

Supplementary written evidence submitted by the British Ports Association (MAR0031)

I was grateful for the opportunity to give evidence to the Committee on the Maritime 2050 strategy in May. With apologies for the lateness, I wanted to provide some additional information on several areas that were discussed during the oral evidence sessions.

Shore power

Several witnesses discussed the provision of shore power at UK ports. In 2020 a BPA report identified three primary barriers to the provision of shore power to vessels:

- 1. High capital costs for both energy upgrades and shoreside infrastructure**

Public support is critical to making shore power projects work as the high capital costs make building a business case for it very difficult. The BPA examined 92 shore power projects over 1MVA undertaken in the last 20 years, using a variety of public and private sources and again found no known instance of shore power projects installed without public funding support.

- 2. The price of electricity**

The price of electricity in the UK is significantly higher than in other European countries and recent developments will only make this worse. This means that it is increasingly difficult for electricity at berth to compete with marine diesel for at-berth auxiliary power. Most global ports with shore power provision have support to help make electricity as a marine fuel more competitive and that needs to be replicated in the UK. Our view is that tax on electricity when used as a marine fuel should be lowered as it is elsewhere in Europe.

- 3. Lack of demand**

There is a lack of consistent demand for shore power from vessels and the competitive nature of UK and European ports make it difficult for individual ports to mandate its use. We are committed to exploring mechanisms to create predictable demand that does not damage the competitiveness of shipping, as it is by far the most efficient mode for moving freight.

The Government recently consulted on shore power and reducing emissions from ship at berth. Our view is that whilst it is likely that shore power will play a significant role in reducing emissions at berth, it should be viewed as a means and not an ends. The Government should start by being clearer about what they are trying to achieve (and when) and not dictate what technology is needed to achieve that. Most ports in the UK are already power constrained and it is difficult for them to plan upgrades with significant uncertainty around how much power may be needed in future. In June we called for an energy connectivity study for UK ports alongside a transformational long-term funding programme to ensure that ports have the energy they need to meet their decarbonisation and air quality ambitions.

Marine licensing and consenting

We listened with interest to evidence around the timescales for marine licensing and consenting. We recently undertook a survey of our members on their experiences with the marine licensing system. A copy of the anonymised results are attached. These cover devolved marine licensing bodies as well as the Marine Management Organisation (MMO): Marine Scotland, Natural Resource Wales, and DAERA in Northern Ireland.

BPA members have raised long delays in licensing with us and we understand the MMO has taken steps to reduce a backlog. Our view is that the marine licensing bodies play a critical role in enabling marine development and are under-resourced by Government.

We are concerned that as Government comes under pressure to ensure ambitious targets for offshore wind are delivered (by industry), that marine planning, licensing and consenting will increasingly see resources diverted into this area. More broadly we are concerned that the offshore energy sector will increasingly drive policy change in the marine space despite their needs and available resources being different from other users such as ports.

Coastal shipping

Increasing the amount of freight moved by water is a long-term goal for the BPA. Shipping is by far the most carbon-efficient mode of transport for moving freight and it can also play a role in easing congestion on the road network and alleviating the driver shortage by reducing the number of road freight miles.

Our members tell us that a small coastal bulk carrier takes 125 trucks off the road and a typical small coastal tanker or aggregate carrier take around 220 lorries off the road.

As no part of the UK is more than around 70 miles from the coast, with most of the population much closer, and with a large number of commercial ports, more coastal shipping makes sense for the UK. To support this we are keen to see the UK Government follow up on its 2018 port connectivity study with a funding programme for last mile connections in England and similar work in the rest of the UK. A closer look at government funding for support modal shift would also be welcome to improve the current schemes.

August 2022