

GETTING THERE





Getting there

Matthew Kennerley, Port Director of Associated British Ports South Wales

An economy cannot exist without a competent and reliable logistics network. Whilst the global economy is in a period of uncertainty, businesses, communities and their visitors still rely on an unimpeded flow of people and goods to function.

Sometimes, however, we underestimate the importance of a fluid and reliable freight network to our daily lives and we take for granted the services that keep it up and running. Our food, tools and technology are all sourced as raw materials, manufactured, packaged and then delivered to the shops before we can purchase them and take them back to our homes and offices. Then, after we have finished with these things, our waste and recycling needs to be collected. Meanwhile, our hospitals need drugs, our schools need books, while post and parcel services – even in the digital age – remain fundamental to our way of life. It is the

freight network that makes this happen.

As freight clearly plays such a large role in the functioning of the economy, it inevitably generates a huge amount of employment. In Wales, freight logistics account for some six per cent of employment while our industry contributes some £2.5bn to the Welsh economy.

However, as the economy fluctuates, it is essential that the freight distribution industry continually maintains and upgrades its supply chains to providers and markets in the UK, Europe and beyond to meet the demand profile. In addition, the increasing globalisation of trade will have implications for Wales' existing freight distribution networks, as well as its

manufacturers and retailers.

Partly to address concerns such as these, Associated British Ports' (ABP) operations in South Wales have become closely involved with the Wales Freight Group, which comprises providers and users of freight services from the road, rail, ports, shipping, airports and pipeline industries. The Group also includes transport planners and key stakeholders such as the Regional Transport consortia in Wales, the Freight Transport Association, Road Haulage Association, Rail Freight Group, port and shipping operators, representatives from Cardiff Airport and Skills for Logistics.

The Wales Freight Group has produced the Wales Freight Transport Strategy –

working with the Welsh Assembly Government and other key players in the industry – which is intended to deliver a modern, efficient freight-transport system to support and balance economic, social and environmental objectives, in line with the wider Wales Transport Strategy.

The shipping, transport and freight industry must make a concerted effort to develop a sustainable distribution system that links road, rail, air and seaports together, and it is my belief that initiatives such as the Wales Freight Transport Strategy have made some hugely important headway towards this.

As well as ensuring that the freight network performs well for the Welsh economy, there are also plenty of environmental benefits that could be achieved through the innovative management of an inter-modal transportation network, to ease pressure in some areas while generating growth in others. One of the primary ways that the ports industry, for example, helps with this is by the increase of short-sea shipping of goods around the coast, which can help reduce the pollution that can come about through congestion on the country's motorways. An example of this is Civil & Marine Cement Slag Co. Ltd, based at Port Talbot, who ship blast-furnace slag from the South Wales steelworks to ABP Teignmouth in South Devon, avoiding a significant road journey across the country.

Looking to the future and how our industry can react to the changing economy in the short term and benefit from emerging markets as the economy recovers, it is my belief that that ABP's five South Wales ports – and by extension all those involved in the logistics chain which begins and ends at our quaysides – will



become a major hub for renewable energy. ABP, as the owners and operators of 21 ports around the UK, sees the renewable energy sector as an exciting growth market and a number of our ports are already engaged in working with customers to support renewable energy initiatives. Recently, for instance, the government gave the go-ahead to the renewable energy plant developments of Prenergy at Port Talbot and Nevis at Newport. Renewable fuel is one of the energy streams of the future and we are well placed to facilitate such a development as this.

Cardiff has recently seen another positive development to the freight network with the introduction of a new door-to-door container service that connects South Wales and its hinterland to Ireland. Cardiff Container Line provides an important, cost-effective, integrated

connection and route to market for Welsh manufacturers trading with Ireland. The Cardiff Container Terminal also benefits from a railhead and significant adjacent development land that has the potential to be developed as a regional distribution hub. The terminal is also actively perusing container feeding connectivity with deep-sea hub ports so that Welsh manufacturers and consumers can benefit from containers arriving to South Wales by sea from the global market.

Working together, I believe that Wales' transport and communications industry can achieve a great deal in the future, including a freight network that satisfies both business and home alike, environmental benefits brought out through the decongestion of some parts of the industry, and the ability to grow as an industry, as the economy recovers, by exploiting new markets.

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