

Maritime Parliamentary Bulletin

W/C 16 May 2022

The purpose of this bulletin is to update MPs and Peers on the latest developments in the UK maritime sector and to provide a forward look to opportunities within parliamentary business for positive advocacy.

Latest

General Debate on Transport (Thursday 19 May)

There is a general debate on transport on Thursday 19 May. Should supportive MPs wish to raise maritime and would like talking points, please contact <u>barney.scholes@beyond2050.co.uk</u> for further information.

Queen's Speech - Harbours (Seafarers' Remuneration) Bill

Within the accompanying documents to the Queen's Speech, there were proposals for a Harbours (Seafarers' Remuneration) Bill, which is of significant relevance to the sector. The impetus for this Bill is the recent P&O Ferries treatment of its seafarers. The Bill will be led by the Department for Transport. The stated purpose of the Bill is to: "Protect seafarers working aboard vessels visiting UK ports by ensuring the ports have powers ultimately to refuse access to ferry services that do not pay an equivalent to the National Minimum Wage to seafarers while in UK waters." A consultation on the Bill will open shortly. The main elements of the Bill are:

- Empowering ports (statutory harbour authorities) to surcharge ferry operators if they do not pay the equivalent of the National Minimum Wage and ultimately to suspend them from access to the port.
- Providing powers of direction to require operators of vessels on frequent and scheduled services to ensure that their seafarers receive a fair wage while in UK territory and territorial waters.
- Requiring ferry operators to have access to all relevant details of employment terms, even if they do not employ crew directly.
- Providing for legal sanctions in case of non-compliance with such directions, including supplying false or incomplete information.

Industry view: The sector is committed to working with the government to deliver effective regulation in this space. However, the creation of new rules for ports to regulate labour standards onboard ships in such a way is unprecedented. Playing a role in a compliance regime for the third party minimum wages is not an area where ports have experience or specialised capability. Enforcement, as the Government's recently launched consultation suggests, should be with an

appropriate body Maritime & Coastguard Agency or HM Revenue & Customs. There remain significant questions over appropriately setting the scope of the new regime and there are some concerns over whether the Bill will achieve the Government's aims of improving long-standing issues for seafarers given the complexities of international maritime treaties.

Queen's Speech – Other relevant measures

Electronic Trade Documents Bill

"Put electronic trade documents on the same legal footing as paper documents, removing the need for wasteful paperwork and needless bureaucracy. This will enable businesses to move from paper-based to digital-based transactions when buying and selling internationally. This will help business efficiency and support economic growth."

The Digital Container Shipping Association estimates that if 50 per cent of the container shipping industry were to adopt electronic bills of lading, the collective global savings would be in the region of £3 billion. Most respondents to the Law Commission consultation expect savings for businesses trading internationally of at least five per cent on transaction costs.

Industry view: This proposed Bill is welcomed by the sector and we are keen to engage with government.

Transport Bill

"Introducing new laws that safely enable self-driving and remotely operated vehicles and vessels, support the roll-out of electric vehicle charge points and enabling the licensing of London pedicabs."

We estimate that the UK could take a market share of ten per cent from a global autonomous shipping market worth £110 billion by 2030.

Industry view: This proposed Bill is welcomed by the sector and we are keen to engage with government.

Economic Growth and Support for Businesses

We have established Freeports as national hubs for international trade, innovation and commerce, regenerating communities across the UK, attracting new businesses, spreading jobs, investment and opportunity to towns and cities across the country. Eight have been announced in England.

Two Freeports have been announced for Scotland with the Government committed to deliver at least one in each of Wales and Northern Ireland.

Industry view: The sector supports the Freeports programme, but is keen to see the government rollout some of the business environment measures to stim8late economic development to locations around the coast. This proposal was included in Maritime UK's Coastal Powerhouse <u>Manifesto</u>.

Other points of interest

- We will complete the establishment of the UK Infrastructure Bank, utilising its £22 billion financial capacity to support growth, improve connections across the country and help level up the UK whilst supporting our transition to net zero by 2050.
 - Industry view: The sector is supportive of the establishment of the UK Infrastructure Bank, and is keen to see support made available to the maritime sector.
- We will regenerate our towns and cities, shifting power and accountability to local leaders to improve those areas, drive economic growth, and give communities a louder voice to deliver the ambitions set out in our landmark Levelling Up White Paper.
 - Industry view: The sector believes it has a key role to play in delivering the Levelling-Up White Paper and is seeking a dedicated Coastal Strategy as set out in its Coastal Powerhouse <u>Manifesto</u>.
- We will deliver a stronger and more highly performing education system that provides young people with the skills and knowledge they need to fulfil their potential, no matter where they live.
 - Industry view: The sector has an important role to play in connecting maritime businesses with schools, and in inspiring young people to consider a career in maritime. See more details on the <u>Maritime Skills Commission</u> and <u>Careers and</u> <u>Outreach Programme</u>.
- We will continue to deliver improvements to transport networks across the UK, providing for reliable services, reducing journey times and spreading economic growth to all regions.
 - Industry view: Investment is connectivity is crucial to unlocking economic growth in coastal towns and cities. The sector's asks on infrastructure investment have been set out in the Coastal Powerhouse <u>Manifesto</u>.
- We will modernise business rates, creating a fairer and more accurate system that will promote investment, productivity and decarbonisation.
 - Industry view: The sector is supportive and believes that a range of other such incentives can help unlock investment, boost productivity and accelerate progress toward decarbonisation. Some of these are set out in the Coastal Powerhouse <u>Manifesto</u>.
- Our public procurement regime will be made more simple, transparent and accessible to better meet the country's needs. This will bring a huge boost to businesses and voluntary, charitable and social enterprises, who will be able to compete for public contracts.
 - Industry view: The sector is supportive and is particularly focused on ensuring the thirty year pipeline of 'state' vessels identified within the National Shipbuilding Strategy translates into significant work for UK yards and wider supply chain.

- The Financial Services and Markets Bill will enhance the UK's position as a global leader in financial services, through the establishment of a coherent, agile and internationally-respected approach to financial services regulation.
 - Industry view: The sector is supportive and has recently concluded its own working group on maritime financial products and will be sharing with the Trade Secretary this week.

Transport Committee hears evidence on Maritime 2050 strategy

On Wednesday 11 May, Maritime UK Members, British Ports Association, Maritime London, Mersey Maritime and UK Chamber of Shipping gave evidence to the Transport Select Committee on the effectiveness and implementation of Maritime 2050. The committee is investigating:

- Whether and how the ambitions and objectives described in Maritime 2050 support the maritime sector;
- Progress towards the ambitions and targets set out in Maritime 2050, including effectiveness, pace and priority of the strategy's implementation, and,
- The effect of Maritime 2050 on Government policies and regulation, maritime sector decision making and economic and environmental outcomes.

The first evidence session focused on: UK Competitive Advantage, the Environment and Technology. You can read Maritime UK's submission to the Transport Select Committee <u>here</u>.

Watch the evidence session <u>here</u>.

Clean Maritime Demonstration Competition Final Showcase

To celebrate the achievements of the Clean Maritime Demonstration Competition (CMDC), the Department for Transport, Innovate UK and Innovate UK KTN are hosting a final showcase event on the 24th of May at Portsmouth International Port.

Launched in March 2021, the CMDC has allocated over £23m of research and development funding to 55 projects across the UK to support the design and development of zero-emission shipping technologies and greener ports.

This all-day event will include live technology demonstrations along with an exhibition showcasing the results of the feasibility studies. Featuring all 209 organisations directly involved in the 55 CMDC projects, the event will bring together key industry players from across business, government, professional institutions, research organisations and academia.

This is a must-attend if you want to hear and see the results of these innovative R&D projects in clean maritime technologies. It is also an opportunity to hear more about upcoming opportunities in the clean maritime space such as UK SHORE.

Read more and register

'Diversity in Maritime' celebrates two years since launch

5 May marked two years since Maritime UK launched Diversity in Maritime. In that time, we have:

- Established three new cross-sector networks: Mental Health in Maritime, Ethnicity in
- Maritime and Pride in Maritime
- Expanded the Women in Maritime Network
- Welcomed our first sponsors <u>Stena Line</u> and <u>Port of Aberdeen</u>
- Held professional development session on public speaking online, unconscious bias and more
- Launched a series of industry roundtables to bring senior leaders together to learn and discuss how to be welcoming to our LGBT+ community
- Launched the Menopause Hub
- Held our first series of Diversity in Maritime Lunch and Learns during London International Shipping Week including our first Women in.. Summit to bring together <u>Women in</u> <u>Rail, Women in Transport</u> and <u>Women in Aviation International</u>
- Created a Culture of Care project, survey, lunch and learns and Toolkit
- Expanded our Pledges to include Mental Health and a Panel Pledge
- Expanded our Speaker Bank
- Launched and grew the Interview Pool
- Launched and embedded Book Club
- Welcomed seven new Charter organisations (Forth Ports Limited, IHS Markit, Associated British Ports, Royal Yachting Association (RYA), BAE Systems Maritime, GAC Group)

...and so much more.. We could not have done this without the incredible support of the sector. Watch this space for next steps and exciting changes.

Diversity in Maritime is sponsored by Port of Aberdeen and Stena Line UK.

Maritime 2050 conference to be held in Liverpool

Maritime UK is partnering with Mersey Maritime to deliver its Maritime 2050 conference in Liverpool on 23 June.

The conference comes three-and-a-half years into Maritime 2050's short-term recommendations and will feature a number of major announcements, keynote speeches, report launches, including attendance from senior Government officials and key industry representatives from across the sector.

Sarah Kenny, Chair of Maritime UK, commented: "I'm delighted that this conference is returning for a fourth year and that it's being hosted in the great maritime capital of Liverpool. It's an incredibly important fixture in the maritime calendar and helps ensure we're all on the same page in terms of our progress in delivering Maritime 2050. Great progress is being made, but given the scale of the challenge we've set ourselves; we need to do more. To make that happen, we need greater collaboration and the conference will provide specific opportunities for companies and individuals to get involved, and I know plenty of new ideas will come out too.

Read more and register

UK Maritime News

- A freeport is to be established in Wales with £26m from the UK government <u>Wales</u>
 <u>Online</u>
- Babcock opens £4.6 million tidal turbine testing facility at Rosyth Insider
- UK ports want recompense for 'white elephant' post-Brexit borders Financial Times
- Mersey Maritime CEO calls for 'dedicated maritime minister' <u>Liverpool Business News</u>
- PD Ports attracts offshore engineers Seajacks to Teesside <u>Business Live</u>
- Around 300 jobs secured in £30m deal to maintain Royal Navy ships <u>STV News</u>
- Engineering & Boat Building event proves popular with visitors <u>FE News</u>
- Maritime Belfast Trust Launches Maritime Milestones Campaign <u>Hospitality Ireland</u>

Events for Parliamentarians

Maritime 2050 Conference

The Mersey Maritime Exchange will take place on Thursday 23rd June 2022 and will discuss the progress of the UK Government's Maritime 2050 report, which sets out the future of the sector over the next three decades.

Maritime UK at Party Conference

The Maritime Reception at Conservative Party Conference – 19:30, 2 October 2022 The Maritime Roundtable at Labour Party Conference (TBC)

Maritime UK Week [10-16 October]

Maritime UK has announced that its week-long national programme of events and activity to raise the profile of the sector and engage young people in the world of maritime will be held between 10 and 16 October 2022.

The week runs in the off-year from London International Shipping Week, with a greater domestic and educational focus.

This year Maritime UK week will focus on the theme of '**Driving the UK's Coastal Powerhouse**' and will feature:

- Westminster Hall debate on the Maritime Sector
- Maritime UK Week Parliamentary Reception
- Drop-in session for Parliamentarians
- National Open Day(s)
- MP visits to maritime businesses in their constituencies

If MP's wish to get involved please contact barney.scholes@beyond2050.co.uk.

Upcoming Parliamentary opportunities to promote maritime

Suggested questions, statements and briefing material can be provided on request.

House of Commons

We would be delighted if MPs would be willing to use any opportunities at PMQs and Business of the House Questions to promote the UK maritime industry (these questions are drafted to be suitable as either oral or written parliamentary questions):

- **PMQs Wednesdays:** We would be delighted if MPs would be willing to raise maritime at PMQs if they are selected in the ballot, and are happy to support in drafting a question
- **19 May** Transport: To ask the Secretary of State for Transport if he can provide further clarification on the timeline for the extended Clean Maritime Demonstration Competition.
- **7 June** Business, Energy and Industrial Strategy: To ask the Secretary of State for Business, Energy and Industrial Strategy what recent discussions he has held with representatives of the maritime industry regarding the deployment of funding for feasibility projects relating to maritime decarbonisation.

House of Lords

We would be delighted if parliamentarians would be willing to table requests for parliamentary debates on the UK maritime industry, and we can support them with suggestions for these.

Written Questions

We are also happy to support parliamentarians with ideas and the production of additional written questions.

Consultations and Inquiries:

Parliamentary

- Defence Committee: The Navy: purpose and procurement (no deadline specified)
- Treasury Committee: Jobs, growth, and productivity after coronavirus (no deadline specified)

Government

- DEFRA River basin planning: draft river basin management plans (22 April)
- Department for Transport: Use of maritime shore power in the UK: call for evidence (25 April)
- Department for Transport: Transport labour market and skills (9 May)
- Department for Business Energy and Industrial Strategy: Developing the UK Emissions Trading Scheme (UK ETS) (17 June)

Recently in Parliament

- Evidence session: Maritime 2050 objectives, implementation and effects
- P&O Ferries: Safety
- P&O Ferries
- Maritime Labour Convention
- National Shipbuilding Strategy

The Maritime Sector - key messages

- Maritime contributes **£46.1bn to the UK economy and supports 1 million jobs** (more than air and rail combined).
- Maritime is **responsible for keeping the country supplied**: 95 percent of British imports and exports in goods are moved by sea, including 25 percent of the UK's energy supply and 48 percent of food supplies. Investment is essential for maintaining these resilient supply chains that every constituent relies upon.
- 2021 has been a year of significant activity for the maritime sector, on Freeports, developing the National Shipbuilding Strategy Refresh, securing extension to the Clean Maritime Demonstration Competition, a successful London International Shipping Week, major contribution at COP26 and at October's Budget and Spending Review, where the Chancellor announced reforms to Tonnage Tax.
- As one of the primary sectors within the government's **ten-point plan for a green industrial revolution**, the UK maritime sector has an ambition to lead the world in developing, deploying, and exporting green maritime technologies.
- Ports **invest over £600m of private capital each year**, benefiting coastal economies through job creation and infrastructure investment.
- Maritime workers are **43% more productive** than UK average.
- Maritime is a source of **well-paid highly skilled roles**, which pay an average of £38,000 per year £9,000 more than the national average.
- Globally, the maritime sector will double to \$3trn by 2030.
- In **Maritime 2050**, the UK has a strategy to become the world's most competitive maritime centre by the middle of the century.
- Maritime makes a significant contribution to **all nations and regions of the United Kingdom**.

Please email <u>barney.scholes@beyond2050.co.uk</u> for further information.

You can follow our Maritime UK Twitter account here, and our website is here.