

Maritime Parliamentary Bulletin

W/c 31 October 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

Maritime UK drop-in session – 22 November

Maritime UK is holding its latest drop-in on Wednesday 22 November 1530-1730 in Portcullis House. MPs and Peers and invited to attend the session to meet Maritime UK members from across the sector, whether that be ports, engineering, shipping, professional services or leisure. Maritime UK will present its newly released Programme for Government which sets out the maritime sector's policy objectives for the next term.

You can register your attendance for the drop-in <u>here</u>. We are grateful to Robert Courts MP for sponsoring the session.

Liz Truss's investment zones 'under review'

Levelling Up Secretary Michael Gove has said he is reviewing Liz Truss's plans for investment zones to boost growth, amid concerns about their impact on the environment.

In last month's mini-budget, Former Chancellor Kwasi Kwarteng laid out plans to heavily reduce taxes on businesses and relax planning rules in at least 38 local authorities, dubbed "investment zones".

Ms Truss had said her investment zones would help level up the country by spurring investment in regions outside London. Mr Gove said he will be looking closely at her proposals alongside Chancellor Jeremy Hunt, Prime Minister Rishi Sunak and Environment Secretary Therese Coffey but insisted: "Anything that might in any way undermine environmental protections is out."

Industry view: Maritime UK supports the introduction of Investment Zones, building on the concept of Freeports. MUK's Programme for Government calls on government to make investment zones part of a coastal development framework that stimulates private investment by driving reform of the planning and consenting process, delivering low-cost investment incentives, and unlocking funding for infrastructure in coastal areas. We are convinced that quicker planning and consenting processes can exist alongside the most robust of environmental protection regimes.

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

• To ask the Secretary of State for Levelling-Up, Housing and Communities whether his department will meet with members of Maritime UK to discuss how best to implement a coastal development framework that will stimulate private investment by driving reform of the planning process, delivering incentives, and funding for infrastructure in coastal areas.

Net Zero Review: The importance of net zero for economic growth and sustainable development

On 26 September, the Government commissioned a review of the Net Zero Strategy, which was published in October 2021 ahead of COP26, with the aim of better understanding the economic impact of delivering its net zero pathway.

In its response, Maritime UK acknowledged a series of significant developments in progressing recommendations under the environment pillar of Maritime 2050, such as £206 million for the establishment of the UK Shipping Office for Reducing Emissions. At the same time, Maritime UK urged government to address a number of considerations made in MUK's response to the DfT consultation on 'plotting a course to zero' for domestic maritime decarbonisation, particularly ahead of the CMP Refresh due in 2023. These included calls on government to:

- Provide clarity on the difference between achieving net zero carbon emissions by 2050 and absolute zero greenhouse gas emissions;
- Update the research base informing pathways to domestic maritime decarbonisation, with the active input of the Clean Maritime Council;
- Reflect on its role in driving forward domestic maritime decarbonisation, recognising the priorities of the different industries within the maritime sector.

Industry view: While Maritime UK's response recognised that government and industry had both made a substantive start towards decarbonisation, it pointed to the need to increase the scale and pace of this joint effort with a government approach that encourages all solutions through technology-neutral policies, as well as increased engagement from all government departments in strong cross-Whitehall fora.

You can find Maritime UK's full response to the call for evidence on the BEIS Net Zero Review <u>here</u>.

Maritime UK's full set of policy priorities is detailed in its **Programme for Government**.

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

• To ask the Secretary of State for Transport whether they are planning to embed the Course to Zero into the next update of the Clean Maritime Plan.

Government plans to launch Home Shipbuilding Credit Guarantee Scheme by end of the year

The government has <u>confirmed</u> its intention to launch a new Home Shipbuilding Credit Guarantee Scheme by the end of the year.

The scheme, designed for domestic operators, is intended to encourage more UK builds by underwriting lending in partnership with commercial lenders. The Minister responsible at the Department for Business, Energy and Industrial Strategy (BEIS), former Maritime Minister Nusrat Ghani MP, has said that getting the scheme across the line is a "key priority for early delivery" in her tenure.

The scheme was originally intended to be introduced earlier this year but has been delayed. BEIS is expected to shortly share details of the scheme with other departments across government, with a view to updating Parliament and launching a scheme "this calendar year". The timeline for the launch was confirmed in response to a Parliamentary Question by Steve Double MP, the Member of Parliament for St Austell and Newquay and supporter of Maritime UK.

BEIS is expected to shortly share details of the scheme with other departments across government, with a view to updating Parliament and launching a scheme this calendar year. The project is a key deliverable of the <u>National Shipbuilding Strategy (NSBS</u>), launched in March this year. Other flagship deliverables include the establishment of the UK Shipping Office for Reducing Emissions (UKSHORE), thirty-year pipeline for domestic vessel procurement and the Maritime Capability Campaign Office (MCCO). All of which are intended to support the development and growth of the UK shipbuilding, boatbuilding, manufacturing and technology industries.

Industry view: Industry has <u>long called</u> for the reintroduction of the Home Shipbuilding Credit Guarantee Scheme and has been supporting government with the development of the proposals. The proposals were included in Maritime UK's <u>manifesto</u> published ahead of the NSBS refresh.

Thousands engaged with the world of maritime during Maritime UK Week

Thousands of young people and members of the public learned first-hand about the world of maritime this month.

Throughout the course of Maritime UK Week, held between 10 - 16 October, maritime businesses opened their doors to their local communities, and offered the opportunity for schoolchildren and

members of the public to explore facilities. Activities were held the length and breadth of the UK, from Cornwall to Aberdeen.

Maritime UK Week exists to shine a spotlight on a sector that often feels like one of the country's best kept secrets. Over the course of the week, there were over forty events, aimed at industry, school children, the general public and politicians.

Maritime UK Week in numbers

- 4 nations
- 40+ events
- 186 pieces of coverage in regional and national news
- 250 industry leaders gathered at the Maritime UK Week Reception
- 2500+ schoolchildren
- 2000+ members of the public
- 1.78 billion combined media audience reach

As well as engaging the public and next generation with maritime, the week featured a series of events for maritime professionals, designed to help catalyse further progress towards the sector's Maritime 2050 ambitions.

Read more

Recent updates from Maritime UK

- New consortium awarded £1.2M to address clean maritime challenges <u>Digital Ship</u>
- UK ports launch data cluster to accelerate green smart port revolution Port Technology
- Solent Local Enterprise Partnership, ExxonMobil and University of Southampton form first global partnership to reduce southern England's emissions – <u>Solent LEP</u>
- Cammell Laird Welcomes Cruise Ship MV Borealis for Multi Million Pound Dry Docking -<u>SMI</u>
- Thirty years on the Maritime London Officer Cadet Scholarship Maritime London
- Port strike 'could drive away shipping lines' <u>Mersey Maritime</u>
- Port Skills Survey October 2022 Port Skills and Safety
- Dr Katrina Thompson Appointed Programme Director <u>Belfast Maritime Consortium</u>
- Nautilus in key maritime sector diversity taskforce appointments Nautilus International

Events for Parliamentarians

Maritime UK Awards

The 2023 Maritime UK Awards are to be held at the DoubleTree by Hilton Hull on Thursday 9 March. With over 800 years of seafaring history, Hull was chosen as the host for the 2023 awards to shine a light on a city that can be considered a global powerhouse for trade and one with a great maritime story to tell.

If you would like to attend, please contact <u>htebay@maritimeuk.org</u>.

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 If MPs are selected in the ballot, we'd be happy to draft a question to raise maritime issues.
- **15 November** Treasury: To ask the Chancellor of the Exchequer, considerations his department has given to further reform of the UK's tonnage tax regime.
- **17 November** DEFRA: To ask the Secretary of State for Environment, Farming and Rural Affairs what impact the 25-year environment plan has on the maritime sector.
- 21 November Levelling-Up, Housing and Communities: To ask the Secretary of State for Levelling-Up, Housing and Communities for timescales on future funding opportunities funding under the UK Shared Prosperity Fund and the Levelling Up Fund.
- 24 November Transport: To ask the Secretary of State for Transport for an update on the recommendations as set out in Sir Peter Hendy's Union Connectivity Review, improving connectivity to seaports and freeports across the UK by improving rail freight connections.

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.

Relevant Consultations and Inquiries:

Parliament

- Treasury Select Committee: <u>Autumn 2022 Fiscal Events</u> (No deadline specified)
- Treasury Select Committee: <u>The Financial Services and Markets Bill: Inquiry</u> (No deadline specified)

Government

- Department for Environment Food and Rural Affairs: <u>Fisheries: managing flyseine vessel</u> pressure on demersal non-quota fish stocks (Deadline: 16 November)
- Department for Business Energy and Industrial Strategy: <u>Proposals for hydrogen transport</u> and storage business models (Deadline: 22 November)
- Maritime and Coastguard Agency: <u>The Merchant Shipping (Small Workboats and Pilot</u> <u>Boats) Regulations 2023</u> (Deadline: 29 December)

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

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.