



Maritime Parliamentary Bulletin

W/c 19 September 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

Energy mitigation measures for businesses

On 21 September, Business Secretary Jacob Rees-Mogg unveiled a package of support for households, businesses and public sector organisations facing rising energy bills in Great Britain and Northern Ireland. The package, which has the intention of supporting growth, preventing unnecessary insolvencies, and protecting jobs, includes the Energy Bill Relief Scheme. The scheme will support UK businesses by providing a wholesale discount on gas and electricity. It will apply to fixed contracts agreed on or after 1 April 2022, as well as to deemed, variable and flexible tariffs and contracts. It will apply to energy usage from 1 October 2022 to 31 March 2023, running for an initial 6-month period for all non-domestic energy users.

Industry view: Businesses in the maritime sector have seen massive rises in electricity costs, with ports for example reporting a 300-400% increase on two years ago. Costs are likely to increase even more in 2023 with fixed-priced deals ending and hedges expiring, only to be replaced by further fixed deals at much higher levels or leaving those firms who cannot secure fixed deals directly exposed to tariffs five times the equivalent they paid in 2020.

This will have clear implications for a government's six-month period mitigation scheme. Fivefold cost increases (an increase above £200m) put energy costs – the vast majority of which are for electricity – at 10-15% of revenues, second only to labour costs in terms of share of the operational cost base. The sector is keen to ensure that the breadth of the maritime sector is covered by the new arrangements and that it lasts long enough to provide the support that companies urgently need.

We would be grateful if Parliamentarians would consider submitting one or either of the following written questions:

- “To ask the Secretary of State for Business, Energy and Industrial Strategy, whether he will meet with representatives from the maritime sector to discuss the impact of rising energy costs on the sector and its ability to ensure that critical supply chains remain operational.”
-

- “To ask the Secretary of State for Business, Energy and Industrial Strategy, how businesses whose effective energy costs will increase in 2023 – beyond the duration of the planned support package – will be supported.”

Home Shipbuilding Credit Guarantee Scheme

Published in March 2022, the National Shipbuilding Strategy included a commitment to introduce a Home Shipbuilding Credit Guarantee Scheme. The scheme would support UK vessel builders through a UK Government-backed guarantee at a market-oriented price to finance the purchase of UK ships by UK buyers and aims to help UK vessel owner/operators and prospective buyers to access finance when commissioning new vessels or undertaking vessel refits and repairs.

Government committed to introducing the scheme in the Spring and is has not yet done so.

Industry view: Maritime UK is very concerned that the Home Shipbuilding Credit Guarantee Scheme has not been launched and believes its introduction to be a key enabler of a renaissance in UK shipbuilding. Failure to introduce the scheme is hitting the order books of domestic yards and threatens the success of the National Shipbuilding Strategy as a whole.

We would be grateful if Parliamentarians would consider submitting the following suggested written question:

- “To ask the Secretary of State for Business, Energy and Industrial Strategy for an update on progress on the introduction of a Home Shipbuilding Credit Guarantee Scheme, originally due to be launched in the spring.”

Mini-budget and ‘investment zones’

The chancellor, Kwasi Kwarteng, is expected to announce the creation of a network of low-tax, low-regulation investment zones in an emergency budget on Friday. Planning regulations will be relaxed in up to 12 places earmarked for this status, and taxes will be cut to incentivise investment.

Industry view: Maritime UK is very interested to learn more about proposed ‘investment zones’, which have been trailed ahead of Fridays’ so-called ‘mini-budget’. A briefing note will be circulated following Friday’s announcements. As the Maritime UK Coastal Powerhouse Manifesto sets out, there is both a real need and real, specific opportunities for coastal locations from such an approach.

Freeports have already made positive impacts on coastal communities and would ask that the government considers extending the business environment/investment zone benefits of freeports to the rest of the coast.

Coastal Communities Debate

Maritime UK was pleased to support a recent Westminster Hall debate on the future of coastal communities (8 September). Maritime UK thanks Sally-Ann Hart MP, chair of the all-party parliamentary group on coastal communities for tabling the debate along with other champions of the maritime industries who joined the debate.

During the debate, several key issues were raised consistently by my members. This included funding disparity, the role of levelling up in coastal communities and the need for government to create a new strategy for coastal economies, to be supported by a responsible minister.

Maritime UK's Coastal Manifesto, published in August 2021 proposed solutions to grow the economies of coastal communities and was referenced during the debate. Read the manifesto [here](#).

We would be grateful if Parliamentarians would consider submitting one or more of the following suggested written questions:

- "To ask the Secretary of State for Levelling Up, Housing and Communities, what plans his Department has for future funding calls targeted to coastal communities."
 - "To ask the Secretary of State for Levelling Up, Housing and Communities, if his Department has plans to bring forward a strategy to grow the economies of coastal communities."
 - "To ask the Secretary of State for the Department for Levelling Up, Housing and Communities what consideration they have given to the recommendations contained within the Maritime UK and Local Government Association Coastal Special Interest Group Maritime UK: Coastal Powerhouse Manifesto, published in September 2021."
 - "To ask the Secretary of State for Levelling Up, Housing and Communities, what plans his Department has to support Maritime UK's regional maritime clusters as part of the levelling up agenda."
 - "To ask the Secretary of State for Levelling Up, Housing and Communities, what plans his Department has to support industrial maritime projects in coastal communities in the future."
 - "To ask the Secretary of State for the Department for Levelling Up, Housing and Communities whether he will meet with Maritime UK to discuss proposals to unlock further economic growth in coastal communities."
-

Recent updates from Maritime UK

- [Extend freeports to whole UK coastline to help struggling communities – Tory MPs](#)
 - [Climate Change Committee's 2022 Progress Report](#)
 - [Funding for cadets boosted to £43 million pounds over next two years to help build the maritime sector](#)
 - [Young people urged to think about 'green' jobs across the North West to boost maritime sector](#)
 - [Maritime UK partners with National Careers Week to raise awareness for careers in maritime](#)
-

Events for Parliamentarians

Maritime UK Reception at Conservative Party Conference [19.30, Sunday 2 October]

The third annual Maritime Rum Reception at Conservative Party Conference takes place at 19:30 on Sunday 2 October 2022, in Hall 10B.

The Maritime Roundtable at Labour Party Conference [12.30, Sunday 25 September]

Maritime UK is going to the Labour Party conference to hold a private high-level dinner with shadow ministers and other regional Labour MPs.

Maritime UK will use both opportunities to launch and discuss its new Programme for Government.

Contact htebay@maritimeuk.org if you would like to support Maritime UK activity during party conference season.

Maritime UK Week [10-16 October]

Maritime UK Week 2022 will shine a spotlight on the latest developments in the maritime sector and engage people across the UK with the world of maritime.

Responsible for enabling 95% of the UK's global trade, maritime touches every part of our lives. As an island nation, during the pandemic, the maritime sector's key workers kept the UK supplied with food, energy and medicine. Now, as we move toward a greener industry, the sector is investing and growing all around the UK and needs talented people to join us. Held between Monday 10 October and Sunday 16 October, people around the country are invited to explore the world of maritime through a series of careers fairs and open days.

There will also be a programme of events bringing maritime professionals together to help make progress on key issues like diversity and inclusion in the sector.

Maritime UK Week VIP Reception [Tuesday 11 October]

On Tuesday 11 October, Maritime UK will be holding its flagship Maritime UK Week Reception aboard the iconic Cutty Sark in Greenwich. This gathering of key maritime stakeholders from the UK and abroad will provide parliamentarians with the opportunity to learn about the shared opportunities and upcoming challenges that face our world-leading maritime sector. If you would like to attend, please contact htebay@maritimeuk.org

Women in ... Summit [Wednesday 12 October]

We invite parliamentarians to attend and give opening remarks at the Women in ... Summit. The second Women in Summit will bring back together Women in Maritime, Women in Transport, Women in Aviation, Innovate UK KTN and Women to Rail to share best practice and cross-collaboration. This year the Summit will also include Women in Logistics. If you would like to attend, please contact htebay@maritimeuk.org

Throughout the week there are over 30 events for parliamentarians to attend.

Click [here](#) to find public events in your local constituency.

If you would like to discuss how to support the week, contact htebay@maritimeuk.org.

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
 - **18 October** - Business, Energy and Industrial Strategy: To ask the Secretary of State for Business, Energy and Industrial Strategy what clarification he can give on the launch of the Home Shipbuilding Credit Guarantee Scheme.
 - **19 October** – Women and Equalities: To ask the Secretary of State for Women and Equalities what conversations her department has had with the Maritime Industry to reduce the barriers to entry that women in the sector face.
-

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

- Treasury Committee: Jobs, growth, and productivity after coronavirus (no deadline specified)
- International Trade Committee: UK trade negotiations (no deadline specified)
- International Trade Committee: UK trade negotiations – CPTPP accession (no deadline specified)
- International Trade Committee: UK – EU trading relationship (no deadline specified)

Government

- Department for Business Energy and Industrial Strategy: Greenhouse gas removals (GGR) business models (Deadline: 27 September)
 - Department for Business Energy and Industrial Strategy: Delivering a smart and secure electricity system: the interoperability and cyber security of energy smart appliances and remote load control (Deadline: 28 September)
 - Department for Levelling Up Housing and Communities: Highly Protected Marine Areas pilot sites (Deadline: 28 September)
 - Department for Environment Food and Rural Affairs: Highly Protected Marine Areas pilot sites (Deadline: 28 September)
-

- HM Revenue and Customs, Digitalising Business Rates: connecting business rates and tax data (Deadline: 30 September)
- Department for Transport, Domestic maritime decarbonisation: the course to net zero emissions (Deadline: 6 October)
- Department for Business Energy and Industrial Strategy: Business model for power bioenergy with carbon capture and storage (Power BECCS) (Deadline: 7 October)

Maritime UK and its members will be responding to the above consultations and inquiries. To discuss these, please contact gbuttironi@maritimeuk.org

The Maritime Sector - key messages

- Maritime **contributed a total of £116.0 billion in turnover** and **supported over 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.
 - **The past 18 months have seen significant developments 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 htebay@maritimeuk.org for further information.

You can follow our Maritime UK Twitter account [here](#), and our website is [here](#).
