

# BRIEFING PAPER FOR PASD FREEPORT PROJECT DECISION – CATTEWATER HARBOUR COMMISSION.



Overview of project

## BACKGROUND

The Port of Plymouth is recognised by the DfT as a strategic hub for sea freight in and out of the South West region. Currently c.2 million tonnes of wet and dry cargos with a value of £1bn are imported and exported from the commercial wharves and quays within the Cattewater each year.

Maritime trade and shipping companies are investing in hybrid ships using greener fuel technologies. To accommodate these, the Plym approaches need a small capital dredge to reduce the height of the underwater mud banks along 350m of the north side of the river that have been created by the annual maintenance dredging of the main channel over many years.

This small capital dredge will provide safe navigational channels for those slightly larger hulls, supporting delivery of commitments made in the Freeport's Full Business case, by future proofing facilities for the needs of new markets and supporting the move to short sea shipping. The dredge itself will be completed by late summer 2024 and will be made possible by a grant of £382,000.00 from the Freeport Seed Capital.

By creating a slightly wider safe navigational channel for new and existing customers the project will help to facilitate an increase in freight entering and exiting the South West markets through Plymouth. It will also help to unlock future and further investment into the wider Port and could provide the UK's first net zero berths with the facilities to load and unload via electric plant from vehicles running on shore power.

The approach channel itself has not changed for over 50 years. Key customer ships currently serving Plymouth routes are coming to the end of their operational life and are anticipated to leave service during the next 5 – 10 years. The vessel owners and operators will acquire new ships to replace those at end of life and will seek routes and ports that can accommodate the new ships. Ship sizes continue to grow and the new ships being built for this trade route are larger than current vessels and will be incorporating alternative energy systems such as wind and/or hybrid engines with dual fuel.

In 2023 a significant volume of cargo was transported by road rather than by sea due to the lack of capacity at the Port (approx. 50,000 tonnes of cargo). This will be exacerbated if this dredge cannot take place, both an economic and environmental risk.

The business case is now covered by the Subsidy Scheme recently introduced by DLUHC and thus there is no requirement for subsidy control assessment by LEPL or PCC.