



## PORTS – RESPONDING TO THE NEEDS OF NOW, DEVELOPING FOR A SUSTAINABLE FUTURE



An outsider's perception of a port, even looking at a port, might not include the word 'agility'. But 'agility' is the reality of the modern ports business. This has been brought back home to us here at UKMPG as COVID restrictions have changed and we've got back out and about, visiting ports – most recently Peel Ports at the mighty Port of Liverpool – and seeing up close how ports are places of constant evolution and development. This development, visible across the Port of Liverpool but also at major ports around the UK, shows ports both responding to the real time changes in the economy, and also addressing the long-term.

***Meeting the challenges and capturing the opportunities of the here and now.***

Today's changes in the economy are reflected in activities in ports, with the port operators acting quickly to keep fluctuating cargo demands moving. The surging demand for construction materials is seeing ports handle high levels of commodities like steel, aggregates, and wood. Ports are switching space and resources to service this demand from activities which are not currently so busy – such as the import and export of cars, where both demand and some aspects of supply (the worldwide chip shortage) are affecting volumes. So, port areas that might have holding new vehicles are now temporary quarries, storing sand and gravel.

Additionally, ports are responding to changing market forces in supply chains. The high cost of shipping containers means cargo owners are moving traditionally containerised cargos as bulk or palletised loads. Ports are working with customers and redeploying resources to meet these changed demands and keep cargo flowing.



### ***Building the capability for the new trading requirements with the EU.***

Most major gateway ports are building the new border infrastructure necessary for the UK's new trading relationship with the EU. Some facilities, like Tilbury, have already been delivered. In fact, the speed of delivery by the port operators is being held back by late and changing requirements from Government. The ports themselves are committed to doing all they can to ensure delivery of border infrastructure well in advance of the January 2021 introduction of changes. In fact, because of gaps in Government funding, ports themselves are committing significant investment of their own to new border facilities – around £100 million for UK Major Ports Group members alone.

### ***Building for a sustainable future***

All around the UK ports sector, major port operators are investing with an eye way into the future. Cranes with the height and reach to service vessels beyond current calls. New facilities to service the offshore energy sector. Speculatively built warehousing and other assets to anticipate customer's needs.

And ports are also building in sustainability. As I speak to major port operators, the conversation is not 'should I change', its 'how can I change and do so more quickly'. Sustainability is the key area for Government and industry partnership and co-investment. Ambitions and targets need to be accompanied with realistic funding to support ports if we're to make the progress both desired and required.

In a world of uncertainty and change, recovering from a pandemic and working through a new relationship with our largest trading, ports continue to rapidly adapt to serve both customers and UK. Outsiders might not have noticed it, but that's a measure of ports resilience and success!