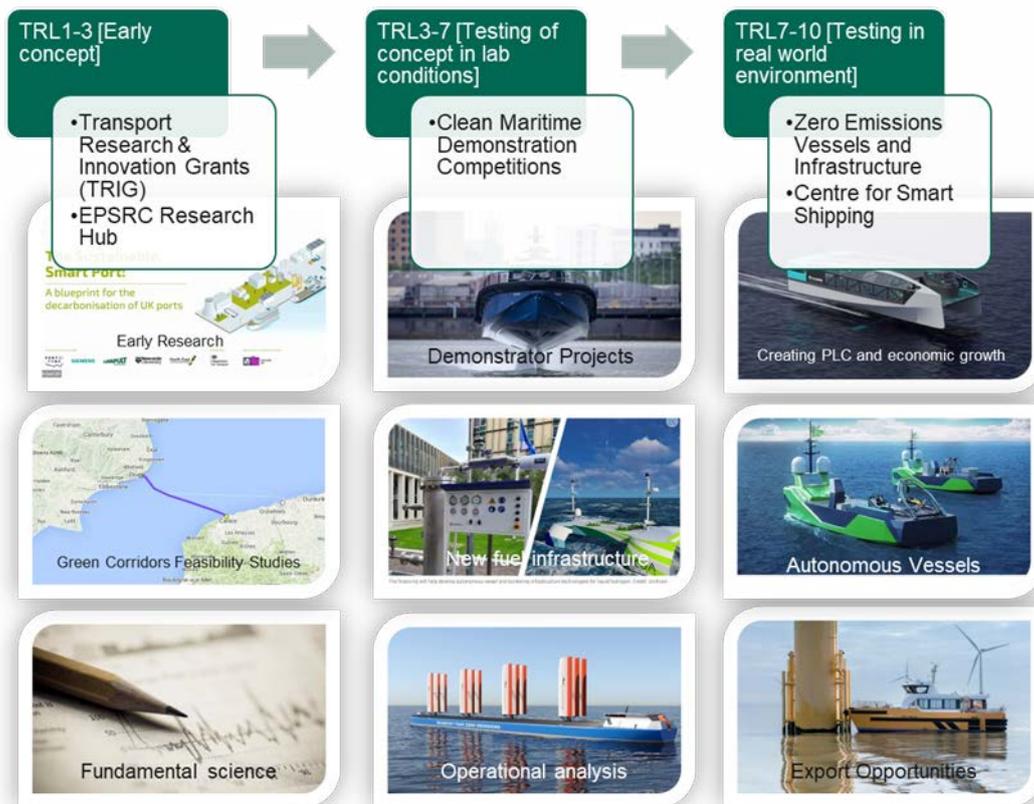
We welcome the creation of UK SHORE as a positive first step. The Government must commit to long-term investment and target some funding at commercialisation of mature technologies to help reach the net zero target.

The Government agrees – but is unable to commit to public long-term funding.

The £206m UK Shipping Office for Reducing Emissions (UK SHORE) was announced as part of the National Shipbuilding Strategy Refresh on 10 March 2022. This is the biggest Government investment ever in our commercial maritime sector and focuses on accelerating the technology necessary to decarbonise our domestic maritime sector. We welcome the Committee's positive stance, reflecting that of the industry which has engaged positively with the programme.

The UK SHORE programme has already allocated over £95m match-funding to 105 projects across the UK to support the design and development of low-to-mid TRL clean maritime technologies. The £77m Zero Emission Vessels and Infrastructure (ZEVI) scheme launched in 2023 to target the high TRL end of the R&D pipeline. The ZEVI competition will provide match-funding to near-commercial and near-to-market ready clean maritime solutions to reduce innovation risk and encourage the private investment needed to progress clean maritime technologies, whilst providing valuable evidence on their efficacy to unlock further private investment and inform future policy and regulation.

UK SHORE interventions will continue to be rolled out until 2025. These will help to bridge the gap between new, clean solutions and conventional technologies, helping the UK achieve our domestic net zero targets. The UK SHORE programme will also help industry to capitalise on the emergence of new markets, placing the UK at the forefront of the design and manufacture of zero emission vessels.



Further investment beyond March 2025 is dependent on future budget decisions and will be taken in due course.

Recommendation 8 (Shore Power)

Evidence to our inquiry strongly suggests that Government investment will be part of the solution needed to make widespread provision of shore power viable. The match-funding announced in February 2023 is a sign of good intentions, but support must be sustained and at a level likely to effect widespread adoption. The refreshed Clean Maritime Plan should include a practical action plan for realising shore power as an essential contributor towards reaching net zero in maritime.

The Government partially agrees. The UK Shipping Office for Reducing Emissions (UK SHORE) focuses on accelerating the technology necessary to decarbonise the maritime sector, by moving solutions through the TRLs and unlocking future private investment. Projects focused on shore-side electrical charging, including shore power, are in scope for the Clean Maritime Demonstration Competition, which is currently in its third round. Additionally, under the £77m Zero Emission Vessels and Infrastructure competition, which launched in February 2023, there is a specific strand for shore power projects, providing access to funds for demonstration of this technology over a multi-year period.

Beyond the existing UK SHORE funding, the Government has no current plans to create additional funding streams to support the deployment of shore power (an already established technology). The Government recognises that shore power is one of the available technologies to reduce vessel emissions at berth in certain use cases. To further support the maritime sector in their efforts to decarbonise, we are using the evidence

provided in response to the 2022 call for evidence to inform our future plans and policies and are currently considering how shore power can be deployed within the wider context of zero emissions ports.

To achieve this, we are considering whether to publish a call for evidence, a feasibility study and a subsequent consultation on how ports can reduce their emissions. This is likely to explore timescales, scope of emissions and consider whether Government should take a technology-neutral approach, rather than backing a specific technology type. We will seek to provide an update on this work in the Clean Maritime Plan.

Nevertheless, a key factor for implementation of shore power and other decarbonisation measures at ports is securing the increased electricity grid capacity from their distribution network operator. The ports industry has raised two specific challenges with Government, the large cost of connections and the distance in the future of the connection windows they are receiving from Distribution Network Operators so that they can secure extra power as they decarbonise. For electricity distribution network connection applications received from 1 April 2023, Ofgem has decided that demand connections, such as those for shore power, will no longer be liable to contribute to distribution network reinforcement costs to accommodate their connection. This will reduce connection costs for customers where such work is required. The department will work with the industry to understand their current and future energy requirements, and with other parts of Government to ensure future energy requirements are recognised and can be factored into relevant power or energy workstreams.

Technology

Recommendation 9 (Maritime Autonomy)

The Department for Transport should publish the outcome of its consultation on maritime autonomy and remote operations as soon as possible so the sector has a clear understanding of the regulatory framework it will be operating within. The necessary reforms must be legislated for at the earliest opportunity; if not in the current parliamentary Session, then as a priority in the next.

The Government partially agrees. These reforms are necessary to support the growth of this industry, but we cannot legislate for them during the current parliamentary session due to competing priorities elsewhere.

In 2021 DfT launched the Future of Transport Regulatory Review to ask fundamental questions about how transport is regulated to achieve a flexible, forward-looking regulatory framework that is fit for the future. In the review, the department sought views from industry and the public on proposals to take powers in primary legislation to allow Government to create a comprehensive regulatory framework for remotely operated and autonomous ships.

As the TSC report points out, DfT plans to gain these legislative powers. However, the work to legislate this year had to make way for emergency legislation to address the cost-of-living crisis. It was right that such a decision was taken to address the economic challenges our country is facing.

We can confirm that the Government response to the Future of Transport review will be published in the coming weeks and that providing legal certainty to industry in this area remains a priority that we will take forward when parliamentary time allows. In the meantime, the DfT and the MCA are engaging with the sector so that we can maintain progress together in this area in the absence of new primary powers at this time.

Recommendation 10 (Centre for Smart Shipping)

The Department for Transport should establish the Centre for Smart Shipping as soon as possible, empowering it to work with the sector and with the Maritime Future Technologies Team to enable innovation to prosper.

The Government agrees. As noted in the response to recommendation 7, the £206m UK Shipping Office for Reducing Emissions (UK SHORE) was announced as part of the National Shipbuilding Strategy Refresh on 10 March 2022. A portion of this funding has been devoted to the Centre for Smart Shipping with an aim to launch the scheme before the end of 2023. The Centre will aim to provide a coordinating function in new and emerging technologies, building on the UK's strengths in smart shipping systems.

Recommendation 11 (Cyber Security)

The Government needs to act as a consolidator and facilitator to draw together disparate approaches to cybersecurity in the maritime sector. The 2017 Cyber Security Code of Practice for Ships should be updated as soon as possible. The Government should use its influence at the International Maritime Organization to set the agenda for minimum international cybersecurity standards.

The Government agrees and is taking an active role in bringing together a wide range of cyber security activities to support the maritime sector. This includes the development of technical guidance to support industry on specific topics. The Government is also engaging with stakeholders to understand issues and identify solutions, working with the maritime sector in the UK and our Overseas Territories to ensure the Red Ensign Group of shipping is supported.

Both the latest National Strategy for Cyber and the National Strategy for Maritime Security were published in the second half of 2022. Overall, the Government's vision is that by 2030, the UK will continue to be a leading responsible and democratic cyber power, able to protect and promote our interests in, and through, cyberspace in support of national goals, particularly in the maritime sector.

DfT is currently producing an update to the existing 2017 Guidance: Cyber Security Code of Practice for Ships to ensure it is comprehensive and up to date in line with evolving cyber threats to the maritime domain, vessels and companies. This updated version will provide the maritime industry with a coordinated and updated UK Government referenced product. This will include a cyber framework which provides an overview of how a cyber-attack could transpire in the maritime domain, mitigating actions and best practice that industry should consider in alignment with IMO regulations. It will support industry when developing a company's or ship's overall risk management system and subsequent business planning for cyber security practices.

Cyber security is not an issue that can be solved with an exclusive domestic focus. Internationally the Government is working with like-minded partners and allies to develop consistent, coherent approaches to supporting the global maritime sector, including working with the International Maritime Organization and other international organisations to deliver comprehensive multilateral approaches.

DfT are active members in the International Partnership for Maritime Cyber Security, a group which also consists of; the Department of Home Affairs (Australia), Danish Maritime Authority (Denmark), National Cyber Security Centre (Netherlands), Cyber Security Agency (Singapore), and the U.S. Coast Guard (USA).

The UK has recently co-sponsored a maritime cyber security paper, with international partners, which proposes that the IMO's Maritime Safety Committee undertakes a comprehensive review and update of the 2017 *Guidelines on Maritime Cyber Risk Management* (MSC-FAL.1/Circ.3/Rev.2).

The Government's aim is to support the UK maritime industry in taking the necessary steps to safeguard shipping from current and emerging threats and vulnerabilities related to digitisation, integration and automation of processes and systems in commercial shipping. It is essential that the maritime industry has a resilient cyber security and risk management capability and are in step with changes to international regulations. DfT is monitoring developments in cyber security and technology, meet with industry, and review the guidance on a regular basis.

Recommendation 12 (Scaling-Up Gap – Technology Route Map)

To help bridge the “scaling-up gap”, the Department for Transport should work with the Department for Business and Trade and the Department for Science, Innovation and Technology to develop business skills support for SMEs in the maritime sector. Future iterations of the Technology Route Map should set out a clear strategy for supporting commercialisation as well as development of marine and maritime innovation.

The Government agrees with the recommendation and works across departmental boundaries to help SMEs to develop their business skills, including in the maritime sector. We work across Whitehall to maximise the UK's maritime exports and inward investment priorities, identifying investment and trade opportunities, and leveraging the wider Government initiatives and expertise to grow the Maritime trade sector. Examples of Government activity aimed at supporting the development of business skills are set out below.

DfT works closely with DBT's Maritime Capability Campaign Office (MCCO) which supports small and medium enterprises grow their export and international investment potential. DBT also offers the Help to Grow Management UK, which provides support for local and regional businesses (including small and mid-size enterprises) to access skills programmes, and the Made Smarter programme, which supports local manufacturers to innovate and grow with a focus on technology.

To enable commercialisation of the maritime industry's innovations, MarRI-UK was established in 2019 with £580k of initial operational funding from DfT. MarRI-UK

has established a maritime research and innovation collaboration centre that includes Government, industry, regulatory authorities and academia to deliver key research and innovation projects at medium to high technology readiness level (TRL).

As noted in the response to recommendation 7, the £206m UK Shipping Office for Reducing Emissions (UK SHORE) was announced as part of the National Shipbuilding Strategy Refresh on 10 March 2022. This is the biggest Government investment ever in our commercial maritime sector and focuses on accelerating the technology necessary to decarbonise our domestic maritime sector, thereby aiding the development of marine and maritime innovation.

DfT will ensure the maritime sector is able to use wider transport innovation funding available, such as the annual Transport and Research Innovation Grants (TRIG) that bridge the early stage, proof-of-concept funding gap in transport innovation, where small investments can de-risk emerging solutions. In addition, we encouraged ports to bid into the 2023 £7m Freight Innovation Fund (FIF), focused on accelerating the adoption of commercially ready solutions to address challenges in the UK's freight sector.

We expect Maritime UK to continue to play a key part in ensuring the industry is made aware of these funding opportunities and provide support in bid writing and business case development.

Infrastructure and Ports

Recommendation 13 (Planning & Infrastructure)

We welcome the Government's intention to call for evidence on planning and delivering infrastructure for the freight and logistics sector. This must include questions about the planning process and the hurdles that are being faced by the maritime and ports sectors in this area. We urge the Government to bring forward this consultation without further delay, and to use the outcome of it, in combination with the 2018 Ports Connectivity Study, to develop concrete priorities and plans.

The Government agrees. As the Future of Freight Plan, published in June 2022 outlines, it is Government and industry's shared goal to develop a planning system which fully recognises the needs of the freight and logistics sector now and in the future, empowering the relevant planning authority to plan for those needs.

DfT, in partnership with DLUHC, will be publish the Freight Planning Call for Evidence this summer. We will encourage the ports sector to respond fully to this call for evidence; we need specific tangible evidence of areas for improvement to support the case for change.

DfT fully recognises that ports cannot grow substantially without effective transport connections. To help ensure port connectivity is prioritised within road and rail investment schemes, DfT is working with ports to understand their highest priority connectivity needs and champion these. We held two industry workshops on this in February and April 2023 and are planning on follow up deep dive sessions. These will seek industry views on potential low-cost projects that could benefit multiple ports or freight paths, and how we can help resolve any long-standing non-financial barriers such as evidence gaps,

prioritisation criteria and general awareness amongst decision makers of the benefits of increasing port connectivity. This renewed focus on port connectivity has been welcomed by the industry.

Recommendation 14 (National Policy Statement for Ports)

We welcome the Government's announcement that it intends to review the 2012 National Policy Statement for Ports (NPSP). We urge prompt completion of this review to ensure the NPSP remains an effective tool in securing the infrastructure development needed by ports in a timely way.

The Government partially agrees, as a review is timely, but the current NPSP provides a workable framework in the meantime.

On 14 March 2023 the Transport Secretary announced a review of the NPSP under the provisions of the Planning Act 2008. This review will include a thorough examination of the modelling and forecasts that support the statement of need for development, and the environmental, safety, resilience, and local community considerations that planning decisions must take into account. Reviewing the NPSP will ensure that it remains fit for purpose in supporting the Government's commitments for appropriate development of ports infrastructure and associated road and rail links.

It has been identified in our early engagement on the NPSP, and in evidence to the Committee, that the NPSP itself is not always the issue but rather the awareness of it among planning authorities. We will develop an action plan for increasing planning authorities' awareness of the NPSP alongside our engagement programme on the NPSP review itself.

Recommendation 15 (Marine Management Organisation)

We have heard evidence suggesting that the Marine Management Organisation may be acting as a stumbling block rather than a facilitator of a thriving maritime economy. The Minister for Maritime needs to work with the Secretary of State for Environment, Food and Rural Affairs to improve operations within the Marine Management Organisation and the service received by ports, which rely on it for prompt advice in securing development while preserving the marine environment.

The Government notes the recommendation. DfT will work with industry this summer, through existing forums, to understand the precise nature of the issues being experienced. This will enable a robust action plan to be set in partnership with the Marine Management Organisation (MMO).

As previously outlined, we need specific tangible evidence of areas for improvement to support the case for change and we shall therefore also be encouraging ports to input fully into the imminent freight planning Call for Evidence on challenges and opportunities they see within the marine licensing process.

Depending on the specific issues identified from further engagement with industry, this could include DfT and port representation on MMO governance forums to monitor set KPIs and service level agreements.

Recommendation 16 (Coastal shipping and inland waterways research)

Coastal shipping and inland waterways have been overlooked within Maritime 2050. We agree with the sector that this is a missed opportunity. To fully harness the UK's competitive advantage, the Department for Transport should undertake its promised research into the potential for coastal shipping and inland waterways, which should be seen as an area of growth for domestic seafaring jobs.

The Government notes this recommendation. Coastal shipping and inland waterways are an element of our Future of Freight plan (published in 2022). As work to deliver the plan progresses, we will look to undertake the recommended research, ensure any opportunities afforded by coastal and inland waterway shipping are recognised, and ensure join up with other initiatives such as the review of modal shift grants.

Recommendation 17 (Freight Facilities Grant / Mode Shift Revenue Support Scheme / Waterborne Freight Grants)

A three-year grant scheme is not suitable for the maritime sector, which operates on long timescales and requires support for capital costs. The Government should reintroduce the Freight Facilities Grant in England and review the Mode Shift Revenue Support Scheme and Waterborne Freight Grants to make sure that they are suitable for the maritime sector and will be effective in achieving modal shift. These funding streams will only realise their maximum benefits, however, if they are not simply used as a way of cutting costs by those cargo ship and bulk carrier operators who use the low-cost crewing model.

The Government partially agrees. The Department for Transport's Mode Shift Revenue Support Scheme and Waterborne Freight Grant schemes run until 31 March 2025 and 31 March 2026 respectively. A wide-ranging review of these schemes to ensure that they are suitable for the maritime sector will commence soon. The department recognises that the schemes as currently designed are not necessarily serving their intended purpose to support maritime freight, and when the review begins that will be a key part of any redesign.

The department has no plans to reinstate the Freight Facilities Grant in England.

People

Recommendation 18 (Investment in Training)

To invest in the maritime sector, the UK must invest in its people. The Government should carry out a review of training funding in the maritime sector, establishing if there are barriers to access and how the system can be improved. This should include an assessment of the potential costs and benefits of providing fully funded training places for officers and ratings.

The Government notes this recommendation.

The department supports the cost of seafarer training through a Support for Maritime Training Fund. To stimulate more cadetships, the Government rate of funding for each cadetship was increased from 30% to 50% at the end of 2022.

Our improved funding package aligns with our work to increase the number of UK cadets through the Seafarer Cadet Review, which was published in June 2022. The review made several recommendations around course content, career progression, the use of simulators, attracting more students into cadetships, broadening the qualification offer to include degrees and in relation to funding that the complex funding system should be restructured to stimulate change. The Review is currently in its implementation phase. The Maritime Skills Commission is also undertaking a Ratings Review which is due to report in Summer 2023.

A range of maritime apprenticeships are available, this includes roles for ratings and other skilled maritime jobs. Apprenticeship policy is devolved, therefore different arrangements exist in each of the home nations with varying levels of funding and availability. The MCA has worked with industry to ensure that where required, their safety examinations are accepted by the Institute for Apprenticeship as 'end point assessments', this has avoided duplication of assessments which was previously an unnecessary burden on industry.

Recommendation 19 (Treatment & welfare of maritime workforce)

P&O Ferries' treatment of workers in March 2022 has not only affected the 800 seafarers directly involved but damaged the perception of the maritime sector for potential new recruits. It is imperative that the Government ensures that seafarers and potential future seafarers know they are valued and are not deemed expendable. This is essential for both maintaining the current talent pool and enabling it to expand in the future. To this end, we call on the Government to publish a report on its nine-point plan for seafarers' protections as soon as is practical.

The Government notes the recommendation.

The Seafarers' Wages Act received Royal Assent on 23 March 2023, and is now law, less than a year since a Bill was introduced by the then Transport Secretary. The new law protects those working on vessels operating a regular international service to and from the UK from being paid less than the National Minimum Wage. This legislation is designed to boost the pay of thousands of seafarers who work tirelessly to maintain supply chains and transport passengers safely across our waters. The department will now turn its attention to making the Act operational through secondary legislation- we will continue to engage extensively with the unions, ports and the shipping industry as part of this process.

Government has in parallel progressed the rest of its 9-point plan for seafarers' protection. We have made particular progress in our co-operation with the French Government, including on the French proposed legislation to ensure seafarers working on cross-Channel services will also benefit from pay protections while in French territorial waters.

We are finalising our negotiations with the Spanish Government on practices concerning conditions for seafarers on board third country (non-UK or non-Spanish) flagged ships operating regular shipping routes between ports in Spain and the UK.

Furthermore, DBT has launched its consultation on a Code of Practice on 'fire and rehire'.

In recognition of the need to maintain a strong talent pool, the department provided a £2.4m grant for Welfare, Maritime Skills and Careers in June 2022 to support seafarer welfare, maritime skills, careers and diversity. This included £2.1m to the Merchant Navy Welfare Board, the recognised National Seafarer Welfare Board in the UK, who administered the grant.

The department has provided regular, publicly available, updates on the 9-point plan. A report into the outcome of the plan would need a period of time to pass to allow for a full assessment and we would expect it to be incorporated into the annual report that will be published by the new Maritime Council.

Recommendation 20 (Welfare Charter)

The Seafarers' Wages Bill's aims must also be supported by the promised welfare charter, which we urge the Government to bring forward as soon as possible. This must include concrete action to hold employers to high standards and to support better mental health among seafarers, and must be underpinned with funding where necessary. We feel that the Government's current plan to ask operators to sign up voluntarily will not give the assurances and protections that seafarers want and deserve. We therefore call on the Government to make signing up to the charter a mandatory requirement for all UK maritime operators. The relationship of this work to the 'social framework' envisaged by Maritime 2050 should be clarified.

The Government notes the recommendation.

The Seafarers' Charter will initially launch on a voluntary basis. The Government saw the need to act swiftly to protect seafarers on international routes with close ties to the UK from wage exploitation while in UK territorial waters. We continue to explore options to further enhance seafarer welfare and keep the need for further legislation under review. We will monitor the uptake of the charter and actively keep under review the need for further legislation.

Legislating for employment protections in an industry that is global in nature and governed by international law is complex. Further research is required before legislating for other areas of seafarer employment protections. Government is progressing this research, in particular relating to roster patterns. We are working with the UN specialised agencies, like minded states and our social partners for the continued improvement of the international standards and encourage greater ratifications of core Conventions such as the International Labour Organization's Maritime Labour Convention 2006.

Alongside this, we are undertaking a number of additional initiatives to strengthen seafarer welfare. These include among others:

- Commissioning user research into the current state of internet connectivity available to seafarers on UK vessels and in UK ports and waters. This will help us in delivering on internationally agreed goal that by 2025 seafarers at sea or in port should have access to the internet at a reasonable cost or free of charge.

- undertaking research into seafarer fatigue and its relationship with roster patterns and impacts on seafarer welfare. The research is looking at the UK domestic and international ferry sectors. We are also collaborating with France who are undertaking similar research with the World Maritime University.

Cross Government Working

Recommendation 21 (Ministerial Working Group)

The Department for Transport in its own 2015 report advocated for both a cross-Whitehall team and a Ministerial Working Group for maritime. We agree that these mechanisms would provide a helpful focus for collaboration to support the industry. To improve the interdepartmental understanding of the maritime sector, the Maritime Minister should convene a maritime Ministerial Working Group. The Maritime Minister should also ensure the input of the maritime trade unions.

The Government notes the recommendation and recognises the importance of collaborative working across Government. The department has worked closely with a range of other departments on matters of maritime security and resilience. For example, in the run up to EU Exit and the end of the Transition Period, the department established the Maritime Security Ministerial Small Group. This group, which brings together the responsible ministers from the Department for Transport, Home Office, Ministry of Defence, Foreign Commonwealth and Development Office and Department for Environment, Food and Rural Affairs, acts as the strategic oversight group for maritime security matters across Government, delivered through the National Strategy for Maritime Security.

In June 2023 DfT Ministers will convene the first meeting of the Maritime Council which will provide top level governance across the delivery of Maritime 2050. The Council will have responsibility for holding Government and industry accountable for progress in delivering the Maritime 2050 recommendations, with sub-boards and working groups reporting into it.

The Council will have a focused membership, representing a wide range of views, experience and perspectives across Government and industry, with Ministers from across Government invited as required by agenda. It will decide, when necessary, the setting up of task-and-finish groups. These groups will convene views and expertise on specific issues, before developments are reported to Ministers at the Council.

From 2024, the Council will oversee the publication of a joint Government and industry annual progress report, replacing current, separate products, including the Biennial Report.

Recommendation 22 (Role of Ports)

The Department for Transport should take leadership on clarifying across Government the role of ports authorities and protecting them from inappropriate enforcement burdens. Ports authorities cannot be used as the Government's "Swiss Army knife" to undertake an ever-greater variety of tasks without appropriate resourcing and expertise.

The Government disagrees. We fully understand the role of ports, including their public duties as statutory harbour authorities as well as their commercial roles, and the department continues to champion their cause across Government.

Specifically with regards to the compliance process in the Seafarers' Wages Act, this has been designed as a proportionate and appropriate balance of roles between the ports and the MCA. The ports will fulfil the administrative role of ensuring access to ports is conditional on evidence that operators pay seafarers working on services in scope of the Act the equivalent to National Minimum Wage for time worked in the UK and its territorial waters (or payment of a surcharge). However, the MCA will be the body responsible for enforcement and, if necessary, prosecution.

The Act has been designed to not interfere with the right to innocent passage under the United Nations Convention on the Law of the Sea (UNCLOS). The Act's requirements will only apply and be enforced as a condition of entry to UK ports in which the UK has jurisdiction over visiting ships and where the right of innocent passage will have ceased to apply. Because vessels visiting a port are not then in innocent passage and are not merely passing through the territorial sea, associated restrictions on the exercise of jurisdiction as set out in UNCLOS do not apply.

With reference to the Russian Sanctions, the illegal war in Europe has produced exceptional circumstances. Ports, as is the case for other businesses across almost all sectors, have been and continue to be instrumental in the implementation of sanctions against Russia.

We maintain close contact with the ports sector and have published six versions of industry guidance to support them in conducting due diligence on vessel movements. We will continue to update this as appropriate and engage stakeholders, as we did regularly through the Maritime Sanctions Taskforce, on any further developments.