

## MARITIME PARLIAMENTARY BULLETIN

## W/C 8 March 2021

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.

## Recent developments and events

- 2021 Budget reponse: Ahead of the announcement of the Chancellor's 2021 Budget last week, Maritime UK set out its key priorities:
  - Maritime decarbonisation and green recovery
  - Regional growth and levelling up
  - International trade and inward investment

Based upon our Budget submission, which can be <u>read here</u>, Maritime UK therefore particularly welcomes the following key announcements made by the Chancellor:

- Announcement of first Freeports locations
- Increased capital allowances to unlock private investment
- Funding for ports to develop offshore wind supply chain activity
- Announcement of a new UK Infrastructure Bank to help finance decarbonisation

The UK's new infrastructure bank and its focus on green growth is promising. However, the sector believes that a combination of both private and public finance is required to kickstart the massive transition to net zero in sectors that the Government has recognised as hard to decarbonise. Maritime UK has developed a £1bn business case to fund the shovel-ready green infrastructure projects and propulsion research and development needed to decarbonise. Our full Budget response can be seen here.

Maritime UK would value Parliamentarians seeking further clarification on:

- How will the Government contribute to kick-starting the decarbonisation of the maritime sector, through the newly established UK Infrastrcuture Bank or other institutions?
- How will trade and investment be promoted in those coastal regions not currently benefitting from Freeports designation?
- Will the Government be providing additional support to help SMEs get back to exporting and to enable their recovery?
- English Freeports announcement: The maritime sector welcomes the Chancellor's continued recognition of the sector's capacity to drive economic development in coastal economies, as well as the announcement of the first eight Freeports in England. It is clear, however, that the Freeports programme will only benefit those parts of the country within a Freeport zone. Government must therefore work with industry to address coastal deprivation in the many areas that haven't been successful today. Maritime UK and the ports industry have set out measures to help boost trade and investment across all regions, including through planning reforms, and other levers such as enhanced enterprise zone status, capital allowances, and reseach and development tax credits. These can happen outside the Freeports programme.
- Government support for 'shore-power': New research highlights that Government support for 'shore-power' is essential to unlock a triple-win of cleaner air, lower climate pollution, and smart 21st century electrivity grids in UK ports, according to Maritime UK port members the British Ports Association and the UK Major Ports Group. 'Shore-power' denotes the provision of electricity for ships while in dock, so they don't need to make use of their diesel engines. This is taking off in Europe, supported by governments in France, Germany, Norway, Denmark and Sweden, but is held back in the UK by high electricity taxes and a lack of government

support. The imminent Transport Decarbonisation Plan is a great opportunity for the UK Government to rectify this situation by providing meaningful support. Read more here.

• Invite to attend: Road to Net Zero, North West of England: Maritime UK are pleased to be hosting the second in a series of national 'Road to Net Zero Roadshow' events in partnership with Mersey Maritime, to give a specific focus on the North West of England. Mersey Maritime, the regional cluster organisation based in the Liverpool City Region, Maritime UK and national trade association members will draw together a range of industry presentations to brief key stakeholders on projects relation to maritime decarbonisation in this part of the country specifically. The event will showcase existing opportunities amongst world-class businesses and technological entrepeneurs on offer in the North West and put the national focus on maritime decarbonisation into a local context.

Parliamentarians are invited and encouraged to attend the event, which will be taking place on 29 March at 4pm. Please get in touch with Regional Cluster Development Manager at Maritime UK, Simon Eardley directly at <a href="mailto:seardley@maritimeuk.org">seardley@maritimeuk.org</a> to indicate interest.

### UK maritime news

- Step aside, Tesla. We need electric ships to hit net zero <u>Maritime UK Chair Sarah Kenny</u>
   writes for City A.M.
- Maritime UK responds to 2021 Budget Maritime UK
- New research: Unlocking a triple-win for UK ports and shipping <u>British Ports Association</u>
- Budget statement from UK Chamber of Shipping <u>UK Chamber of Shipping</u>
- UK Major Ports Group comments on Freeports and other aspects of the Budget <u>UK Major</u>
   Ports Group

- Mersey Maritime welcomes freeport announcement which could create 14,000 new
   Liverpool City Region jobs Mersey Maritime
- Maritime UK launches 'Mental Health in Maritime' Pledge Maritime UK
- Nautilus signs Mental Health in Maritime pledge <u>Nautilus International</u>
- Chancellor's Budget delivers success on the continued use of red diesel and provides
   further COVID-19 support for businesses <u>British Marine</u>
- Maritime UK celebrates International Women's Day 2021 Maritime UK
- Small vessel market seizing the initiative on maritime decarbonisation <u>The Workboat</u>
   <u>Association</u>
- Success for the Solent's ambitious £2billion Freeport bid <u>SolentLEP</u>
- Artemis Technologies unveils mHIL Simulator & Digital Twin Capability in Northern Ireland
   Belfast Maritime Consortium
- 'Uncertainty' of China's crude cache The Baltic Exchange

# Upcoming Parliamentary opportunities to promote maritime

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

#### **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 happy to support in drafting a question
- 23 March To ask the Secretary of State for Business, Energy and Industrial Strategy, what steps he is taking to support private investment in the UK maritime industry

Additionally, we are looking to arrange a Backbench Business debate and/or Westminster Hall debate on maritime – if you are able to help support this, please contact <a href="mailto:barney.scholes@beyond2050.co.uk">barney.scholes@beyond2050.co.uk</a>

#### Lords

The following debate in the House of Lords represents an opportunity for maritime to be raised:

• 12 March - Debate: The economy in light of the Budget statement

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

#### **Written Questions**

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

## The maritime industry - 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 (resilience): 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.

- 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.
- Maritime makes a significant contribution to all nations and regions of the United Kingdom.

## Maritime UK's priorities for the year ahead

Over the coming year, Maritime UK intends to focus on the following priorities, both by engaging with the UK maritime industry, and by working constructively with the Government and other political stakeholders:

- Supporting maritime businesses and the UK maritime industry through Brexit changes, as
  well as maximising the opportunites that arise from the UK once again becoming an
  independent trading nation.
- Boosting the export and international trade potential of UK maritime and improving the competetiveness of the UK's business environment to attract maritime businesses.
- Delivering regional growth through Maritime UK's Regional Cluster Development Plans in a way that aligns with the Government's wider levelling-up agenda.
- Demonstrating the benefits (both environmental and economic) of maritime
   decarbonisation ahead of the COP26 UN Climate Conference taking place in the UK this
   year, with a particular focus on innovation Maritime UK will be working with the
   Government to ensure that funding allocated for maritime decarbonisation is effectively
   utilised.

## Maritime UK Parliamentary Bulletin - 3



 $\textit{Please email } \underline{\textit{barney.scholes}} \underline{\textit{obeyond2050.co.uk}} \textit{ for further information.}$ 

You can follow our Maritime UK Twitter account <a href="here">here</a>, and our website is <a href="here">here</a>.