

#### W/c 20th March 2023

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

#### The Spring Budget and the Maritime Sector

The Spring Budget was delivered by the Chancellor last week. The following points have been welcomed by the sector.

Of particular relevance was the announcement of the review of Tonnage Tax. From June 2023, Shipping companies that left the Tonnage Tax regime will be able to elect to return to the UK. This follows reforms to the regime announced at Autumn Budget 2021, which aimed to increase the number of firms headquartered in the UK, following the UK's departure from the EU. The Maritime sector welcomes this commitment from the government as this will bolster investment from non-UK companies, create jobs and support economic opportunities.

- Investment Zones: The maritime sector welcomes the announcement of the 12 areas, but questions remain about how many will include support for maritime. We are keen to engage with DLUHC to better support the sector to ensure that maritime and shipping businesses play a role in Investment Zones and will be working with stakeholders to ensure coastal areas are included in the Third Round of Levelling Up Funding.
- As a key green sector identified in the industrial strategy for growth, the maritime sector seeks clarity on how the government will be supporting Offshore wind and the plan for decarbonisation.

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

#### Levelling Up

• To ask the Secretary of State for Levelling Up, Housing & Communities how his Department will ensure that coastal areas and maritime businesses benefit from the 12 Investment Zones announced and whether there are plans to establish further zones elsewhere.

#### **Energy**

 To ask the Secretary of State for Energy Security and Net Zero how his Department will respond to the recommendations made in Maritime UK's Offshore Wind Plan.

#### Innovation

 Will the Secretary of State for Science, Research and Innovation meet with Maritime UK to discuss how industry and government can make progress towards developing an R&D strategy for the maritime sector with particular focus on innovation clusters.

#### **Growth/Business**

• Will the Secretary of State for Business & Trade set out how it will support investment into the maritime sector and support growth in exports from across the maritime industries.

#### Maritime UK launches first ever Offshore Wind Plan

On 8<sup>th</sup> March the ground-breaking Offshore Wind Plan was launched at the Offshore Renewable Energy (ORE) Catapult's Operations & Maintenance Centre of Excellence in Grimsby, with the support of Associated British Ports.

The Offshore Wind Plan makes a series of recommendations for how the maritime sector, the offshore wind sector, and governments can work together to deliver maximum economic benefit from the growth of offshore wind across the maritime supply chain in sectors like ports, shipbuilding, crewing and professional services.

Rt Hon Graham Stuart MP, Minister of State in the new Department for Energy Security and Net Zero backed Maritime UK's Offshore Wind Plan, saying:

"The offshore wind industry is a major UK success story, with the largest operational fleet in Europe, the world's four biggest individual windfarms and the highest ambition of energy produced by 2030. I therefore welcome the publication of the Maritime UK offshore wind plan, which highlights the numerous opportunities on offer for the UK's maritime industries at both existing and new offshore wind farms."

The ports sector has a well-established capability to support the offshore green energy sector. The UK's bold growth ambition for floating offshore wind provides a transformational opportunity to turbo charge the investment and good jobs the sector enables.

#### Key recommendations include:

- Creating quality career pathways for young people
- Rewarding higher UK supply chain content in offshore wind projects
- Reforming the planning system to enable green projects to be delivered quicker
- Encouraging lenders and investors to finance infrastructure and vessels

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

#### Department of Science, Innovation and Technology

- To ask the Secretary of State for Science, Innovation and Technology how her Department plans to respond to the recommendations made in Maritime UK's Offshore Wind Plan, particularly with regard to supporting regional maritime innovation clusters.
- To ask the Secretary of State for Science, Innovation and Technology if she will meet with Maritime UK to discuss the recommendations made in Maritime UK's Offshore Wind Plan.
- Will the Minister for Science, Research and Innovation meet with Maritime UK to discuss how industry and government can make progress towards developing an R&D strategy for the maritime sector in collaboration with UK Research and Innovation, Innovate UK, and the wider catapult network?

#### Department of Energy Security and Net Zero

- To ask the Secretary of State for Energy Security and Net Zero if he will meet with Maritime UK to discuss the recommendations made in Maritime UK's Offshore Wind Plan.
- To ask the Secretary of State for Energy Security and Net Zero how his Department is working to support the maritime industries involved in the offshore wind, including for the construction of vessels in the UK to support developments and further growing UK ports as centres for manufacturing and assembly.

#### **Department for Business and Trade**

- To ask the Secretary of State for Business and Trade to confirm whether her Department intends to engage with the maritime offshore wind sector with a view to delivering the policy aims set out in Maritime UK's Offshore Wind Plan.
- To ask the Secretary of State for Business and Trade how the Department is working to support the maritime industries involved in the offshore wind sector, businesses building

- vessels, and UK ports as centres for manufacturing and assembly, as set out in Maritime UK's Offshore Wind Plan.
- To ask the Secretary of State for Business and Trade how the Department is working to support the maritime industries to attract investment in UK ports as centres for manufacturing and assembly for offshore wind, as set out in Maritime UK's Offshore Wind Plan.

#### **Department for Transport**

- To ask the Secretary of State for Transport to confirm how his Department intends to support the new partnership announced by the maritime and offshore energy industries to deliver the recommendations of the Maritime UK Offshore Wind Plan.
- To ask the Secretary of State for Transport to make a statement on how his department will work to deliver the transport policy aims set out in Maritime UK's Offshore Wind Plan.

#### **Maritime UK Awards**

Maritime UK Patron HRH The Princess Royal joined industry colleagues and government partners to celebrate the best of the UK's maritime sector on Thursday 9th March at the Maritime UK Awards in Hull. Four hundred maritime business personnel gathered for the ceremony to celebrate organisations and individuals from across the spectrum of the sector worth over £116bn to the UK economy and supporting over 1 million jobs and recognise the fantastic progress in support of Maritime 2050.

Fourteen awards were given out during the ceremony, with speeches given by Maritime UK Chair Robin Mortimer and Reception Sponsor DFDS. Hull was selected as the host city due to its rich maritime heritage spanning 800 years and its exceptional maritime offering. The awards ceremony is held in a different region each year to showcase the maritime sector's strength across the UK. As part of the evening's event, it was announced that the 2024 Maritime UK Awards will take place in Belfast.

If you are interested in attending the Maritime UK Awards next year, please do get in touch <a href="mailto:publicaffairs@maritimeuk.email">publicaffairs@maritimeuk.email</a>

#### **Transport Select Committee**

The Transport Select Committee has today published a report on the Government's Maritime 2050 strategy, little over a year after it opened an inquiry to scrutinise the progress made by the Government in delivering its recommendations.

Maritime UK has worked with the Transport Select Committee over the course of this inquiry by submitting a written response in April 2022. Our Chief Executive Ben Murray also appeared as a witness before the Committee in June 2022 to give evidence on behalf of the maritime sector.

As part of its inquiry, the Transport Select Committee sought evidence on the manner in which the objectives within the strategy supported the maritime sector, the progress towards its key ambitions and targets, and the effect of Maritime 2050 on government policies and maritime sector decision-making.

Acknowledging the vital role that the maritime sector plays in the UK economy – responsible for enabling 95% of all UK trade in goods – the Transport Select Committee's Report notes that Maritime 2050 needs to provide more clarity between generic aspirations and specific actions to be taken. The Committee also urged government and industry to work closely together in order to streamline the strategy's 184 recommendations, as well as setting key performance indicators and targets for each of them.

Maritime UK welcomed recommendations in the Transport Select Committee's Report, particularly where it calls on the Government to:

- continue funding Maritime UK's Regional Council and regional cluster development programme;
- commit the long-term investment and funding of mature technologies to help achieve net zero, addressing the so-called "scaling-up" gap;
- engage with industry on questions about the planning process and hurdles faced by the maritime and ports sectors;
- remove barriers to domestic training and employment opportunities for UK resident seafarers
- review the Mode Shift Revenue Support Scheme and Waterborne Freight Grant.

Maritime UK was glad to contribute to the inquiry and to see several of its proposed recommendations endorsed and adopted by the Transport Select Committee in its report on Maritime 2050. We look forward to continuing working with the Government to make sure we meet the objectives outlined in Maritime 2050 and deliver on its Route Maps.

The full report is available <u>here</u>.

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

• To ask the Secretary of State for Transport when his department will respond to the recommendations in the Transport Select Committee's Inquiry Report into Maritime 2050.

To ask the Secretary of State for Transport how his department is engaging with industry
on hurdles faced by the maritime and ports sectors in relation to the delivery of Maritime
2050.

	To ask the Secretary of State for Transport how his department will work across Whiteh	all
	to better deliver the plan Maritime 2050.	

# **Recent updates from Maritime UK**

- Wirral approves £25m Maritime Knowledge Hub Place North West
- Help UK shipyards seize on offshore wind and boat bonanza, Tories told The Mirror
- Artemis Technologies receives innovation accolade at Maritime UK awards News Letter
- Greenock: Scottish cruise port set for busiest year on record The Herald
- The Thames Freeport has received final government sign off with up to £25 million seed funding and potentially hundreds of millions in locally retained business rates to drive growth. It will help drive investment into sectors including automated and electric vehicles, renewable energy and battery storage, generating thousands of jobs and boosting the local economy.

#### **Events for Parliamentarians**

A Drop-In Session for parliamentarians is being arranged for April to provide a briefing on the Clean Maritime Plan Update. This is the Government's route map for the transition to a future of zero emission shipping and is due for publication in 2023. Please do get in touch to attend and further details will be circulated soon.

If you would like to attend, please contact <a href="mailto:publicaffairs@maritimeuk.email">publicaffairs@maritimeuk.email</a>.

# **Upcoming Parliamentary opportunities to promote maritime**

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

- Thursday 23<sup>rd</sup> March
  - o Oral Questions (Business and Trade)
- Monday 27<sup>th</sup> March
  - o Oral Questions (Levelling Up, Housing and Communities)
    - Deadline: Tuesday 21<sup>st</sup> March

- Thursday 30<sup>th</sup> March
  - o Oral Questions (Environment, Food and Rural Affairs)
    - Deadline: Thursday 23<sup>rd</sup> March
- Tuesday 18<sup>th</sup> April
  - Oral Questions (Energy Security and Net Zero)
    - Deadline: Thursday 30<sup>th</sup> March
- Thursday 20<sup>th</sup> April
  - Oral Questions (Transport)
    - Deadline: Thursday 30<sup>th</sup> March

#### **Suggested Questions**

#### Maritime UK priority: Research and innovation

• Will the Minister for Science, Research and Innovation meet with Maritime UK to discuss how industry and government can make progress towards developing an R&D strategy for the maritime sector in collaboration with UK Research and Innovation, Innovate UK, and the wider catapult network?

#### Maritime UK priority: Decarbonisation

- To ask the Secretary of State for Transport, what timeline his department is working towards for the 2023 Clean Maritime Plan Refresh.
- To ask the Secretary of State for Transport, what discussions he has had with Maritime UK on the Clean Maritime Plan Refresh.
- To ask the Secretary of State at Defra what plans she has to work with DfT to facilitate the recycling of marine and leisure vessels as part of the Clean Maritime Plan.

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

#### Relevant Consultations and Inquiries:

#### Parliamentary inquiries

- Commons Defence Sub-Committee
  - o 31st March Defence Equipment and Support Inquiry
- Commons International Trade Committee
  - o 24<sup>th</sup> March Export Opportunities

#### **Government consultations**

- Department for Energy Security and Net Zero
  - o 24<sup>th</sup> April <u>Decarbonisation readiness: updates to the 2009 Carbon Capture</u> <u>Readiness requirements</u>
- Department for Environment, Food and Rural Affairs
  - o\_\_\_5<sup>th</sup> April <u>Climate change adaptation reporting power: plans for the fourth round</u>
- Maritime and Coastguard Agency
  - o 28<sup>th</sup> March <u>The Merchant Shipping (Counting and registration of persons on board)</u> (amendment) regulations 2023
  - o 3<sup>rd</sup> April <u>Cadet Training & Modernisation Programme Syllabus Review Fourth</u> Group of Consultation Templates
- Migration Advisory Committee
  - o 26<sup>th</sup> May <u>Shortage Occupation List: call for evidence 2023</u>

Maritime UK and its members will be responding to the above consultations and inquiries. To discuss these, please contact <a href="mailto:gbuttironi@maritimeuk.org">gbuttironi@maritimeuk.org</a>

# 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 <u>publicaffairs@maritimeuk.email</u> for further information.

You can follow our Maritime UK Twitter account here, and our website is here.