



UK CHAMBER
of SHIPPING

THE VALUE OF SHIPPING: DELIVERING A PROSPEROUS UK

An overview of the UK shipping industry and the important part it plays in supporting jobs, trade, tourism, energy and defence



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▶ INTRODUCTION FROM OUR CEO

Welcome to the first Value of Shipping report.

As an island nation, we depend on shipping to ensure we have the energy, food and medicines we need. The sector also supports jobs all over the UK, not just in typical maritime areas. With every job in shipping delivering 10 more, the industry supports 650,000 jobs in the UK. For example, supply chains for fuel, materials, food and drink and our world leading shipping services industry all depend on a vibrant and robust UK shipping industry. Our everyday lives would be very different and much more challenging without shipping.

The opportunities for new jobs in our sector are growing. As we introduce alternative fuels we will see new green skills being required, often driven by technology. The expected growth of offshore wind also presents opportunities, particularly in Scotland, for significant growth and regeneration.

As the UK seeks to forge new trading relationships across the world, shipping is crucial in facilitating the smooth movement of goods. Be it the Mini, English sparkling wine, Scotch whisky or any one of our other world famous exports, ships help ensure they can reach all corners of the world. They also crucially ensure we have enough food to stock supermarket shelves and energy to keep powerplants running.

Shipping is at the very heart of UK life, perhaps in ways that most people do not realise. This report aims to shine a light on how shipping is helping deliver a green and prosperous UK. I hope you enjoy reading it.

Sarah Treseder, CEO, UK Chamber of Shipping



OVERVIEW

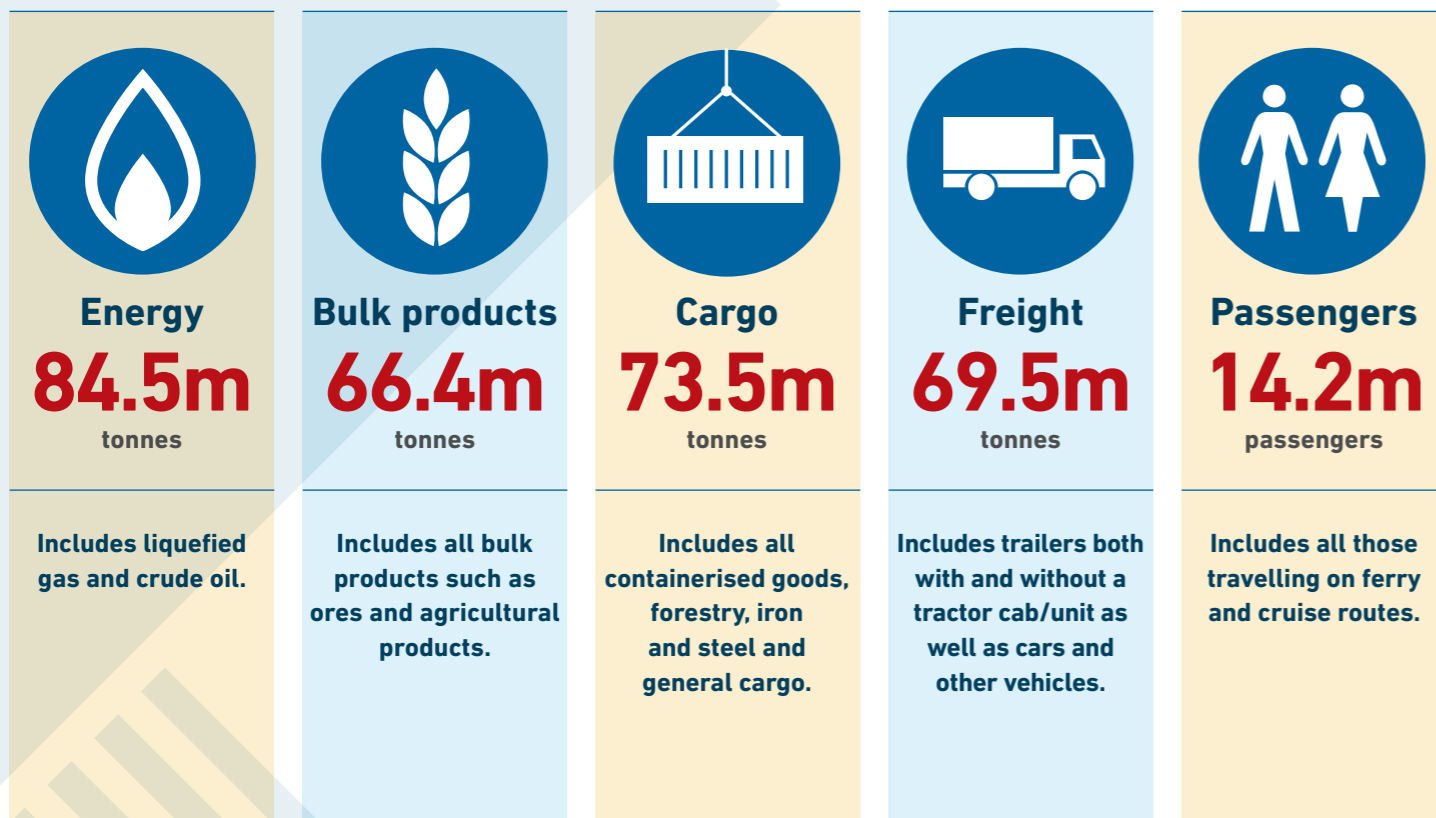
An overview of shipping in the UK

Shipping is essential to the UK for moving materials, goods and people between different parts of the UK, from neighbouring countries in Europe, and deep sea routes to Africa, the Middle East, Asia, and the Americas. Shipping ensures vital components and products arrive on our shores and enables our exports to be distributed across the world.

With 110,000 vessels calling at UK ports annually and a similar number transiting around the coast, their safe and efficient operation is vital to the UK economy.

The shipping industry includes diverse sectors with considerable variation around the UK. For example, Dover acts as the UK's gateway to continental Europe for road freight and passenger traffic, Aberdeen as a hub for the offshore sector, Milford Haven helps secure the UK's energy supply, and Southampton's mixed port for cruise, oil, container and cars. This variety of uses and priorities influences what is needed in terms of port infrastructure and wider connections.

In 2022 shipping moved in and out of the UK:



* All measurements are in thousands (tonnes or people) and based on 2022 data. Data includes **international movements only** with the exception of ports in Northern Ireland, which includes domestic movements.

5 Clydeport & Cairnryan		
	←	→
	5,681	0
	232	285
	218	353
	0	0
	Total = 0	

4 Orkney, Aberdeen & Forth		
	←	→
	734	12,905
	1,030	285
	865	1,361
	16	19
	Total = 479	

6 Larne, Belfast, Warrenpoint & Londonderry		
	←	→
	102	0
	4,952	2,860
	1,569	1,058
	6,971	7,188
	Total = 1,671	

7 Liverpool & Holyhead		
	←	→
	7,013	0
	4,891	1,739
	4,099	1,679
	5,229	4,252
	Total = 1,694	

8 Milford Haven, Fishguard, Port Talbot & Bristol		
	←	→
	20,048	117
	6,721	1,068
	979	495
	1,368	590
	Total = 265	

9 Plymouth & Poole		
	←	→
	0	0
	266	633
	50	4
	166	87
	Total = 479	



10 Southampton & Portsmouth		
	←	→
	10,438	926
	372	694
	5,439	2,352
	1,614	1,493
	Total = 2,983	

Chamber analysis

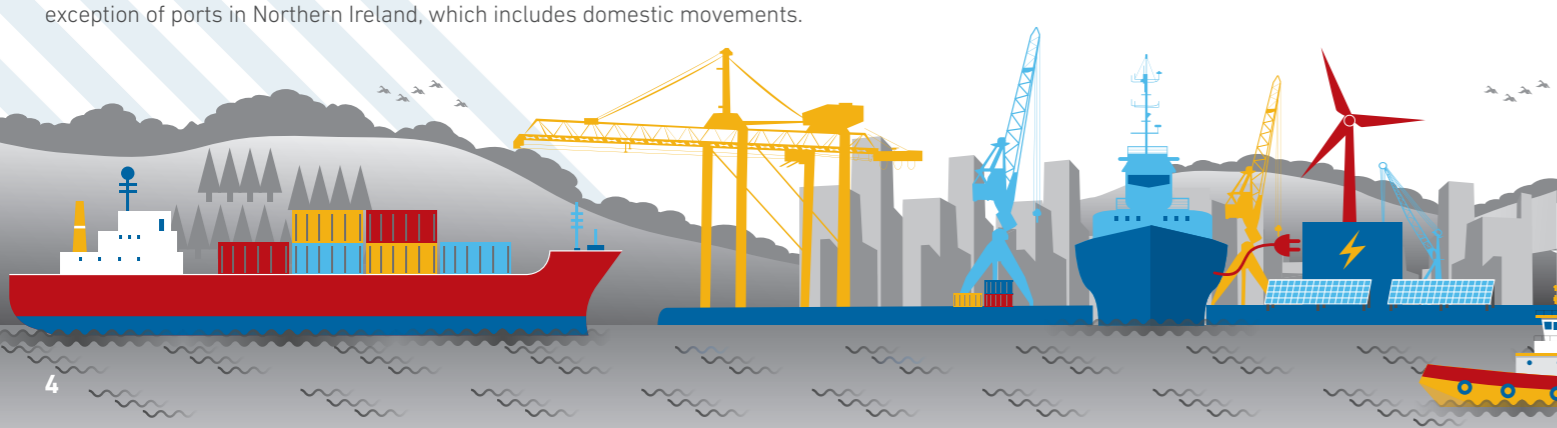
Journeys rarely start or end at a UK port with onward journeys made either by road or rail. Having robust infrastructure in place to ensure the smooth transfer of goods and people from the UK's ports is essential to ensuring effective supply chains and onward travel.

3 Grimsby & Immingham, Hull, Tees and Hartlepool & Tyne		
	←	→
	2,213	2,833
	20,549	2,757
	6,994	1,988
	13,787	6,563
	Total = 973	

2 Harwich & Felixstowe		
	←	→
	0	0
	0	12
	12,656	5,656
	5,186	2,572
	Total = 677	

1 Dover & London		
	←	→
	63	0
	5,518	1,482
	13,380	6,306
	16,806	8,034
	Total = 6,620	

Key: ● Port ← Inbound → Outbound — Motorways — Main rail freight routes



OVERVIEW

Vessels arrive and depart UK ports 24 hours a day 365 days a year, with a vessel movement on average every five minutes. This would not be possible without tugs and workboats, that work to keep ports and harbours safe and secure for shipping. Meanwhile offshore vessels help keep platforms supplied and are central to construction and decommissioning work.

ON AVERAGE THERE ARE
110,000 VESSEL CALLS
IN THE UK
ANNUALLY

The top callers were:



Key Figure Over **300 vessels** call in the UK each day

Tugs

There are around 200 tugs operating across UK ports, employing more than one thousand highly skilled seafarers. Tugs provide a range of services in ports across the UK, including:

- ▶ Safely assist ships enter and leave ports and harbours.
- ▶ Acting as salvage boats.
- ▶ Providing assistance in case of a fire.
- ▶ Moving barges, rigs, and other floating equipment that does not propel itself.



Workboats

Over 650 workboats operate in the UK from the Shetlands Islands to Penzance. Workboats come in all shapes and sizes and undertake a wide range of activities, including:

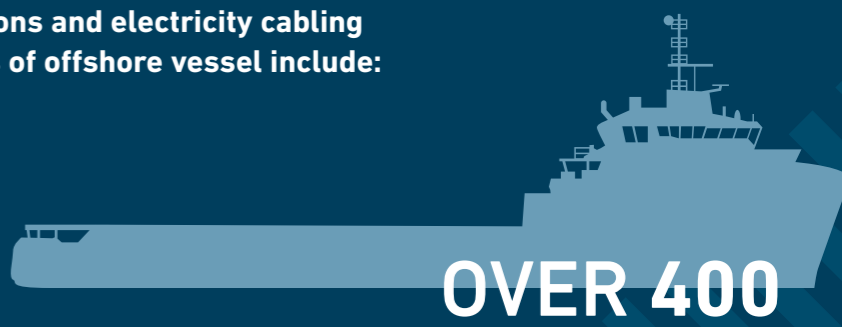
- ▶ Dredging to maintain navigational channels.
- ▶ Acting as floating platforms (pontoons) for other equipment or personnel.
- ▶ Buoy laying.
- ▶ General harbour maintenance.



Offshore vessels

Over 400 offshore vessels work across the UK Exclusive Economic Zone. They have numerous and varied roles across the life-cycle and supply chain of offshore activities, whether oil and gas exploration or production, renewables, telecommunications and electricity cabling or decommissioning work. Different types of offshore vessel include:

- ▶ Platform supply vessels (PSV).
- ▶ Anchor handling tug supply vessels (AHTS).
- ▶ Seismic survey ships.
- ▶ Construction support vessels.
- ▶ Diving support vessel.
- ▶ Cable & pipe laying vessels.



Targe Towing (Case study)

Targe Towing provides safe, efficient, and effective towage and other marine services across a wide range of ports, terminals and harbour operations. Targe has tugs based in ports on the east coast of Scotland, providing services at high-profile oil and gas facilities as well as all types of harbour towage. Additionally, Targe undertakes specialist towage projects and regularly deploys tugs in other ports across the UK.



▶ ECONOMY AND JOBS

As an island nation shipping provides jobs and employment across the UK. Many of these jobs are in coastal communities providing vital opportunities where jobs can be limited.

The impact of shipping cannot be measured solely by the jobs within the sector, of which there are 10,000s in the UK, but by its wider reach. Across the economy shipping is supporting 650,000 jobs with over 500,000 jobs in supply chains and the wider economy.

Jobs in shipping also pay significantly more than the national average and there are opportunities both on shore and at sea.



Employment multiplier impacts of the shipping industry (2019)



in the UK shipping industry for UK employees at sea or on shore.

in the wider supply chain that are dependent on shipping such as fuel suppliers, manufacturers, equipment providers, insurers or those working in and around ports.

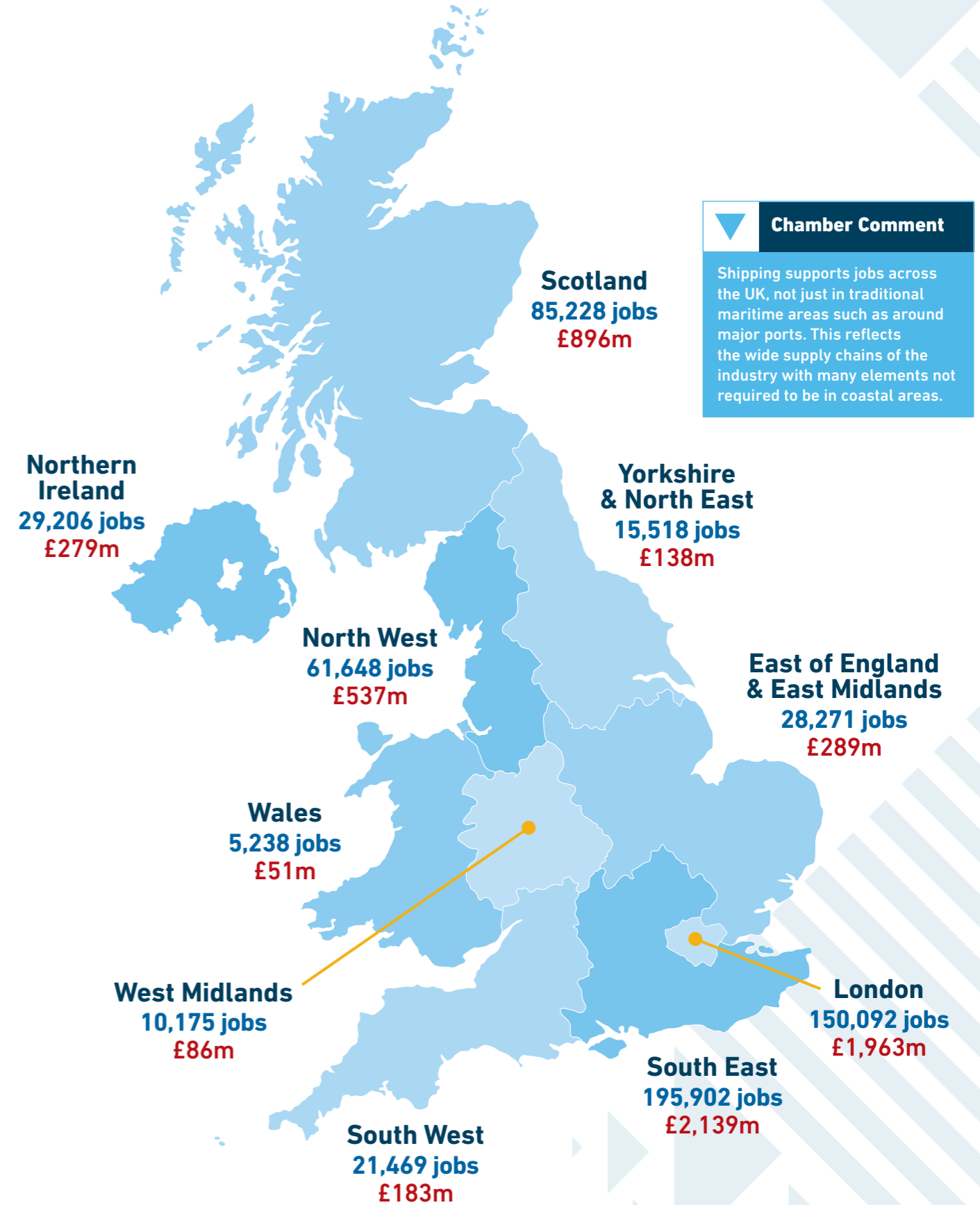
supported in the wider economy by the personal spending of direct and indirect jobs.



TOTAL IMPACT
= 646,000
 jobs



Economy and jobs: Region by region



Chamber Comment
 Shipping supports jobs across the UK, not just in traditional maritime areas such as around major ports. This reflects the wide supply chains of the industry with many elements not required to be in coastal areas.

Key Figures Shipping pays on average **20%** more than the average full time UK employee and jobs in the industry are **90%** more productive than the UK average

Roles in shipping

There are a range of jobs involved in UK shipping. Below is a short description of some of the main roles.



Seafarer

Someone who is employed to serve aboard any type of marine vessel. This could include those trained in bridge operations, engineers, chefs and medical professionals.



Logistics

Manages the material flows, services and information involved in shipping. This will include port/terminal operations, freight forwarding and the movement of vessels.



Customer facing

On ferries and cruise ships many seafaring roles are focused on interacting with travellers and holidaymakers, such as working in hospitality, off ship excursions or entertainment.



Data analyst

Covers a wide range of areas including operational efficiencies such as vessel speeds and routes as well as innovative ship design.



Superintendents

A shore-based role in charge of the safe and economic operation of one or more vessels. Duties include conducting dockside inspections, arranging repair and maintenance, compliance with safety regulations, and handling budgets.



Professional services

London is at the forefront of the global shipping services industry. Lawyers, accountants, ship charterers, marine insurers and consultants are just some examples of roles that are at the centre of shipping services.

Jobs of the future

As technology develops the roles in shipping will change with a greater focus on data and green jobs. It is important that as an industry we are ensuring that both new entrants and existing workers have the skills they need to be able to take advantage of these new opportunities.



Land based control centre

As the ability to control some ship's functions remotely increases shore based roles that focus on managing a ship's operations will increase. This could include making use of smart screens, voice recognition systems and drones to monitor what is happening on board and around the ship.



Green skilled engineers

Engines powered by new and alternative fuels will need new methods of maintenance and monitoring. This transition provides an opportunity for existing engineers to re-skill ensuring that their experience remains in the industry.



Technology and AI specialists

With the increased use of data to help manage voyage planning and route forecasting, as well as the use of AI to optimise container position on vessels, individuals with the skills to programme these systems will be essential.



Cyber security

As cyber threats from countries, groups and individuals increases shipping companies will need to take further precautions to protect their assets from attack.

▶ TOURISM

Greener tourism

- ▶ The first large hybrid vessels are being deployed on the Channel in 2023 and 2024 producing **40% fewer carbon emissions** than their predecessors.
- ▶ Ferries on routes to Spain run on liquefied natural gas, emitting around **20% less carbon dioxide** with virtually no air quality pollutants, compared to diesel powered vessels. These vessels can also run on **future fuels such as bio-methane and e-methane** when they become available.
- ▶ In the Irish Sea vessels are operating that are **30% more energy efficient** than those they replaced.
- ▶ Cruise ships are becoming increasingly shore power compatible **reducing emissions in port**.
- ▶ One cruise company has seen its **carbon intensity reduce by one third** since 2008.

More than tourism

Key Figure **2.4 million people** depend on ferries as a lifeline service* providing access to healthcare, education, food and other essential goods

Red Funnel Ferries (Case study)

“For over 160 years, Red Funnel has provided a lifeline service for the Isle of Wight, enabling crucial access to healthcare, education, and essential supplies.

The vital ferry link ensures access to medical assistance by connecting residents to specialist mainland hospitals. It also facilitates educational opportunities, granting access to mainland universities and vocational training.

Red Funnel’s role also extends beyond essential services, boosting commerce, tourism, and employment, as well as preserving the Island’s unique identity.

As a critical part of the Island’s infrastructure, Red Funnel plays an integral role in supporting the community’s well-being. It exemplifies the significance of maritime connectivity in enabling access to vital services and fostering a prosperous future for the Isle of Wight and its residents.”

Fran Collins, CEO



▶ SHIPPING SERVICES



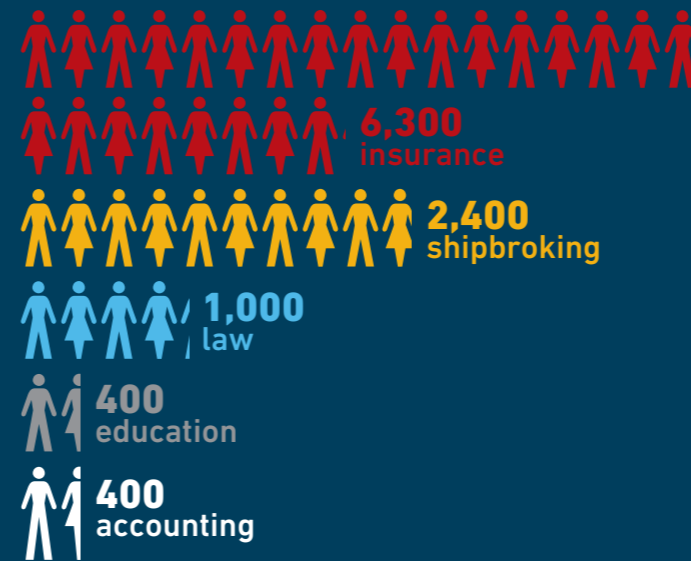
The value of shipping services

The UK is at the centre of the international shipping industry. Our professional expertise in ship chartering, insurance, legal, financial services and consultancy is called upon by the shipping industry from across the world.

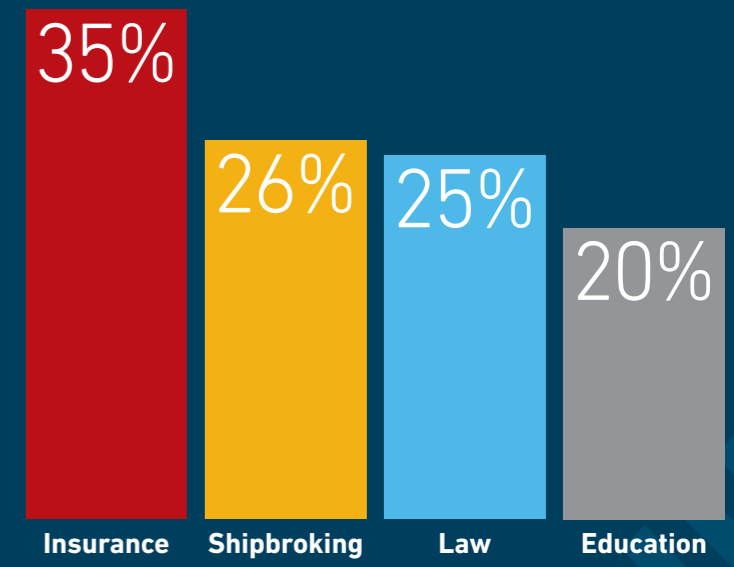
As a result, London is home to a number of the maritime sector’s international bodies including the International Maritime Organization (IMO), International Chamber of Shipping (ICS), International Association of Classification Societies (IACS), The International Group of P&I Clubs and The Baltic Exchange. It is also where Intercargo and Intertanko are based.



Over 10,000 people are employed in maritime services



UK market share of global maritime services



Strengths of UK maritime services

Expertise – Shipping is a sector which requires specialist knowledge to succeed, which the UK industry has in abundance.

Quality – The framework provided by key institutions such as The Baltic Exchange, Lloyd’s of London, the Admiralty and Commercial courts and the UK’s financial services regulators, delivers a high degree of security and confidence.

Variety – The breadth and depth of UK maritime service providers means a wide range of requirements can be handled.

Locality – Ease of interaction between various professions is a key advantage, enabling quick and expert solutions to shipping related problems.

Experience – UK-based firms have been providing maritime related services for over 300 years and continue to be at the cutting edge of new developments.

▶ OFFSHORE ENERGY

The UK's offshore energy market is significant on a global scale. In 2021, the United Kingdom was the second largest producer of natural gas, petroleum and its products in OECD Europe and our offshore renewables sector is the second largest in the world.

This industry, which supports 10,000s of jobs across the UK, is underpinned by shipping to provide a range of services to install, maintain and decommission platforms and installations all around the UK coastline as well as safely transport fuels to and from the UK.

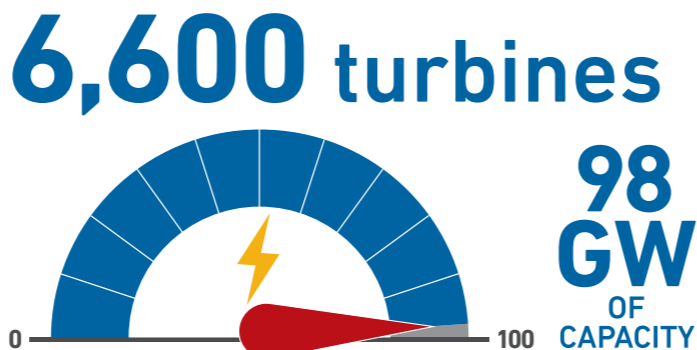
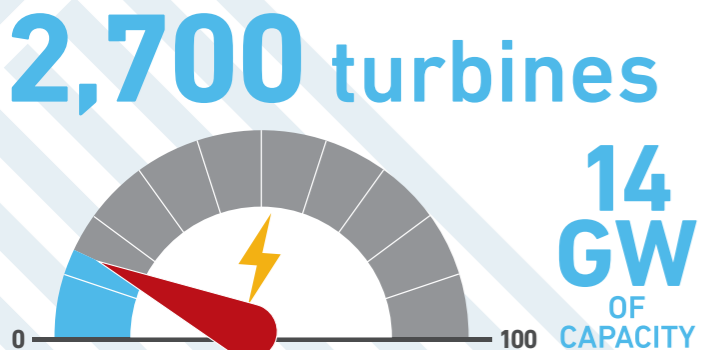
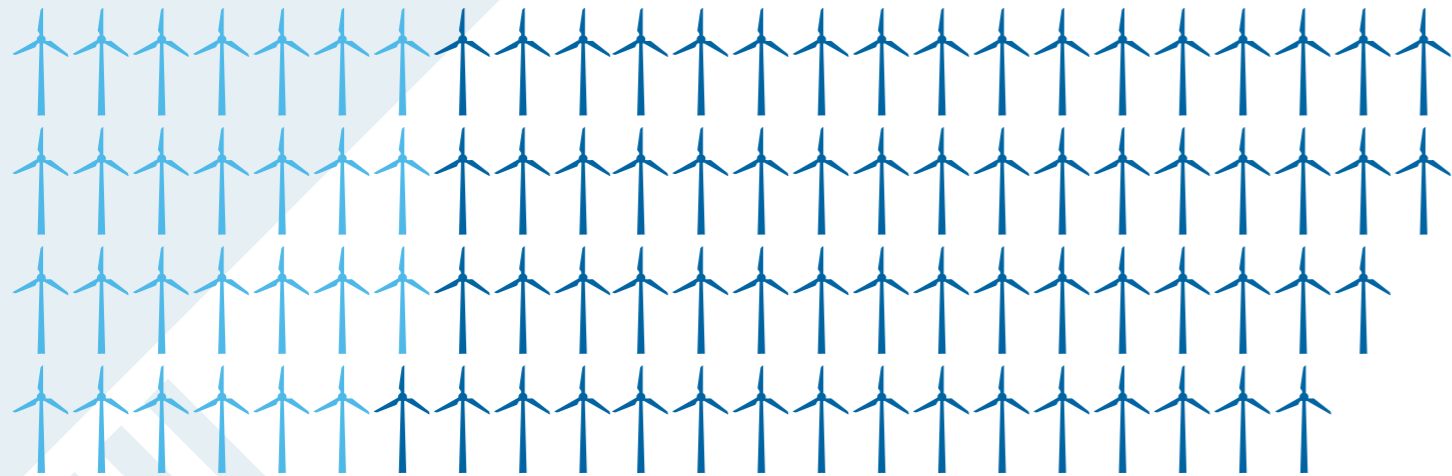
Growth in offshore wind

Key Figure The UK has more than **50%** of the global fleet of wind farm crew transfer vessels

Active offshore wind developments



Planned/potential offshore wind developments

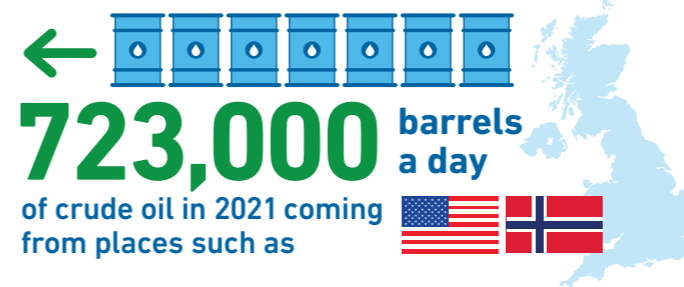
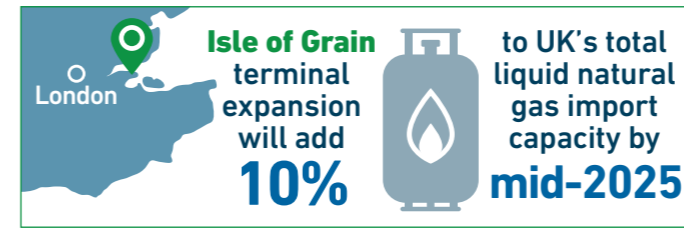


Key Figure This growth in offshore wind will mean the need for a **250% increase** in vessels used to service offshore wind farms

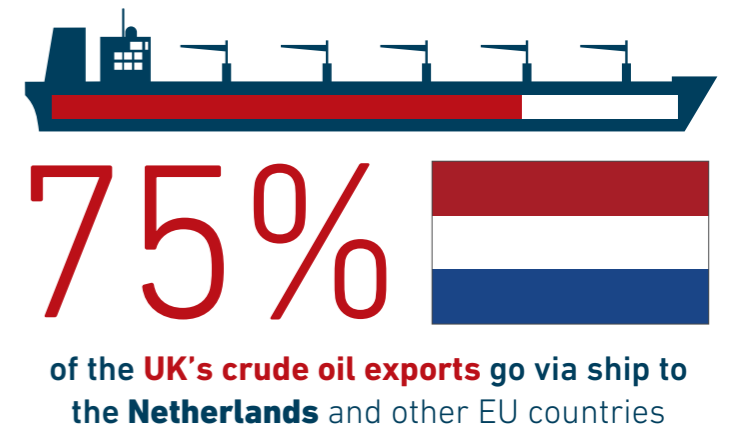
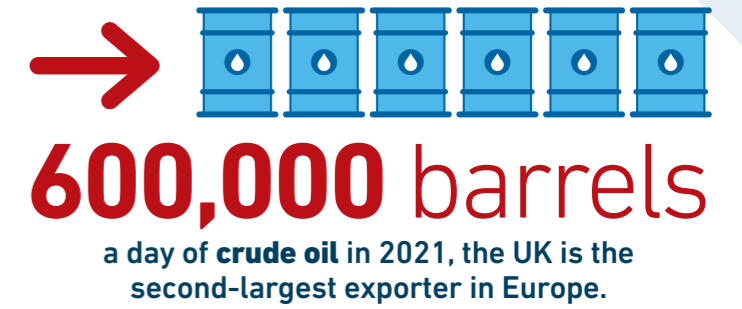
Energy imports and exports

The UK is a major exporter and importer of energy. Much of these energy imports and exports rely on ships to transport them safely.

Imports



Exports



11 energy interconnectors, all installed by ships, operate in the UK – these allow excess power to be traded and shared between countries

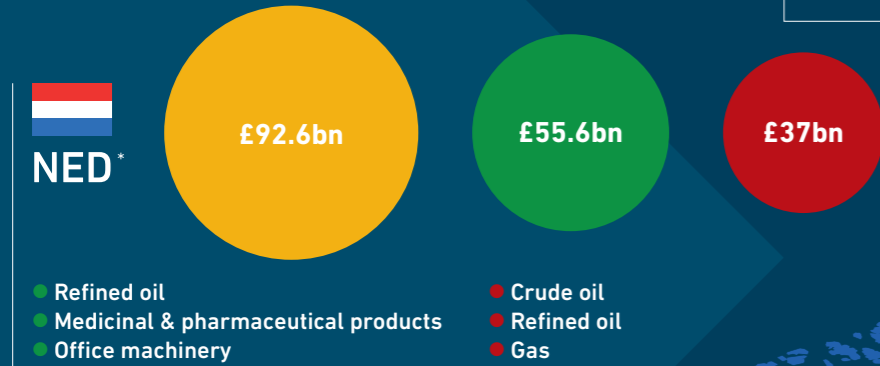


Shipping is central to ensuring that vital supplies and goods reach our shore safely with 95% of goods that enter the UK doing so via ship.

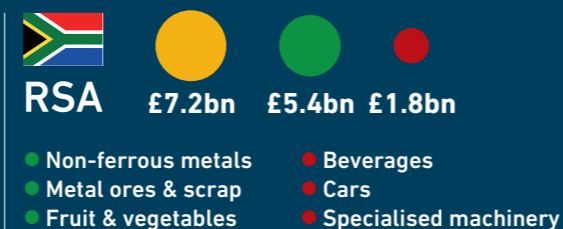
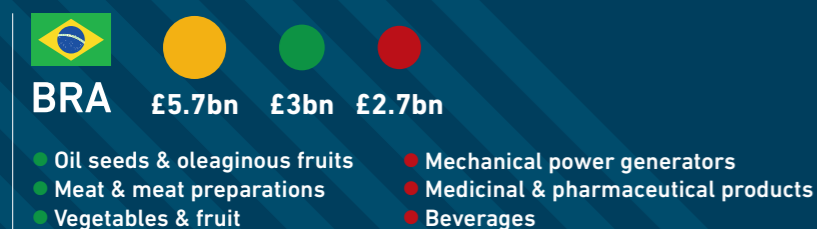
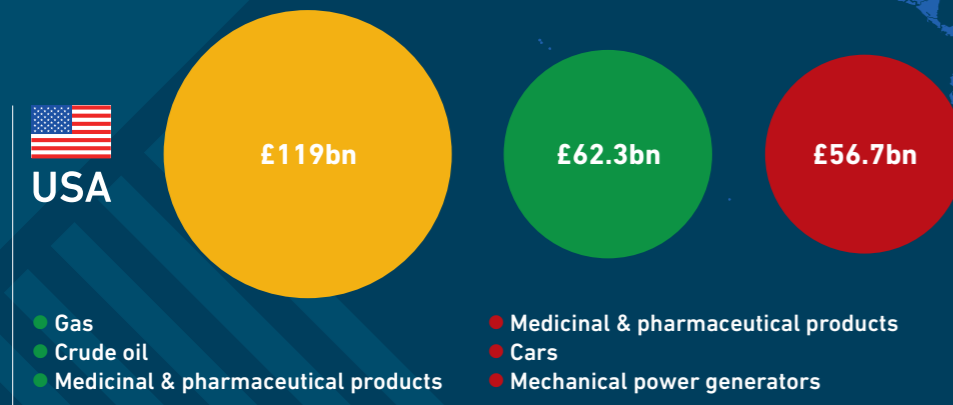
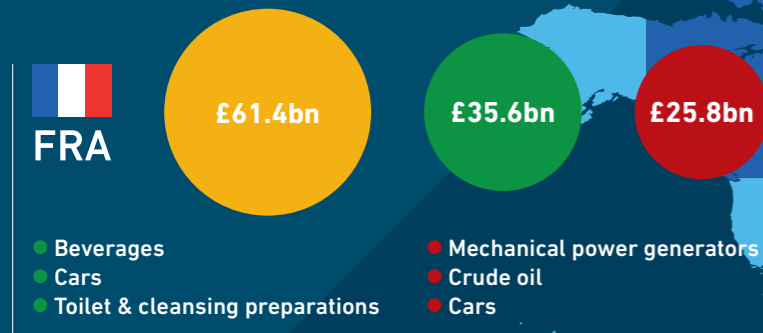
It also helps to ensure world famous products such as Scotch whisky, Welsh lamb, English sparkling wine and Northern Irish beef reach valuable overseas markets. By ensuring these products reach customers across the world, shipping is supporting jobs and local businesses in every city, town and village across the country.

UK import/export destinations

Key: ● Total imports and exports ● Imports ● Exports
— Key trade flows via shipping



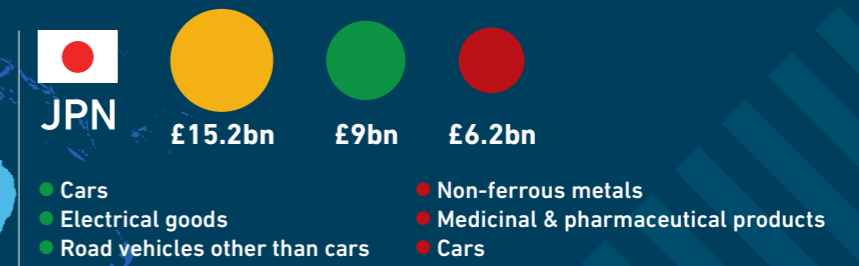
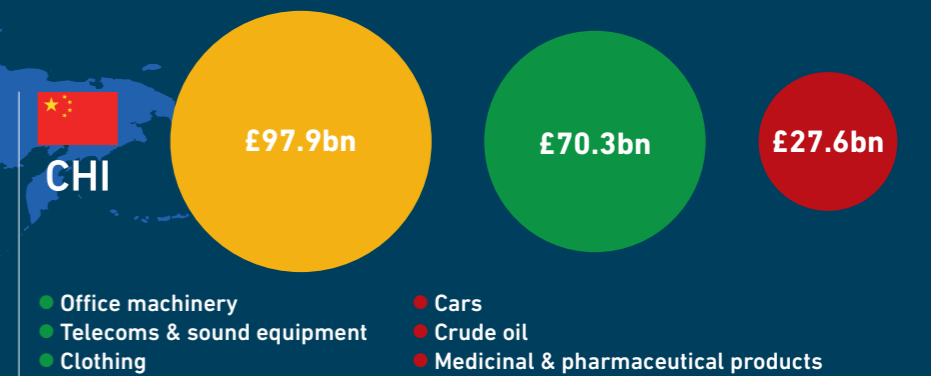
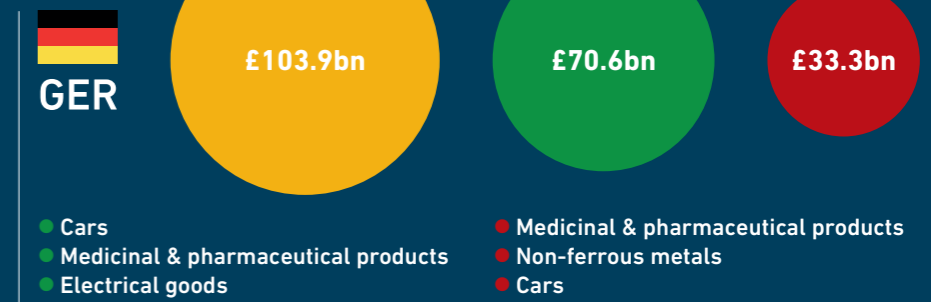
Shipping helps over **120,000 BUSINESSES** across Great Britain export their goods



Shipping exports of UK produced pharmaceuticals supports over 250,000 jobs



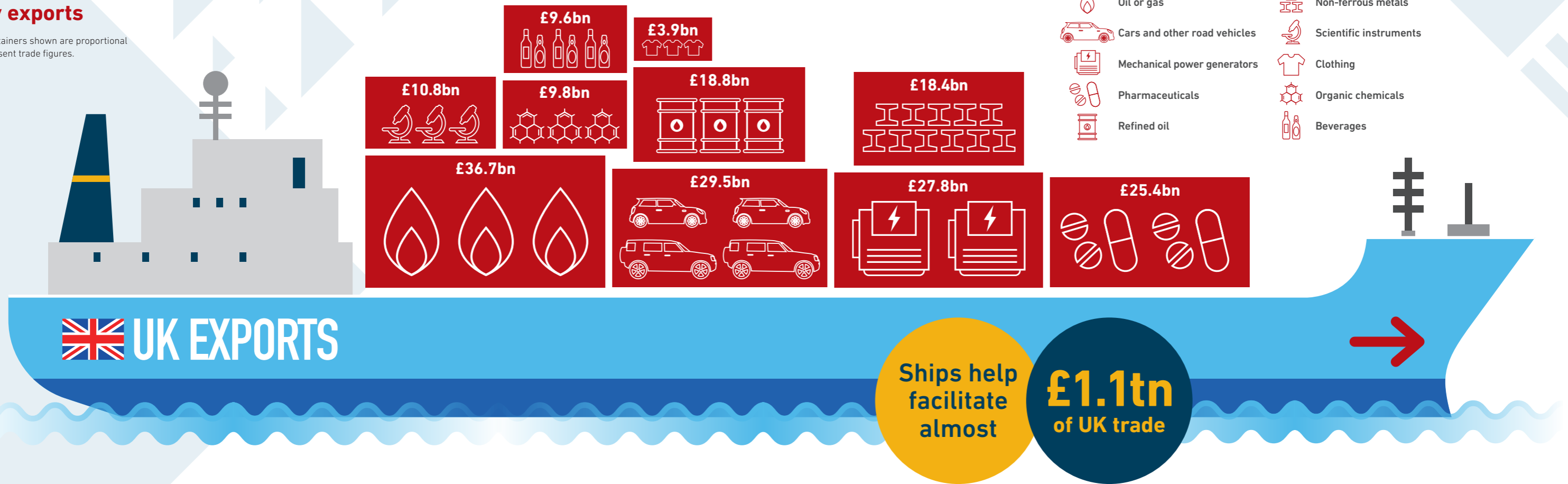
8/10 CARS manufactured in the UK are exported, supporting **100,000s of jobs**



Key export and import products 2022

Key exports

NB: Containers shown are proportional to represent trade figures.



- Key:**
- Oil or gas
 - Cars and other road vehicles
 - Mechanical power generators
 - Pharmaceuticals
 - Refined oil
 - Non-ferrous metals
 - Scientific instruments
 - Clothing
 - Organic chemicals
 - Beverages

Key imports

NB: Containers represent trade as tonnes and pounds sterling and are therefore not shown in proportion, due to two different data metrics.



In times of peace and conflict, Royal Navy warships and the Royal Fleet Auxiliary are key to Britain's prosperity and success.

They help to keep maritime trade that's the lifeblood of the UK economy flowing. They act as a guardian and a diplomat, as a humanitarian force for good, and a peacekeeper on the global stage.

What is the Royal Fleet Auxiliary?

The Royal Fleet Auxiliary (RFA) delivers worldwide logistic and operational support to Royal Navy military operations. They are the uniformed civilian branch of the naval service, staffed by UK merchant sailors.

Fully integrated into front-line warships, the RFA is an essential element of how the Royal Navy operates with freedom around the globe.

Ships in the Royal Navy



plus numerous patrol and mine countermeasure vessels

Royal Fleet Auxiliary vessels



Ongoing operations

Atlantic Patrol Tasking North

- ▶ Location: Caribbean and North Atlantic
- ▶ Focus: Humanitarian support
- ▶ Aim: Disaster relief during hurricane season and preventing drug trafficking to the UK.

Atlantic Patrol Tasking South

- ▶ Location: South Atlantic
- ▶ Focus: Policing and protection
- ▶ Aim: Protect British overseas interests and commercial shipping and enforce regulations on fishing and natural resources.

Baltops

- ▶ Location: Baltic Sea
- ▶ Focus: Multinational cooperation
- ▶ Aim: Improve maritime security in the region through partnership and the sharing of resources, and to enhance cooperation among the Baltic states.

Kipion

- ▶ Location: Gulf
- ▶ Focus: Peacekeeping
- ▶ Aim: On patrol since 1980 365 days a year to maintain peace and stability and uphold freedom of navigation.

Atalanta

- ▶ Location: Indian Ocean
- ▶ Focus: Anti piracy
- ▶ Aim: Protecting thousands of cargo ships in the region.



30,000+ serve in the Royal Navy providing



UK search and rescue capability

Around **2,000** serve in the Royal Fleet Auxiliary

UNITING UK SHIPPING

We work to unite, promote and champion an environment for shipping in the UK to thrive, helping to deliver a greener world and a more prosperous nation. We are open to shipping companies of all sizes, sectors and flags.

For more information on this document please contact the Chamber query@ukchamberofshipping.com

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 UK Chamber of Shipping

▶ REFERENCES

OVERVIEW

- ▶ Data is based on Department for Transport statistics:
 - Sea passenger statistics, all routes: 2022.
 - Port and domestic waterborne freight statistics: data tables 2022.

ECONOMY AND JOBS

- ▶ Data is based on a report produced in 2022 for Maritime UK by the Centre for Economic and Business Research. The report can be downloaded from the UK Chamber of Shipping's website.
<https://tinyurl.com/2nuszks>

TOURISM

- ▶ Data is based on:
 - Department for Transport Statistics Sea passenger statistics, all routes: 2022.
- ▶ Use has also been made of information published by Cruise Britain in April 2023.

SHIPPING SERVICES

- ▶ Data is based on a report published by the City of London Corporation in 2016. It can be downloaded from Maritime London's website.
<https://tinyurl.com/yc89xx9f>

OFFSHORE ENERGY

- ▶ Data is based on information provided by Clarksons Research Services.
- ▶ Use has also been made of data from the Energy Information Administration.

TRADE

- ▶ Data is based on Department for Business and Trade: Trade and Investment Factsheets and UK Trade in Numbers.
- ▶ Use has also been made of information published by the:
 - Society of Motor Manufacturers and Traders (SMMT)
 - Association of the British Pharmaceutical Industry (ABPI)
 - Agriculture and Horticulture Development Board (AHDB)
- ▶ UK Chamber of Shipping research and analysis has also been undertaken.

SECURITY AND DEFENCE

- ▶ Information on this page is based on publicly available data from the Royal Navy.

Use of other publicly available data has also been used throughout this report and every effort has been made to ensure its accuracy.

