Sector Analysis: Ports

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1. Summary

1.1. This analysis describes the characteristics and scale of the ports sector and its impacts on the delivery of nature conservation objectives in England. It builds on the objectives we set ourselves in our first sector analysis in1999, and outlines English Nature's revised objectives for the sector. Our three priority actions for 2003-2005 are listed, including the key organisations and actions needed to influence policy and its delivery.

1.2. The roles of the key shapers and players within the sector are identified, together with the dominant influences: government departments, various regulatory bodies, commercial ports and their customers, harbour authorities, the port trade associations and bodies representing marine industry and leisure boating industries. As an adviser in the regulatory process English Nature is influential, but we need to complement this with positive initiatives to ensure that we secure outcomes that are favourable to nature conservation and secure sustainable management of our nature conservation resource.

1.3. We examine the key socio-economic and political factors that shape the sector; these include the power of major shipping companies and alliances, the impact of privatisation and globalisation and the dual role of ports as public bodies and commercial companies. We highlight the strong pressures for growth in some regions and sectors coupled with the continuing decline in others, and the need to consider ports as a central component of strategic thinking for transport in the UK. Other significant factors are the volatility of markets and the fierce competition between commercial ports in the UK and with some ports on the near continent, and the continued growth of leisure boating.

1.4. We analyse the positive and negative nature conservation impacts of the ports sector. The most serious conflicts arise through competition for space within coastal and estuarine areas as some ports and harbours, especially on the south and east coasts, seek to expand or adapt to changing markets. On a more positive note, the Habitats Regulations have engaged many ports in the process of marine conservation management, and some harbour authorities are developing a positive role in this respect.

2. Characteristics and scope of the sector

2.1. Ports control the use of water space in most major estuaries and many smaller ones. These include commercial ports such as those managed by Associated British Ports, leisure harbours such as Salcombe Harbour, and some conservancies such as the Chichester Harbour Conservancy.

2.2. Ports are often significant and influential landowners along the fringes of many estuaries and in some areas have been a major developer. Unlike most commercial interests, however, they cannot relocate away from environmentally sensitive areas. Therefore, competition between ports and nature conservation for land is inevitable.

2.3. The growth in some sectors such as containerised traffic and roll-on roll-off, combined with changes in traffic patterns, means that ports continue to propose substantial new developments that require additional land take from estuaries and deepening of approach channels.

2.4. UK policy towards the ports sector is embraced in Modern Ports: a UK policy published by the Department for Transport (DfT) (Ports Division) in November 2000. In this policy it is clearly emphasised that ports are considered to be fundamental to the UK economy but that no guidance will be given on where new port development should be concentrated. The absence of a strategic framework for port development means that expansion proposals are currently dealt with on a case-by-case basis.

2.5. All of England's major port operations are located within or in close proximity to European sites (candidate Special Areas of Conservation and Special Protection Areas). Many ports are harbour and navigation authorities and are therefore Competent and Relevant Authorities under the Conservation (Natural Habitats &c) Regulations 1994. They may also be Section 28G authorities under the Countryside & Rights of Way Act 2000. This confers on them responsibilities for evaluating some plans and projects (including many of their own proposals) and also for management of the European marine sites. S28G ports also have responsibilities to contribute to the management of SSSI and to contribute to the achievement of PSA targets for SSSI in favourable condition. Some of the leisure-based harbour authorities have developed a remit with wider environmental management policies.

2.6. The ports industry is a dominant player in the development of environmental safeguards for the coastal and marine environments, and has been highly influential in shaping some domestic legislation. Whilst English Nature and the Ports Industry have noteworthy differences on the approach to legislative control of activity in the marine environment, we do share similar objectives in relation to streamlining processes to avoid un-necessary bureaucracy.

3. Key Shapers and Players

3.1. Key shapers - defining the rules of the game

3.1.1. The Ports Division of the Department for Transport (DfT) is responsible for Government ports policy and regulating port developments and other marine construction work such as capital dredging below Mean Low Water. The Environmental Protection Division of the DEFRA licenses the disposal of dredged spoil in the marine environment and also construction in the marine environment. Together, these two Divisions form the Marine Consents Environment Unit, which is the first attempt to provide integration between Government departments.

3.1.2. The degree of overlap between statutory harbour areas and European sites means that Department for Environment, Food and Rural Affairs (DEFRA) European Wildlife Division and to a lesser extent, the Land Use Planning Division of the Office of the Deputy Prime-minister, are also involved in port-related matters.

3.1.3. Local Planning Authorities (LPAs) have responsibility for land-based development control, though their direct influence over ports and harbours is reduced by the wide-ranging General Development Order (GDO) powers that many ports possess.

3.1.4. Major port developments can still be authorised by Parliament through Hybrid or Private Bills as an alternative to the Transport and Works Act procedures or Harbours Act, 1964. However, these mechanisms are not normally used, as Harbour Revision Orders were established as a mechanism to reduce reliance on such options.

3.1.5. Other government departments and agencies also influence this sector. For example, the Department for Transport (DfT) is responsible for navigation channel control; the Maritime and Coastguard Agency's main responsibility is for pollution control, and the Environment Agency is responsible for issuing discharge consents, monitoring water quality and some related fisheries issues.

3.2. Key players - seeking to influence the rules of the game

3.2.1. The ports industry is highly competitive in the UK and there is at least a perceived distinction between the bigger port operators and smaller ports and harbours. This is reflected by the representation in port trade associations:

- UK Major Ports Group covers the major commercial ports and represents Associated British Ports, Forth Ports, Hutchison International Ports, Mersey Docks and Harbour Company, The Port of Bristol, The Port of London Authority and Tees & Hartlepool Port Authority.
- British Ports Association principally acts for small to medium-sized commercial ports and harbour authorities, but includes some key Ports such as Harwich Haven Authority and the Port of Dover.

3.2.2. Across Europe, the ports industry is represented by ESPO (the European Seaports Organisation). UKMPG is the UK delegate on the Executive Committee which the BPA chair, and Poole Harbour Commissioners represent the UK on the Environment Committee.

3.2.3. There is no hard and fast rule to ownership and operation of ports, and to the provision of conservancy and navigation infrastructure. On the whole, commercial operations are the operated by the private sector, which owns and operates many of the major ports (e.g. Associated British Ports, the Port of Bristol Company and Mersey Docks and Harbour Company).

3.2.4. The Trust or Municipal Ports have responsibility to provide infrastructure and capacity for a range of commercial interests. In the case of trust ports, although they may not be profit driven, they do regard themselves as private sector and, in the absence of state funding, have to achieve a certain level of profit to be able to re-invest in the port and compete. They have a stronger conservancy ethos embedded in their roles and responsibilities, but various aspects of legislation mean that ports with legal responsibilities, e.g. as a navigation authority, may have wider responsibilities beyond a basic commercial remit.

3.2.5. Both trade associations and individual ports are highly influential within Government and European circles. There are differences in style, but the overall objectives remain consistent. However, competition between the ports has meant that some allow others to maintain a high profile and to absorb costs. For example, concern within the industry at the ways in which the Habitats Directive has been implemented in the UK has led to robust engagement with English Nature, Government and Europe.

3.2.6. In Europe, the ports industry has raised similar concerns to UK ports on the impact of the Habitats Directive and is active in seeking to influence the European Commission to make fundamental changes to the Directive. Projects such as Paralia Nature, sponsored by a variety of northern European ports, including the Port of Rotterdam, have highlighted issues of concern to this section of the industry e.g.

- Uncertainties and lack of information on the real differences between implementation by member states.
- The limitations of current guidance and interpretation on the implementation and implications of the Habitats Directive.
- Uncertainties about the use of over-riding public interest as justification.
- The need for level playing fields across European ports.
- The costs of environmental studies and measures to offset impacts.

3.2.7. Whilst there have been elements of the ports industry that have chosen to challenge the implementation of the Habitats Directive and other nature conservation legislation, there are others that have taken a pro-active stance and have worked positively to ensure that a more balanced sustainable development agenda is followed. Foremost amongst these are the Trust Ports, such as Harwich Haven Authority and Poole Harbour Commissioners, but commercial operators such as ABP and the Port of Felixstowe have also engaged positively. Today, the

more forward-thinking port companies recognise the importance of green credentials and their influence on the company's share performance.

3.2.8. Port and Harbour operators are, however, very much affected by the power of their customers: if the customer does not like your service they seek another service provider. This has meant that shipping operators are pivotal in dictating the direction the industry takes in terms of infrastructure investment.

3.2.9. The most influential sector, and that which has had the greatest impact on the shape and structure of the modern UK ports industry is the container industry. Major shipping lines and alliances such as Maersk Sealand, P&O Nedloyd and Grand Alliance exert tremendous influence. By commissioning bigger vessels, the pressure is placed upon the port operators to provide infrastructure or loose trade to competitors both in the UK or abroad.

3.2.10. Other influences include the availability of HGV drivers and congestion on the quayside and roads in the south east, which can lead to changes in the port of entry. For example, these factors have led some northern importers to re-route their trade via Rotterdam for trans-shipment to the Humber ports.

3.2.11. Whilst much effort concentrates on the impact of bigger commercial operators on the maritime environment, it is possible to lose sight of the huge array of smaller operators and interests. In the 1990's growth in the leisure industry has matched deep-sea expansion, and there has been a steady stream of new marina developments. These represent an entirely different interest group that centres upon the desire to secure additional capacity for leisure craft and access to moorings.

3.2.12. Key players in the leisure industry include the trade associations such as the British Marine Federation and the Royal Yachting Association, but also include some of the larger operators such as Marina Developments Ltd.

3.2.13. There are a variety of commercial consultancies with an interest in the ports industry and significant influence on the ways in which we deal with development and management of the ports portfolio. Foremost amongst these are the engineering and environmental consultancies such as ABPmer, HR Wallingford and Royal Haskoning. The choice of consultancy can significantly influence the way development cases progress, and there are a limited few who truly understand the objectives and procedure laid down by the Habitats Directive and the Habitats Regulations 1994. Market projections are also a key element of the case for port development, with analysts such as MDS Transmodal, Drewry Shipping and Ocean Shipping playing a key role in providing supporting information.

3.2.14. In recent years, we have also seen influential activity on behalf of the ports industry within Government and opposition parties. The Parliamentary Maritime Group takes a close interest in the ports industry and various members of the House of Lords have represented the industry’s interests at key stages in legislature, countering and proposing new legislation.

3.2.15. Finally, there has been a substantial shift in the ways in which the industry is influenced from outside. This was led by the RSPB who were the first to undertake a detailed evaluation of port capacity in the UK. Today, much greater emphasis is placed on understanding the ports industry and ports policy, with a variety of NGOs taking a keen interest through the establishment of Portswatch, which seeks greater Government commitment to spatial planning and measures to ensure most efficient use of port capacity. These include FoE, The Wildlife Trusts and WWF.

4. Socio-economic and political factors

4.1. Ports are an essential part of the UK economy, providing the point of entry for 90-95% of UK trade (airfreight and the Channel Tunnel Rail Link account for the remainder), and the UK ports sector is the largest in Europe. They have developed as a result of local factors, having originally been established to serve local economies and linked businesses such as coal mining, agricultural bulk materials, oil and fishing. The legacy of past evolution and the fortunes of the communities they served have strong bearings upon their evolution and re-configuration to secure new commercial opportunities. Coastal locations for port developments are limited, requiring appropriate access on a range of tides, and a sufficiently sheltered location to allow vessels to be loaded and unloaded as quickly as possible. In smaller estuaries and within smaller ports, the opportunities for new port capacity are very limited.

4.2. The dock labour scheme, revoked in 1989, artificially reduced trade at a number of the older commercial ports, and provided an opportunity for rapid growth in ports outside the scheme such as Felixstowe. In scheme ports, large areas of dockland became surplus to requirements and a proportion of this was sold on for redevelopment, especially during the 1980s property boom. Some of this land was genuinely redundant but, elsewhere, ports regained traffic after the scheme ended and have sought to replace that lost capacity by expansion into fresh land areas. This remains a problem for some of the smaller ports with a specific niche and land that is viewed as redundant in the current economic environment. High value waterside property development remains attractive whilst local capacity is under-utilised, and this has the potential to limit long-term options for use of ports to service a modal shift from road haulage to short-sea shipping.

4.3. In the past forty years, there have been substantial technological changes that have revolutionised cargo-handling and significantly reduced reliance on manual labour. Two innovations are particularly important: the introduction of unitised cargoes in containers, and articulated lorries that make it possible for cargoes to be delivered at a port of despatch and collected from its point of delivery by separate drivers and tractor units. This has led to the development of the container port and roll-on roll-off (ro-ro) industries with terminals dedicated to one particular mode of delivery.

4.4. Within the container industry, 'hub ports' compete directly with their equivalents in France, Belgium and the Netherlands for long haul traffic, and our economy benefits from reduced transhipment costs and increased income by having 'hub ports' in the UK. Options to trans-ship give flexibility to both the shipping lines and alliances, and of course to particular clients.

4.5. The hub/spoke concept is an important factor in the current drive for additional capacity, as trans-shipment becomes increasingly realistic once throughput and capacity reach a critical mass. The principal hub port in northern Europe is Rotterdam, which offers around twice the capacity of any current UK container port. Moreover, as ship sizes increase, ports wishing to remain in this category have to expand, provide deeper access channels, bigger berths and more shore side cargo handling and storage capacity. The concept of hub-spoke ports is less well defined in other parts of the industry, although deep-sea car ferries do take a similar approach.

4.6. Globalisation, and a pronounced shift to far eastern and third world manufacturers, has greatly changed the nature of the shipping market. Major shipping lines have sought efficiency gains through the use of larger vessels, and following the abandonment of the Panamax class (i.e. vessels capable of passing through the Panama Canal) there has been a rapid change in the size of container vessels.

4.7. Current orders concentrate on new container vessels in the region of 6,000-8,000 TEU (twenty foot equivalent units) some 300 metres long and with a draught of 14 metres or so (maximum around 14.5 metres). Greater vessel size has led to the concentration of port capacity at a number of key locations, with the majority of our largest ports sited in south-eastern England. This is because the major trade routes pass through the English Channel, with a limited number of calls at continental

ports, and usually with one stop at a UK port. The costs of operating modern vessels mean that substantial deviations from existing trade routes are unlikely to be considered to be economic.

4.8. Recent increases in the size of container vessels have overshadowed the changing size of other vessels, which have markedly increased in size across the spectrum of deep-sea and coastal shipping. Such changes may be expected to continue and market analysts suggest that container vessels with 15,000 TEU capacity may be expected in due course.

4.9. The changing nature of the industry and pressure arising from capacity bottlenecks has led to a period of un-precedented port development activity. This in turn has meant that port development casework has been foremost in the public eye and has been ground-breaking in the implementation of the Habitats Directive and Habitats Regulations. There is a strong possibility that should all development proposals be consented, they will lead to the loss of existing capacity and concentration of capacity at a much smaller number of locations. This reflects a general trend, largely dictated by the shipper operators for capacity closer to the open sea and major seaways. For example, it is possible that Tilbury will not be able to compete with London Gateway and that existing capacity will be lost to other commercial development.

4.10. Socio-economic influence on nature conservation site designation has been a recurring issue in port development casework. Whilst the Habitats Directive seeks to secure sustainable development as one stage within the tests necessary to secure consent for developments this continues to be a matter of concern to the ports industry. As a consequence, the industry expresses a desire to seek changes to the Directive to allow socio-economics to be taken into account **before** sites are designated, and is lobbying for such changes.

4.11. Whilst there are some within the industry who engage robustly in relation to nature conservation designations and legislation, the environmental profile of public companies is becoming important to shareholders and management alike. This is true within the ports industry as elsewhere, and UK ports are closely involved in Ecoports, an EU funded research & development project that is investigating environmental performance and is developing self diagnosis tools. There are nine partners in this initiative, with the UK represented by the British Ports Association and ABP. One of the first products of Ecoports is the Port Environmental Review System (PERS), largely designed to help ports implement the recommendations of the European Sea Ports Organisation (ESPO) Environmental Review. Under PERS, ports can be certificated to show that a port has introduced a coherent environmental management system that covers the Review's objectives. The certificates are awarded by Lloyd's Register and at the time of writing, three UK ports (Dover, Tyne and Harwich Haven) have been awarded certificates.

5. Impacts on Nature Conservation

5.1. Ports are mainly located in estuaries where they compete for sheltered locations with birds and coastal habitat (mudflat and saltmarsh). It is therefore no coincidence that the majority of the most important ports lie within or adjacent to sites designated as Special Protection Areas, Special Areas of Conservation and Ramsar Sites. The industry has four key impacts on this nature conservation resource:

- Port and marina development and operation can lead to direct and indirect nature conservation losses, and the potential introduction of alien species to the marine environment. Impacts include direct loss of conservation land, changes to sediment budgets and hydrodynamics that affect the long-term future of inter-tidal and some sub-tidal habitats, and disturbance from recreational activities. Additional impacts include pollution arising from anti-foulants and spillages, sediment deposition at dump sites and erosion from shipwash.

- Knock-on effects from port developments and expansion include the need to upgrade and increase road capacity and infrastructure. To date, the effects on the rail network have been less apparent, but they may occur in due course.
- Impacts upon air and water quality through emissions, dust and accidents that can affect nature conservation interest. These may involve the provisions of both the Environmental Liabilities Directive and the Water Framework Directive (the latter is currently a matter of some concern to the ports in relation to water quality standards set for port and harbour waters). Shipping is also a significant source of SO_2 and as such may be seen as a factor in the continued generation of acid rain. Whilst not strictly within the control of the ports industry, it may become a more prominent issue, as there is a proposed EC Directive [COM (2002) 595] to regulate the levels of sulphur in marine fuels.
- The industry takes a keen interest in nature conservation designations and new environmental legislation. It has made robust efforts to challenge site designation processes, both in the UK and in Europe, and has successfully countered proposed new marine conservation legislation in the UK.

5.2. The approach parts of the industry have taken to UK site selection processes and application of the Habitats Directive has led to a wide perception in the conservation world that the industry is a threat to conservation of biodiversity, especially within estuaries. This has meant that attention has focussed upon issues rather than the wider sustainable development principles that the Directive sought to secure. It has also led to wide variation amongst conservation organisations in the way the industry is perceived and in the way we engage with the industry. Seeking Sustainable Development solutions and working with the industry is not a universally accepted approach.

5.3. Engagement with the ports industry has been highly influential on thinking within English Nature on how best to secure sustainable development solutions in the coastal environment. It has meant that we must, and have, develop(ed) new ways of working. We have given careful thought to the mechanisms that might deliver compensatory measures and have the scientific basis to conclude that models such as habitat banking as practised in the USA are not applicable. Alternative models have the potential to be helpful, but are not consistent with current legislation and its application.

5.4. Port and Harbour Authorities have a range of statutory powers, including responsibilities to maintain navigation for commercial and leisure users. The introduction of the Habitats Regulations, and the provisions within Regulation 34 make port operators and harbour masters key players in the management of European marine sites. Depending upon their statutory responsibilities and ownership of land, they may also have responsibilities as Section 28G Authorities under the Countryside and Rights of Way Act 2000, which means that they join a range of statutory bodies responsible for delivering PSA targets. The authority of such powers means that ports are well placed to encourage and enforce sustainable multiple usage of their harbour areas.

5.5. At a practical level, ports carry out a large amount of maintenance dredging each year and there is potential for considerable wildlife gain from the beneficial use of this material. Foremost amongst the ports to adopt this approach are Harwich Haven Authority, who have worked closely with the Environment Agency to trial new and innovative sediment replenishment techniques.

5.6. In terms of wider biodiversity gain, there are examples of best practice among ports, such as the creation of wildlife corridors (Bristol Port Company for example), and the occasional nature reserve management agreement between ports and County Trusts (e.g. ABP at Immingham). These tend to be the exception and there is scope for greater biodiversity gains through positive land management within port holdings. To some extent this is being held back by concerns amongst port estate managers that such projects would reduce flexible use of operational land, and that more restrictive designations might follow.

6. Securing sectoral objectives

6.1. Our first Sector Analysis was compiled during a period of heightened engagement with the ports industry and at a time when the industry was adjusting to major changes in the shipping industry through globalisation. It coincided with the development and publication of Government's UK ports policy and a great deal of emphasis was placed on strategic direction.

6.2. There has been progress, but the industry remains to be convinced that they can work with the Habitats Directive. It has campaigned hard both in the UK and in Europe (in conjunction with other European ports) to secure readjustments to the ways in which the UK Government implements the Directive. Studies English Nature undertook for DEFRA show that some of the problems lie in the ways other Member States have implemented the Directive, giving the appearance that the UK ports industry is placed at a disadvantage. Even so, it is apparent that ports within other Member States have similar problems with the Habitats Directive and would welcome changes. The decision by the EC in 2002 that the UK approach to site boundary definition for estuaries was correct and that other Member States should adopt the same approach was an important landmark.

6.3. Whilst the tests of the Habitats Regulations have been rigorously applied by the Competent Authorities, we have all learnt how to work through them. Thus, we now engage to secure acceptable compensatory measures whilst employing our philosophy that *in situ* conservation is the preferred option. By and large, this approach has meant that we have engaged positively in the search for sustainable development solutions and are much closer to avoiding the need to challenge proposals at public inquiry. For its part, we have noticed clear changes in the approach within parts of the industry, although this is not uniform.

6.4. Within our approach to port development cases there has been a shift in emphasis to secure sustainable development solutions. We have acknowledged through our Ports Position Statement, the possibly unique position of UK ports as a centre pin of UK transport strategy. This, we think means that they should have relatively little difficulty justifying their proposals on imperative reasons of over-riding public interest.

6.5. Even now, parts of the industry remain hostile towards the Habitats Directive, and there are proposals for lobbying the EC for changes to the Habitats Directive. This would defeat the object of the Habitats Directive and the transparency of the process of providing consents for sustainable development. Designation of various proposed SPA and SAC is delayed as a result of continued port objections and drives to increase the level of scientific justification before sites are designated. We are not alone, however, and similar variations in the level of hostility to the Directive are noticeable amongst continental ports.

6.6. There have been positive developments in the management of European marine sites, with some ports hosting project officers, or initiating management schemes. This is to be applauded and encouraged. It is noteworthy that the UK has progressed much further in the implementation of the Habitats Directive that other Member States and those models we possess might be applicable elsewhere. Unfortunately, demonstration projects such as the UK Marine SACs project have not been widely disseminated across other Member states.

7. Sectoral Objectives

7.1. The UK approach to implementing the Habitats Directive in relation to port development gains support across Member States and that through this approach a more level playing field is established.

7.2. Broad understanding and support within the ports industry of the use of the Habitats Directive as a transparent tool for securing sustainable development.

7.3. EC understanding and support for the UK approach to designation and implementation of the Habitats Directive in relation to port development and management of navigation channels. Seek to ensure that the UK approach is endorsed and implemented elsewhere.

7.4. Encourage those in the ports industry who remain hostile to the Habitats Directive, to adopt a forward view and to work with us to find SD solutions.

7.5. Improved integration of port capacity into the transport network, building on port industry contributions to reductions in greenhouse gases by providing facilities for feeder traffic to switch from road to rail or short-sea shipping.

7.6. Closer integration between long-term port development proposals and strategic planning for flood and coastal defence. Within this approach we look for stronger links with the coastal defence sector to enable dredged material to be more fully utilised for coastal management.

7.7. Ensuring that habitat banking as developed in the USA is not established in the UK. Acceptance of the concept of strategic land acquisition for compensatory habitat creation in lieu of port developments.

7.8. A port industry that makes a positive contribution to biodiversity planning and the achievement of biodiversity targets in the maritime and terrestrial zones.

7.9. Engagement at a Regional level to ensure that issues relating to allocation of land required for port development are recognised and accommodated within Regional Spatial Strategies.

Priority actions and key messages	Key shapers	Key players	English Nature lead teams/individuals
P1. Seek to ensure that the UK learning experience is disseminated at a European level and used to influence the Commission in its interpretation of the Habitats Directive. In this action we seek to use our experience to establish a level playing field closer to the highest rather than the lowest common denominator.		DG11 DEFRA European Wildlife Division Ports industry practitioners e.g. Harwich Haven Authority, Port of London Authority & ABP. Port trade associations	Shaun Thomas (Transport lead) Director Operations (Dr Andy Clements) Maritime Team (Roger Morris)

P2. Further the concept of sustainable port development linked to strategic planning by individual ports for long-term business development. Building on recent experience we seek to ensure that port development cases are dealt with in a way that minimises the need for costly public inquiry commitments where sustainable development solutions can be secured early on.	DfT Ports Division DEFRA Environment Protection Division Local planning authorities	RSPB DEFRA European Wildlife Division Port operators Port trade Associations	Director Operations (Dr Andy Clements) Transport lead (Shaun Thomas) Maritime Team (Roger Morris)
P3. Convincing ports that they should play a full and constructive role in the management of European Marine Sites and to meet their responsibilities laid down under S28G of the CROW Act. Through better integration of management actions by all competent authorities, we seek to ensure that designated sites are maintained in or returned to favourable condition to ensure that PSA targets are met by 2010.	Ports with European Marine Sites and SSSI.	DEFRA European Wildlife Division DfT Ports Division BMIF Port trade associations	Maritime Team (Roger Morris) (Ian Reach - coordination of local team discussions with individual ports over management schemes.) Designated Sites Team All local teams liasing with Ports as Relevant Authorities: North and East Yorkshire, Humber to Pennines, Essex Herts and Greater London, Hampshire and Isle of Wight. Dorset, Kent, Devon, Cornwall, Somerset and Cumbria

8. Regional variation

8.1. Inevitably, there is pronounced regional variation in port development activity and some of the key issues. These are discussed below:

Region	Principal Ports[1]	Principal issues	Notes
South West	Bristol Plymouth (inc. MoD) Poole Harbour	Delays in completing UK marine SAC series. Implications for Welsh Assembly Government on links between completion of SAC series and Objective 1 funding. Impacts of tightening environmental measures on small ports – Port of Truro is seriously affected if maerl extraction on the Fal is stopped. In SW, small ports and harbours are of great importance as local economic drivers. They are also strategically placed to possibly cater for short-sea shipping if it could be promoted. Increasing port throughput can have knock-on effects on local transport networks that do not have the capacity for HGV traffic, leading to demands for road improvements and upgrading that may affect SSSI. This is an emerging issue in Dorset in particular.	1. Continued concern about the application of the Habitats Directive and designation of the Severn pSAC. 2. Improving access for new generation car ferries at Millbay docks 3. The role of small ports in the regional economy and the need to maintain port infrastructure in the face of pressure for prestige development. 4. There is a need to resolve concerns about management of maintenance dredging in some ports and harbours where the port is just one of a number who undertake maintenance dredging. 5. Increased throughput from Poole Harbour is leading to concerns about impacts of HGV on rural roads, affecting quality of life and potentially designated sites along current transport corridors. However, it is important to note that Poole Harbour has recently introduced a rail service for imported steel that carries circa 800 tons per week (the equivalent of 40 return lorry trips).
South	Southampton (inc. Fawley & Marchwood) Portsmouth Harbour (inc. MoD) Shoreham	Fundamental differences between local community and the port of Southampton that may run for a while yet. Southampton is an important alternative gateway to the ports in eastern England. There will be a period of up to ten years during which time we will be closely involved in the consents process for reconfiguration of Portsmouth Harbour to meet new MoD needs. Work within the Solent Estuaries, especially Portsmouth &	1. Proposed Dibden Bay Container Port awaiting SoS approval. 2. Development of sustainable dredging strategies for ports and marinas (the Greater Solent is a major centre for the marina industry). QHM Portsmouth has taken lead for Portsmouth Harbour. 3. Small-scale developments in most estuaries of the Greater Solent.

[1] The list of ports is not comprehensive but includes those larger ports that have the greatest strategic significance. They vary hugely in size and activity.

		Southampton forms the foundation for addressing sediment budgets of low sediment estuaries where there are high levels of maintenance dredging.	4. There is the likelihood that Portsmouth Harbour will have to be substantially re-configured to accommodate the new generation carrier and destroyer fleet.
South East	Dover Sheerness Thamesport	The ports of the Medway estuary and related marina and wharf operations are an important local economic driver.	1. Possible options for port expansion on the Isle of Grain. 2. Various small quayside and wharf developments in the Chatham and Rochester areas. 3. There are proposals for expansion of the port of Dover. These are likely to be within the existing port envelope, and are not likely to involve designated sites. 4. There is a likelihood of further river/sea-dependent industries locating within Medway. Policies in the Local Plan favour redevelopment of old refinery land at Grain. Transco are about to build a new jetty there to import LNG, for example. However, long-term development on the Isle of Grain, and expansion of Thamesport, are likely to be conditional on improvements to road/rail infrastructure, given the poor state of the A228. This in itself will raise Habs Regs issues, since road improvements between Stoke and Grain will inevitably lead to loss of land within the Medway Estuary and Marshes and/or Thames Estuary and Marshes (both SPA and Ramsar sites). This calls for a strategic view that integrates ports with the wider transport network.
Greater London	Port of London (Authority)	Strategic relations with the PLA are fundamental to management of the Thames Estuary. The Thames is one of our largest ports in terms of overall throughput. It operates through a wide variety of localised operations that are important local economic drivers.	1. PLA is a Trust Port, with navigation and conservancy responsibilities. Income relies on traffic and a number of very large clients. Loss of one can be significant. They are key partners in sustainable management of the Thames Estuary. 2. PLA was one of the major ports with significant concerns about the Randall Bill. 3. There are a large number of small wharves and Ro-Ro terminals along the Thames whose contribution to capacity is possibly overlooked.

East Anglia	London Gateway BP Terminals Harwich Haven Felixstowe Ipswich Kings Lynn	This is the area of greatest potential capacity growth. It offers the possibility of competition with major continental ports because of its close proximity to the major shipping lanes and continental destinations. Ports are seen as major economic drivers to provide new jobs that replace those lost elsewhere in the region e.g. Ford at Dagenham. Equally, proposals such as Great Yarmouth Outer Harbour are seen as potential drivers for local economic regeneration. Potential issues include upgrading road and rail links across the region, with the need to minimise any detrimental nature conservation impacts.	1. Port expansion/redevelopments at Shellhaven, Bathside Bay, Felixstowe, Ipswich and Great Yarmouth. 2. Some marina and recreational management that links into wider issues of integrated dredging strategies.
East Midlands	None of significance	On the whole, this region is not a major significance in terms of port capacity, with relatively small ports and wharves in the Wash, and on the Trent as far south as Gainsborough.	1. No major issues, although possible local pressures to expand capacity at the port of Boston.
Yorks & Humberside	Hull Immingham & Grimsby Goole	The ports of the Humber are linked to the major trans-Pennine transport networks. Their combined capacity is in the order of 50 million tonnes pa, making them the largest in the UK. ABP, the main owner/operator in the navigation authority and a key partner in delivering a sustainable port strategy for the Humber. There are a variety of other port operators (including the Simon Group) that vary in size and activity. There is a tendency for them to be overlooked as ABP tend to dominate the agenda for the Humber Estuary. Yorkshire Forward the region's Development Agency, identifies the Humber ports as a key resource both economically and socially, and identify the area as a "key focus for development activity in the sub-region" in the Regional Economic Strategy.	1. Ongoing discussion on the measures to offset development impacts at Immingham and Grimsby. 2. Possible increased demand for container transhipment from Humber Ports as congestion increases in SE ports. 3. Humber INCA recently established – this provides a possible mechanism for proactive work to secure favourable condition in partnership with the Humber ports.
North East	Tees & Hartlepool	The port at Tees & Hartlepool is intimately linked to petrochemicals and steel. It is highly significant in regional economic terms and is preparing to diversify and expand some activities such as trans-shipment of containers.	1. Possible increased capacity for container transhipment as congestion increases in SE ports. 2. Impact of possible closure of Redcar Steelworks on viability of port activities – the release of

			capacity for other possible activities. 3. Dry docks on the Tees include the largest in the UK, which is the proposed site for decommissioning of oil rigs.
North West	**Liverpool** (MDHC) **Manchester Ship Canal** (Peel Holdings) **Heysham** (MDHC) **Fleetwood** (ABP) **Barrow** (ABP)	There is substantial under-utilised port land at Liverpool, including the Seaforth lagoons SSSI. Port concerns about the impacts of SPA designation (extension) on the Mersey means that we have as yet failed to complete the designation process. Port of Liverpool exploring plans to develop post-panamax berthing and handling facilities. The port needs to maintain flexibility to use such land as the port business develops. This is reflected in regional policy and the interest that the RDA has taken in the designation process. There are a variety of issues developing in relation to Mostyn Docks, which have meant that EN has maintained a watching brief on developments but has largely left case management to CCW. Cumbria ports strong emphasis on regeneration through housing and recreational facilities.	1. Regional Economic Strategy and Regional Planning Guidance make a clear emphasis on contribution of ports to North West Economy with strong support for continued growth. 2. Substantial emphasis on port land at Liverpool providing the foundation for economic development in the NW. 3. Increased trade with Ireland and demand for additional Ro-Ro capacity at Liverpool & Heysham. 4. Manchester Ship Canal identified as having significant potential for increased freight traffic. 5. Increasing requirement for capacity to supply the demands of the offshore windfarm industry. 6. Although largely a CCW issue, the Port of Mostyn (on Welsh side of the Dee) makes some demand on EN time and has implications for economic development in NW (Airbus wings).

8.2. The key messages at a regional level that need to be embedded in regional development strategies and within the regionalisation agenda are:

8.2.1. English Nature is not anti-port. We recognise the economic and social importance of the ports industry, and believe that they have few options to re-locate. Our view is that existing port land is of high strategic importance and should not be lost to other development opportunities unless genuinely redundant.

8.2.2. Given that the majority of major ports lie within or adjacent to sites designated under the Habitats and Birds Directives, it may be difficult to justify new port development if existing capacity is allowed to be re-developed for non-port related activities in the absence of a regional strategic overview of the contribution that the ports make and will make to regional economic regeneration.

8.2.3. Re-use of port land (including some necessary expansion to make the port more efficient or capable of accommodating changes in shipping design) is the most sustainable approach to provision of necessary infrastructure.

8.2.4. There is a need to consider the linkage between ports and wider transport networks to create a fully integrated transport strategy.

8.2.5. Regional planning to place ports at the centre of economic activity will help to create the basis for any over-riding public interest case for port development. Linked to this, there needs to be a programme of strategic land acquisition to provide locations for any necessary compensatory habitat creation measures.

8.2.6. Taking port development through the Habitats Regulations is the most transparent way of demonstrating sustainable development. Attempting to by-pass the Regulations can only lead to protracted and costly debate that really only benefits consultancies and legal practices and is likely to be more costly in terms of delay.

8.2.7. In some more remote regions (e.g. the South West), there is a need for the industry and regional government to consider the ways in which short-sea shipping might be promoted to reduce lorry movements and the need for additional road infrastructure. Promotion of trans-shipment as an alternative to lorry movement from the south east ports has the potential to make best use of port capacity and reduce greenhouse gas emissions through lorry movement. Development of incentives for such an approach would help to narrow the costs between sea borne and road transport. However, there is also a need to promote and encourage the use of low-sulphur fuels, especially in near-shore situations.