

# The impact of BREXIT on Dublin Port

Presentation

by

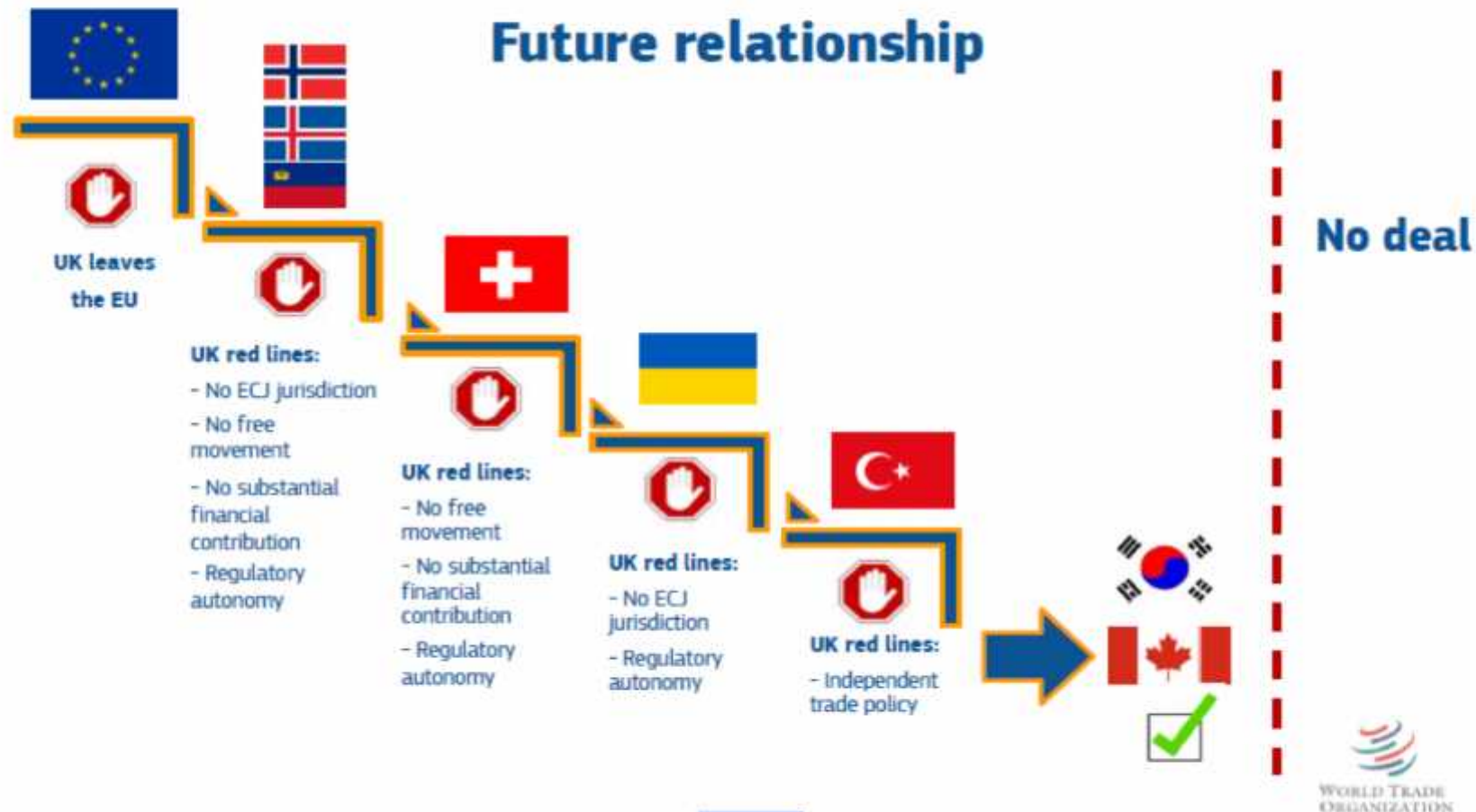
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Dublin Port Company

20<sup>th</sup> February 2018

- 1. What does soft and hard Brexit mean from your company's perspective?**
- 2. How do you think Brexit will affect your business? How could it impact on your operations?**
- 3. What do you do to anticipate potential change in the regulatory landscape after Brexit? Do you believe you will have to restructure or change the way your company operates?**
- 4. How does Brexit influence your business plans for the next 5-10 years and will it impact on your company's growth projections?**
- 5. What would your main message to the UK and EU negotiators be?**

**Q1.** What does soft and hard Brexit mean from your company's perspective?

*Dublin Port Company is taking the UK at its word*





## Design of border facilities to service ferry companies is nearing completion



**Q2.** How do you think Brexit will affect your business? How could it impact on your operations?

*After BREXIT, the number of non-EU freight units moving through Dublin Port's seven unitised freight terminals (three Lo-Lo and four Ro-Ro) will increase more than fivefold*

Before BREXIT

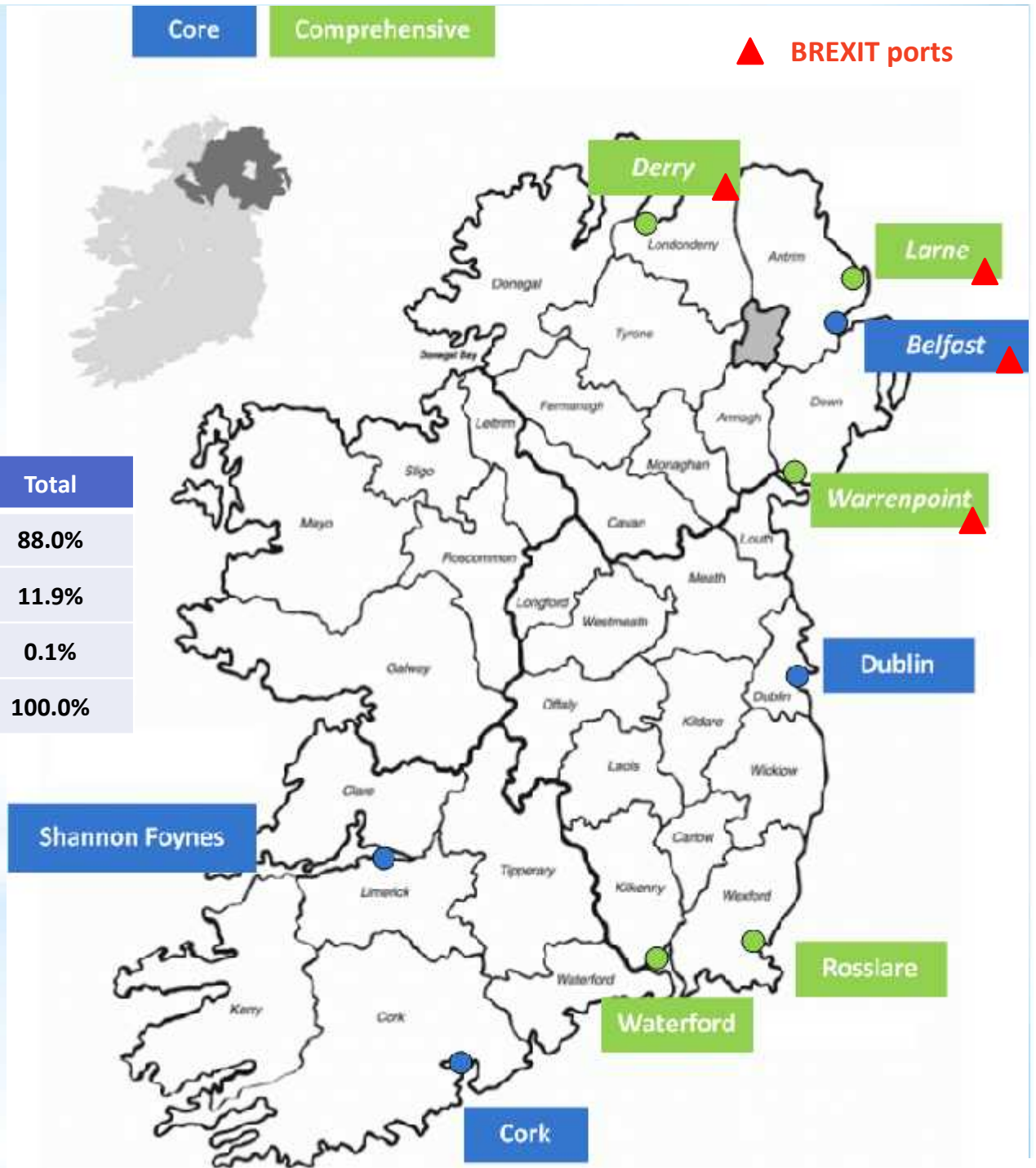
	Non-EU	EU	Totals
Ro-Ro terminals (4)	-	862,000	862,000
Container terminals (3)	196,000	326,000	522,000
Totals (7)	196,000	1,188,000	1,384,000

After BREXIT

	Non-EU	EU	Totals
Ro-Ro terminals (4)	862,000	-	862,000
Container terminals (3)	196,000	326,000	522,000
Totals (7)	1,058,000	326,000	1,384,000

Dublin Port will remain the largest Ro-Ro port in Ireland

Ro-Ro 2016	UK	Europe	Total
Dublin	88.8%	83.5%	88.0%
Rosslare	11.2%	16.1%	11.9%
Cork	0.0%	0.4%	0.1%
Totals	100.0%	100.0%	100.0%





**Shipping operators are already deploying more capacity on direct routes to Continental Europe**

**CLdN's Celine – 8,000 lane-metres – started October 2017**

**Rotterdam / Zeebrugge / Dublin**



**Irish Ferries' WB Yeats – €144m starts mid-2018**

**Cherbourg / Dublin**





On 2<sup>nd</sup> January 2018, Irish Continental Group announces it is investing €165 million to build a new cruise ferry for the Dublin – Holyhead route:

*...it will be the largest cruise ferry in the world in terms of vehicle capacity*



	Cruise Ferry Details	Ulysses
Gross tonnage	(estimated) 67,300t	50,938t
Deck capacity		
Trucks (maximum)	330	241
Trucks (effective peak capacity)	300	200
or		
Cars (maximum)	1,500	1,342
Passenger Capacity	1,800	1,850

**Q3.** What do you do to anticipate potential change in the regulatory landscape after Brexit? Do you believe you will have to restructure or change the way your company operates?

- Dublin Port Company is an infrastructure provider
- We will provide the required infrastructure for border controls required by Irish State agencies to met their obligations under EU legislation including the Union Customs Code
- We are relying on operators in the supply chain (ferry companies, hauliers, exporters / importers) to make the necessary arrangements with State agencies, particularly Customs, to facilitate free movement of goods through Dublin Port.
- We ran a Workshop on 1<sup>st</sup> February with all stakeholders and are confident that this will happen.
- We will run a second workshop in May for a progress update and a final workshop at year end to, hopefully, confirm all arrangements for border controls (infrastructure, systems and processes) are in place in advance of March 2019
- We see no major changes being needed in Dublin Port. The pressure for change will fall elsewhere in the supply chain
- A new “overhead” industry will emerge in the form of customs clearance services. This is an extra cost and an inefficiency in the supply chain and is the opposite of the benefits achieved when barriers to trade were removed following the 1985 White Paper by Lord Cockfield on the completion of the internal market

**Q4.** How does Brexit influence your business plans for the next 5-10 years and will it impact on your company's growth projections?

*We will continue to expand capacity to cater for growth. BREXIT will not change this.*

*Volume demand might be lower than it otherwise would have been.*

*Likely to be a change from UK services to direct services*

2013	+ 3.0%
2014	+ 6.9%
2015	+ 6.4%
2016	+ 6.4%
2017	+ 4.3%
2013 to 2017	+30.1%

1950 to 1980	3.2%	2.9m	7.3m
1980 to 2010	4.7%	7.3m	28.9m
2010 to 2040	3.3%	28.9m	77.2m

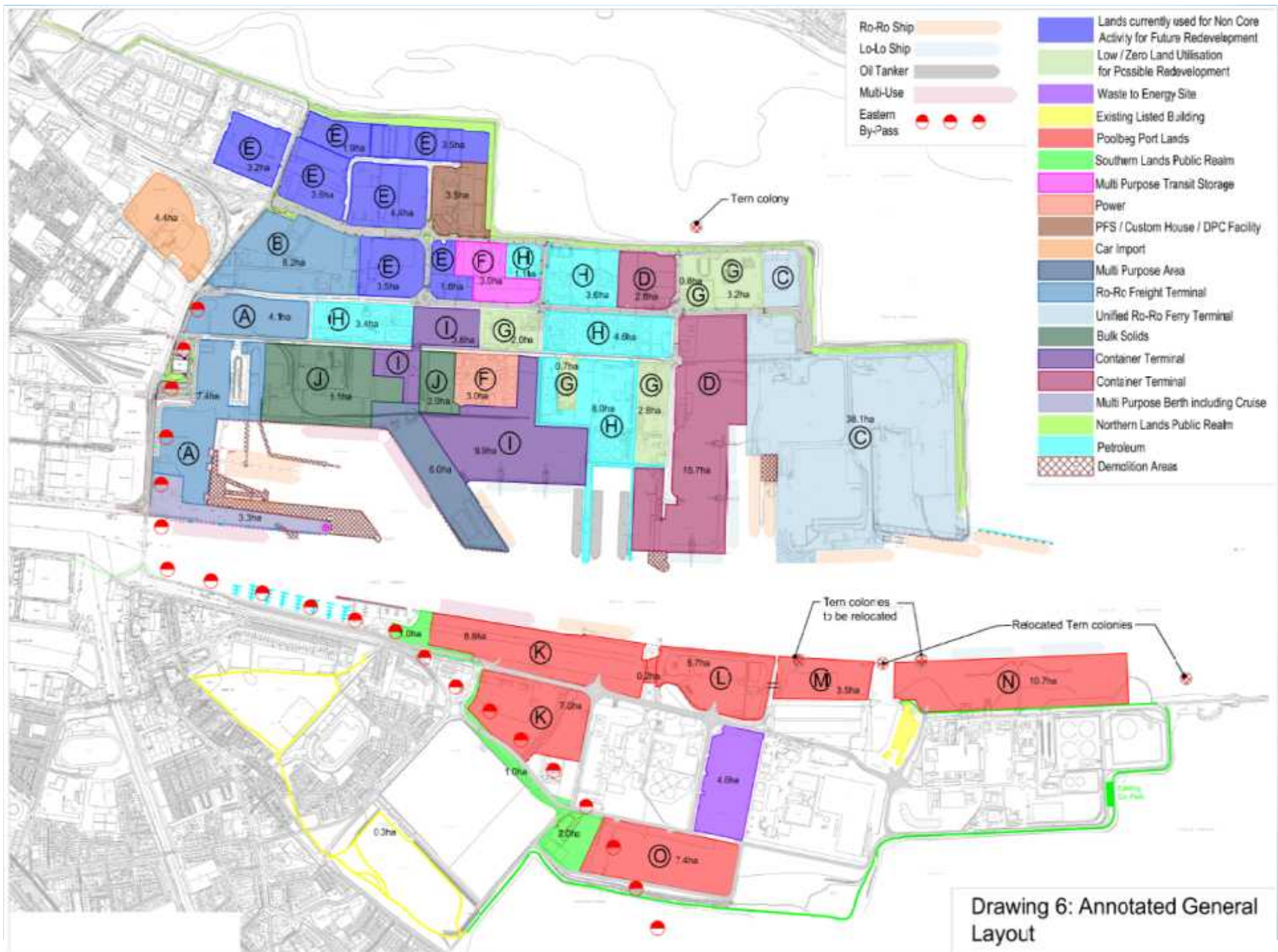




## Long-term challenges remain unaltered by BREXIT:

- Dublin Port will reach full capacity by 2040
- Key challenge is to achieve high throughputs in the four Ro-Ro terminals
- Large capital investment programme underway:
  - €82m in 2017
  - €132m in 2018
  - €1,000m in ten years to 2027
- BREXIT is an unwelcome complication
- Dublin Port and all stakeholders are working to minimise disruptions to supply chains as a result of BREXIT
- Dublin Port needs to squeeze as much cargo through every hectare as possible

	<i>Tonnes 2016</i>	<i>Land area</i>	<i>Tonnes per hectare p.a.</i>
<b>Barcelona</b>	<b>47.5m</b>	<b>1,082 ha</b>	<b>44,000</b>
<b>Rotterdam</b>	<b>461.2m</b>	<b>7,833 ha</b>	<b>59,000</b>
<b>Dublin</b>	<b>34.9m</b>	<b>309 ha</b>	<b>113,000</b>



Drawing 6: Annotated General Layout

**Q5. What would your main message to the UK and EU negotiators be?**

- Dublin Port had a large challenge to develop capacity for future growth before BREXIT became an issue
- BREXIT is an unwelcome development but doesn't significantly change this challenge
- There will likely be a change in the profile of Ro-Ro services with more capacity on direct routes to Continental Europe for two reasons:
  - Diversion of UK landbridge traffic
  - Underlying change in trading patterns away from UK to EU-26 countries
- The real impact of BREXIT in Ireland will be felt by specific sectors including, in the transport sector, hauliers and, in the wider economy, agriculture and food companies
- However unlikely it looks at the moment, keeping the UK in the Customs Union or, even better, in the Single European Market would be a good outcome by the negotiators
- We cannot plan on the basis of any outcome other than a hard BREXIT based on the UK government's clear and unequivocal statements of intent
- Our hope is that the negotiators achieve a continuity of short-sea fluidity for Ro-Ro ferry services



