

Research Feature:

“Container Transshipment and Demand for Container Terminal Capacity in Scotland”. This report by Alf Baird, Maritime Research Group, TRi, Napier University was published in August. It was commissioned by Scottish Enterprise in association with the Scottish Executive and Highlands and Islands Enterprise. It argues that both international container ports at Hunterston and Scapa Flow would both be in a very strong position to compete in a fast-growing market. The report found that the proposed developments would offer significant benefits for major shipping companies and be a large boost for the local and Scottish economies. The ports would serve different markets and not be in direct competition.

It concludes that:

- Demand is forecast to more than double in the Northern European containerport market between 2001-2015, particularly because of the growth in trade with the Far East;
- There is likely to be a need for significant additional containerport capacity to serve, in particular, the UK import/ export market, and the Baltic/ Scandinavia transshipment markets;
- Hunterston would be expected to serve the UK import/ export market. Scapa Flow would be expected to serve the Scandinavia/ Baltic transshipment market;
- There will be a particular demand for ports which can safely and reliably accommodate a new generation of larger vessels. Natural deep water access channels and lower cost land for expansion are key strengths of both Hunterston and Scapa Flow;
- Both ports would offer the significant time and cost savings in their likely markets compared to Rotterdam and other planned developments in the UK and Northern Europe;
- There would be major environmental gains from developing both ports because of the avoidance of channel dredging. Scapa Flow would not impact on road and rail container traffic, and transport around Hunterston is less congested than around southern ports.

Almost half of all Northern European deep-sea containerport activity in 2001 was accounted for by Far East trade, with about one third for North/ Central America. This compares with 39.1% for the Far East and 40.3% for North/ Central America in 1991. By 2010, almost one third of all loaded containers worldwide are expected to trade with China.

Hunterston and Scapa Flow are currently among several planned schemes in the UK and the rest of Europe to establish new container transshipment capacity. Clydeport PLC, North Ayrshire Council and Scottish Enterprise are working with private sector interests to promote Hunterston. A start on site work is subject to planning and other approvals. Orkney Islands Council, Highlands and Islands Enterprise and Orkney Enterprise are working with private sector interests through International Container Hubs Ltd to promote

Scapa Flow. A start on site work is dependent on the necessary planning and other approvals.

The report can be found on the Scottish Executive's website at www.scotland.gov.uk/.