



Western Development Commission (WDC) Submission to the Review of the National Ports Policy

15 January 2024

Introduction

The Western Development Commission (WDC) is a statutory body with a remit to promote and encourage economic and social development in the Western Region (counties Donegal, Sligo, Leitrim, Mayo, Galway, Roscommon, and Clare). The WDC operates under the aegis of the Department of Rural and Community Development. We welcome the opportunity to make a brief submission on the Review of the National Ports Policy.

The Western Region has a long coastline and significant coastal and marine assets as well as providing access to a large area of Ireland's offshore resources. In order to ensure that we make the most of these the WDC regards the provision of quality transport infrastructure, in this case port and marine infrastructure, as essential to underpinning the economic and social development of the Western Region. In this short submission we first highlight some broader points not covered in the questions and then address some of the questions provided in the Issues Paper.

As it is necessary for the WDC to have a record of all our submissions we have emailed this rather than using the on line questionnaire.

Key Points

As noted above, the WDC remit relates to seven counties in the west and north west, most of which has extensive coastal and marine assets. In terms of this current National Ports Policy review, the Port of Galway is the only port covered in the Western Region (WDC area) although Shannon Foynes is proximate as Clare is a part of our region. Neither of these ports has RoRo or LoLo and both are serving particular bulk markets. Both also have significant potential for serving the renewable energy industry especially as it develops off our western coast. Galway also has some passenger traffic on the Aran Islands ferry. Any new, or amended, National Ports Policy should be sufficiently nuanced to address the different activities and roles of the different ports under the Department of Transport remit.

We recognise that this Review of the National Ports Policy only addresses the policy framework for the commercial ports sector and does not cover the State Fisheries harbours in the WDC region under the Department of Agriculture and the Marine (e.g. Ros a Mhíl or Killybegs) or other ports and harbours. However, the new ports policy should address the role of ports in the development of the marine sector and should be responsive to new and developing commercial maritime activities. As part of that, there needs to be a framework for links and collaborations with other ports and harbours that have the potential to provide marine services in particular in relation to Offshore Renewable Energy (ORE) or any other future maritime developments.

We note that the data on capacity and port activity which is currently used is quite limited in scope and focuses mainly on tonnage and passenger numbers. This fails to capture the importance of

some of the services and port activities and the significant revenues associated with ongoing activities (for example in relation to onshore wind deployment). Where the deployment and service of renewable energy infrastructure is part of Irish ports' operations, tonnage alone is not an appropriate metric for measuring port activity. Renewable energy deployment projects can earn very significant revenues above that coming from conventional cargoes. This needs to be better captured in metrics of port activity. This will become even more important as the ORE sector develops and O&M services may also operate from the ports.

Long term vision should be an important part of any revised national ports policy. An understanding vision of how ports might look in, for example, 2050 in terms of operation, activities and port characteristics would be useful and would provide for a more future proofed strategy. ORE services are expected to be an important parts of port operations in the future, and there is significant potential for associated industry activity in or adjacent to ports (e.g. Hydrogen). It is likely that tourism and leisure activities may expand in some ports and there may be other marine and maritime activities which will grow in future. As a region with significant offshore resources we believe that it is important to take a wider view of potential opportunities as part of the development of the policy framework, to ensure policy is flexible and responsive. .

Finally, as noted above, quality transport infrastructure, is essential to underpin economic development in the Western Region. This issues paper could address the role that all ports can play in wider regional development. This is especially important for the Ports of Regional Significance. Prioritising transport links and ensuring that the ports can contribute to the development of their region should be considered here. This is particularly important in the Western Region where development of our maritime resources is likely to increase in the coming decades.

QUESTIONS 2. DEVELOPMENT OF OFFSHORE RENEWABLE ENERGY

1. What policies, structures or other measures would best support ports to develop the infrastructure necessary for the facilitation of ORE?

The detail of policies, structures and measures to support ports in ORE facilitation is too large to be considered here and should be the subject of a separate issues paper and full policy focus.

The issues paper clearly outlines the opportunities available and a proactive policy approach is essential. The facilitation of ORE is likely to be a key service for ports in Ireland in the future (as it already is in many ports in countries where the sector is further developed). It will provide significant opportunities for many of our ports but in order to take advantage of these, and indeed to facilitate the rapid expansion of the ORE industry, there needs to be clear strategic planning for the sector in Ireland and planning for ports role as part of ORE development. This should form a key subsection of any new National Ports Policy. Facilitation of the ORE sector will require significant investment in port infrastructure, and it is likely that public funding, in some form, will be necessary for ports to make such investments.

In line with a whole of government approach we would expect to see explicit reference and expansion other government policy such as the Department of Transport's Policy Statement on the Facilitation of Offshore Renewable Energy by Commercial Ports in Ireland (Dec 2021) and the forthcoming Department of Enterprise Trade and Employment (DETE) National Industrial Strategy for Offshore Wind.

Finally, although much of the focus of discussion is on offshore renewable energy, onshore wind will continue to be important and ports will continue to play a key role in the facilitation of onshore renewable development. For example, Galway port processed almost 17% of Irelands onshore wind energy between 2014 and 2020, more recently a further 105MW was deployed via Galway in 2022/3. Onshore deployment activities should be recognised in any new ports policy.

QUESTIONS 5. PORT CAPACITY

1. What impediments, if any, currently exist for the planning and provision of future port developments?

As noted above, in developing a new National Ports Policy, it is important to look ahead, in as far as possible, to what might be the characteristics and activities of ports in 2050. ORE has been mentioned and we have noted the importance of onshore wind. Changes in tourism and leisure activities many also be relevant for some ports. There may be other marine activities which are currently in very early stages. An effort to development a vision and to future proof our idea of ports would be an important part of the development of new policies. We have also commented above on the limited nature of ports capacity statistics.

QUESTIONS 6. PORTS FUNDING

As noted in the issues paper there is currently a prohibition on state funding for ports and while there is no case for public funding of established commercial port operations there are a number of instances where public funding should be considered and is likely to be necessary to ensure the achievement of government policy in a variety of areas.

Government policy to achieve Net Zero by 2050 is explicit and it will require significant renewable development (onshore, offshore electricity generation and other renewable generation as well as Power to X) to meet this which in turn will require significant investment in the development of port infrastructure. To achieve this investment in a timely manner some form of public funding will likely be required to kick start developments, help bring some certainty in the sector as well as helping to unlock other sources of funding. A variety of options for public funding, and its potential role, should be examined as part of the revised national ports policy. The Wind Energy Ireland report on Supporting Irish Ports provides useful discussion of funding options, state aid issues as well as examples of development supports in other countries¹.

Likewise, meeting other government objectives (e.g. in accessibility, active travel or the expansion of public good services) may require more direct state support.

QUESTIONS 8. UPSKILLING AND DIVERSIFYING THE MARITIME LABOUR FORCE

1. What actions, if any, should be taken to ensure the ports and shipping sector has the skills necessary for the digital transformation of the sector?

The focus of this question is on digital transformation, but a broader perspective is necessary. The skills required in the ports, shipping and ancillary services sector required for future marine developments including ORE and any other areas that might be identified, should be considered.

It is important to recognise that Ireland already has a wealth of experienced personnel, working in the maritime and ORE sectors. Some of these are operating in Ireland but there is also a significant

¹ https://windenergyireland.com/images/SYSTEM/reports/Irish_Ports_Funding_Study.pdf

number working internationally in, for example, the Marine, Environmental Sciences, Engineering spaces, who may be interested in the Irish ORE sector or peripheral activities.

An informal Mayo Marine, Engineering and Environmental Network is currently being established (led by Cara Offshore) to allow those in this industry to connect and support each other. Recognizing the presence of these existing skills and capacity in companies and their workforce would be an important step in ensuring availability of skills in this area in the future. Liaising with this group or its members would provide better understanding of currently available skills and those which are needed now and in the future.

Similarly, while upskilling and diversifying the maritime labour force also falls outside the direct remit of the Department of Transport, a new ports policy should explicitly integrate with other skills and labour force development policies and the appropriate actions should be identified in the new National Ports Policy.

QUESTIONS 9. GOVERNANCE

1. Are our current corporate governance controls appropriate, or are further improvements needed?

It appears that the governance system for Ports of Regional Significance which has recently been put in place is currently working effectively.

QUESTIONS 10. ACCESSIBILITY

1. What further actions should be taken to improve accessibility and customer experience at ports especially for persons with a disability, persons with reduced mobility and older people?

Improving accessibility for people with disabilities and reduced mobility is essential. It should be put in place along with making sure that safe active travel (walking and cycling) within all ports is facilitated and recognised as a normal means of travel for those using port services, visitors and for employees to access their workplace. Such developments are clearly a necessary part of the modernisation of port infrastructure and should not be assumed to only be necessary where the ports have significant passenger traffic.

11. ENHANCING IRELAND'S MARITIME CONNECTIVITY

1. What steps, if any, could ports and policymakers take to enhance and grow Ireland's international maritime services?

As noted above in relation to skills and labour force it should be recognised that Ireland has a wealth of experienced personnel, working in the maritime and ORE sectors internationally. Recognizing the presence of these existing skills and capacity in companies provides a starting point of enhancement of, and growth in, Ireland's international maritime services. In certain fields, financial support, such as low cost finance for SMEs could also assist them in getting established in, for example, the ORE sector. It appears that in many other countries, SMEs have been helped to establish with government support, often by means of low cost government backed finance. Similar supports should be considered here.

2. How can our maritime transport routes and services be encouraged to distribute more uniformly across the port network?

While this is a complex issue, better connectivity to ports and the rail or national primary road network as well as to the hinterlands they serve would contribute to better spread of demand across

the port network. This is particularly important for heavy freight where land based travel is particularly costly. Reducing distance travelled on land should also reduce emissions from freight transport.

Conclusion

We welcome the opportunity to make a submission to the consultation on the on the Review of National Ports Policy. Ports are key regional infrastructure assets and are essential to the economic development of the region. Our region has very significant onshore and offshore renewable energy resources and it is important, both to the economic development of the region, and to the achievement of the 2050 net zero targets, that the appropriate infrastructure for ports and harbours, and their on shore connectivity is developed. This will allow the region to make the most of these important resources which in turn will contribute to the wider development of the Region .

If you would like any more information or to discuss our submission further, please get in touch with me.

Dr Helen McHenry,
Policy Analyst,
Western Development Commission
086 605 3264 or helenmchenry@wdc.ie