

Recommendations

We believe that by implementing the following recommendations Government could create a water freight network fit for the 21st century.

Political Commitment

There needs to be stronger support for the development of freight traffic on water and greater political urgency in acting upon the Eddington and Stern reports. We urge the Government to:

- Stimulate modal shift from road to water to relieve road congestion and help mitigate the effects of climate change
- Establish a 30 year integrated transport strategy that is modally agnostic
- Establish a national integrated freight plan
- Incorporate commercial inland waterways as part of the country's strategic transport network
- Recognise and incentivise freight as a key responsibility in the objectives of the navigation authorities

Investment

In order to ensure we have a water freight system fit for purpose, investment priorities should:

- Encourage the development of a freight management system capable of supporting a multimodal transport chain incorporating inland waterways and coastal shipping as well as road and rail.
- Establish an integrated freight unit that sits across DfT, DEFRA & DCLG.

Financial Stability and Planning

In order for the water freight industry to grow, it requires:

- A planning system that recognises that vital port and inland waterways infrastructure must be protected including stronger protection for wharves with good freight potential
- Regional Transport Strategies that promote the carriage of freight on water and encourage sustainable distribution as part of a policy of integrated transport development
- Regional Transport Strategies that:
 - promote the carriage of freight on water
 - encourage sustainable distribution as part of a policy of integrated transport development
 - protect and develop inland waterways which extend across local authority boundaries.
- The creation of inventories of wharves and waterside facilities by local authorities as part of their Local Development Plans or Local Transport Plans.
- A stable and sustainable grant structure to ensure and incentivise modal shift including a Freight Facilities Grant that is exclusive to water freight
- Easier access, promotion and guidance to the Waterborne Freight Grant
- The establishment of an independent national planning body to allow efficient and quick decision making of freight facilities on a national basis

The British Chambers of Commerce (BCC) is the national voice of local business.

The BCC is the national body for a powerful and influential nationwide network of Accredited Chambers. The BCC serves not only its 100,000 member businesses, which in turn employ well over 5 million people, but also the wider community.

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Sustainable Transport

Water Freight



THE BRITISH
CHAMBERS OF
COMMERCE

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Commerce (BCC)

Foreword



The BCC has been concerned for some time about the mounting cost to business of failure in our transport network, particularly the road network. We are currently looking at sustainable alternatives through a series of workshops engaging key stakeholders and expertise from our membership base. This, the second of five pamphlets on sustainable transport, covers the water freight industry and represents the thoughts and recommendations of a number of experts in their field who understand the issues and care passionately about making the British freight industry world class.

Water freight is currently an under-acknowledged asset, perhaps because it is invisible to many of us in our daily lives; it is, therefore, underutilised, yet offers huge potential for relieving congestion by taking heavy lorries off our roads and making a major contribution to reducing the nation's carbon emissions.

Increasingly, vast container ships will arrive at our deep sea ports where the bulk of their cargoes are then transferred to road and rail, much of it travelling to our major towns and cities. BCC members constantly say road congestion is one of their priority concerns and our surveys suggest it costs British business over £17billion per annum. Not all goods are 'time sensitive' and thus water freight, using coastal shipping and commercial waterways, provides a viable and sustainable alternative.

For the sector to take the opportunities presented it needs to work within a sustainable and competitive business environment. It needs commitment from the government to follow through on the Eddington, Stern and Barker reports to stimulate modal shift away from roads and onto the alternatives including water transport.

David Frost
Director General
British Chambers of Commerce

Case Studies

Road to Water – Robert Wynn and Sons

In 2004 the Terra Marique was launched. A unique ro/ro barge designed to maximise use of non-traditional ports and inland waterways for the carriage of the largest and heaviest abnormal loads. The vessel is owned and operated by Robert Wynn and Sons who received a £8.5 million freight facilities grant towards the design and build costs.

In June 2004 the Terra Marique became the largest vessel to navigate the British Waterways network when the 2211 tonne equivalent vessel navigated the river Trent to deliver a 270te transformer to Cottam power station in Nottinghamshire.

The power station is adjacent to the Trent making the direct delivery of the transformer possible and negating the need for the load to be transported on the road network. Had the transformer been delivered via the traditional route, a road journey in excess of 60 miles would have been required, with the load travelling at speeds of no more than 12 miles an hour. This would have undoubtedly caused significant congestion and great localised disruption.

The Terra Marique is intended to maximise the use of inland waterways for the carriage of abnormal loads and has also navigated the Thames to Isleworth and the Manchester Ship Canal to Salford.

The utilisation of the Terra Marique and her daughter vessel, the Inland Navigator, is greatly constrained by the unavailability of inland waterway infrastructure. This will only be overcome if national safeguarding of wharfs is introduced and a joined up approach to waterborne freight is taken.

London Olympics (Port of London Authority)

On 6th July 2006 London beat stiff competition to win the honour of hosting the 2012 Olympics. As part of the bid the Olympic Delivery Authority (ODA) promised that London 2012 will be a 'sustainable' and 'low carbon' games. To fulfil this promise it committed to making the best use of the capital's port and waterways in delivering the games. Not only will this remove trucks from our congested roads but the results could, and should, be a lasting 'green' legacy.



Millions of tonnes of aggregates, construction steel, timber, plywood and other construction materials will be needed to develop the 500-acre Olympic Park and other sites. At the same time, the huge regeneration projects within the Thames Gateway project will need similar supplies. And as well as materials arriving, there will be a need to transport demolition materials and other waste away from the development sites.

During the event itself, competitors, judges and spectators could be transported by water between the main sites in addition to the equipment and food used.

Operators on the Thames have the equipment and experience to realise the potential of transporting goods and people to and from the Olympic Games site in East London by water. The Port of London Authority is working with British Waterways to help make this happen with vessels accessing the site from the Thames via the Bow Back Rivers, (part of the River Lea Navigation), which passes directly through the site.

British Waterways has recently announced the go-ahead for a new lock and water control structure on Prescott Channel in Bow. The lock will be able to handle vessels carrying large volumes of materials through the Bow Back Rivers to the main Olympic site. The lock will be funded by British Waterways, the Department for Transport, London Thames Gateway Development Corporation, the Olympic Delivery Authority and Transport for London.

The lock development will help the ODA meet its aspiration to transport 50% of construction materials by more sustainable means and in so doing help to ensure that the Olympic site construction does not add to the congestion of London roadways.

Challenges

It is a fact that most of the goods we use have probably at some point been transported by water. However, once the goods reach our shores they are more often than not transferred to their destinations by road. With congestion levels continually increasing and set to cost business £17 billion per annum¹ it seems negligent not to consider the extensive network of inland waterways and commercial shipping that offer the potential to accommodate a portion of this traffic. Before this can happen, however, there are a number of challenges to be met if the sector is to be of optimal service to the economy, community and environment.

Despite the growing cost of congestion on the road government commitment to water freight remains unconvincing. Policy making is currently split between the DfT² and DEFRA³, while British Waterways, the largest of the navigation authorities, has disbanded its central freight team. Government assistance to incentivise the modal transfer from road to water lacks clarity. Current funding regimes need better communication to overcome the lack of understanding over what is actually available. The Waterborne Freight Grant, often publicised by Government, is still without guidance for applications. The Freight Facilities Grant, designed to encourage the movement of freight from road to water, is currently shared between water and rail with water likely to play second fiddle. It fails to cover the cost of vessels yet there is an urgent need for more and smaller ships to utilise ports all around our coastline.

In Sir Rod Eddington's view large scale investment by the private sector is an essential component in creating effective infrastructure. However, availability of monies is made less effective when the planning regimes remain as inefficient and unhelpful as is currently the case. Planners are continually failing to protect existing infrastructure in our smaller ports and along waterways in the face of competing claims from housing and leisure

development. Lost wharves, berths, storage areas and warehousing capacity are difficult to replace yet the facilitation of new developments for water freight is blighted by lengthy planning procedures often taking several years. A good example of this is the London Gateway port and logistic development which the Government has been "minded to approve" for over three years but hasn't yet given the go-ahead. If there is to be a holistic multi-modal solution to road congestion, developers need to be able to build intermodal freight handling facilities in ports and elsewhere with the backing of a planning system that considers the economic case on a wider national basis. Locally, as nationally, authorities display a lack of joined up thinking, so it is possible to be given permission to dredge but not permission to dump.

Water freight's environmental credentials are occasionally questioned, yet of the total amount of CO2 emitted within the European Community, water transport accounts for 25g per tonne-kilometre whilst rail emits 41g and road a staggering 160g per tonne-kilometre. Shipping uses less energy than any other form of transport. Using just one kilogram of oil over one kilometre it is possible for water-borne transport to move 127 tonnes of freight compared with rail moving 97 tonnes and road just 50 tonnes⁴.

Finally there is a misconception about the speed of delivery where the common belief is that water is slower than road or rail. This is not always the case. Freight movements along the Thames have been shown to be quicker than a number of road deliveries. It should also be stressed that, movement of many goods is not time sensitive, particularly bulk goods.

¹ BCC Transport Survey, Waiting in Line, 2006

² Department for Transport.

³ Department for Environment, Food and Rural Affairs.

⁴ Sustainable Transport – Sea and Water