

Ports and the availability of berths

1. There has to be close cooperation between ports and ferry companies. Ferry companies typically have long-term arrangements (5 to 20 years) with the ports they use. This allows the port company to make any substantial investment needed to develop its port to meet the particular requirements of each ferry company without undue risk. (For example, the cost of a new linkspan to enable vehicles to board a ferry is around £7 million and the berth may need to be lengthened or the access channel deepened to suit a new ship.) Most ferry berths at the ports currently used operate close to full capacity at peak periods. Some berths have slots available outside peak times; it would, however, be difficult for a new entrant to establish a viable service using these slots unless complementary peak slots could also be found. Although some spare berths are available, ferry companies may find it difficult to switch ports at short notice where substantial adaptations would need to be made to accommodate the specific requirements of particular ships. A number of features of ports, including the depth of access channels, the length of berths and the availability of parking space for trailers, affect their suitability for some types of vessel. At some ports accessibility for large vessels may depend on dredging. We consider the position at each of the ports in Tables 1 to 5.
2. On the eastern side of the Irish Sea, ports serve dispersed demand in the industrial heartland of England and Wales and the manufacturing corridor in the central lowlands of Scotland, as well as numerous retailers' regional distribution centres. The major ferry ports are Cairnryan and Stranraer on Loch Ryan, Fleetwood, Heysham, Liverpool, Mostyn, Holyhead, Fishguard and Pembroke.

3. Table 1 shows the berths at ports in Scotland used by Irish Sea ferries. Two berths will become available at Stranraer when Stena relocates its service to Cairnryan. Stranraer suffers, however, from the disadvantage of its location at the south end of Loch Ryan, which is subject to a speed restriction. Stena proposes to seek a Harbour Revision Order there restricting the use of the port to leisure craft. A ferry berth previously used by P&O is currently available at Ardrossan.

4. Table 2 shows the berths at ports in England used by Irish Sea ferries. The older Liverpool docks are accessed through lock gates, but two new river berths have been developed at Birkenhead. Access through the lock gates takes about 30 minutes longer than access to the two river berths at Twelve Quays in Birkenhead. Conflicts with other shipping needing to use the lock gates can also add further delays.¹ Two dock berths are currently available following Norse Merchant's move to Twelve Quays. A further ro/ro river berth could be developed within 12 to 15 months near Langton Dock on the Liverpool side of the Mersey, where the necessary development consents have been obtained. Although facilities at Fleetwood need some improvement, ABP told us that with a modest amount of investment the berth could be expected to continue to operate for the next five to ten years.

5. Table 3 shows the berths at ports in Wales used by Irish Sea ferries. Stena told us that a spare berth is available at Holyhead. One berth will become available at Mostyn following the closure of P&O's service to Dublin. The berth at Pembroke is available outside peak hours and land is available for further expansion there.

¹This is not the case for Coastal's lo/lo vessels which can enter the lock at any time owing to their small size.

TABLE 1 Berths at ports in Scotland used by Irish Sea ferry operators

Port	Owner	Berths	Type of berth	Restrictions		Status*	Operator/ prospective operator	Comment
				Length, m	Depth, m			
Troon	ABP	West Pier	Ro/ro linkspan	110	5.8	E	Sea Containers P&O	Small fast-craft ramp only
		East Pier	Ro/ro linkspan	160	5.5	E		
Cairnryan	P&O	No 1	Ro/ro linkspan	185	6.0	E	P&O	To be transferred to Stena
		No 2	Ro/ro floating	156	5.0	E/R	P&O	Fast craft berth removed in development
		No 3	Ro/ro linkspan	175	6.0	D	P&O	New berth when P&O transfers from No 1
		No 4	Ro/ro HSS	125	5.0	D	Stena	New berth for Stena when transfers from Stranraer
Stranraer	Stena	Mail Pier	Ro/ro HSS	150	5.0	E/R	Stena	Tidal restrictions and speed limit. Harbour revision order (HRO) restricting use to leisure to be sought
		Ross Pier	Ro/ro linkspan	162	5.0	E/R	Stena	
Ardrossan	Clydeport	Berth 10	Ro/ro	120	5.2	E	-	Spare berth previously used by P&O
		Berth 16	Ro/ro	78	4.0	E	Caledonian MacBrayne	Difficult for larger ships in bad weather

Source: Stena, P&O and ports.

*E = Existing, D = Development and R = Removal.

TABLE 2 Berths at ports in England used by Irish Sea ferry operators

Port	Owner	Berths	Type of berth	Restrictions		Status*	Operator/ prospective operator	Comment
				Length m	Depth m			
Heysham	Mersey Docks and Harbour Co	South quay	Ro/ro	140†	7.0	E	Seatruck	Some off-peak availability
		East quay (2 berths)	Ro/ro	140†	7.0	E	Norse Merchant	Some off-peak availability
Fleetwood	ABP	No 1	Ro/ro linkspan	152	4.2	E	P&O	Tidal restrictions. Some off-peak availability. Second berth feasible.
Liverpool/ Birkenhead	Mersey Docks and Harbour Co	12 Quays (2 berths)	Ro/ro floating	185	7.0	E	Norse Merchant	River berths with good access. Some off-peak availability.
		Gladstone (2 berths)	Ro/ro fixed	292	11.6	E	P&O	In dock. Tidal restrictions.‡
		North Huskisson	Ro/ro fixed	185	6.0	V	-	Spare after Norse Merchant transferred to 12 Quays‡
		North 3 Canada	Ro/ro fixed	185	6.0	V	-	Spare after Norse Merchant transferred to 12 Quays‡
		Langton ro/ro terminal	Ro/ro linkspan	210	6.0	E	P&O	In dock. Tidal restrictions.‡
		Royal Seaforth	Lo/lo	292	11.6	E	Coastal	Common user lo/lo berth
		Langton river berth	Ro/ro floating	TBC§	TBC	D	-	Proposed development. Could be developed in 15 months if customer found.

Source: Stena, P&O and ports.

*E = Existing, D = Development and V = Vacant.

†Proposal to increase turning area to allow 160m ships being considered.

‡Extra transit time for dock access. Timetable can be affected by dock gates shared with large container ships.

§TBC = To be confirmed.

Note: Ro/ro and lo/lo berths are also available at Bristol.

TABLE 3 Berths at ports in Wales used by Irish Sea ferry operators

Port	Owner	Berths	Type of berth	Restrictions		Status*	Operator/ prospective operator	Comment
				Length, m	Depth, m			
<i>North Wales</i> Mostyn	Port of Mostyn	No 1	Ro/ro floating	175	5.5	E	-	May be spare if P&O vacate. Dredging consents still being sought.
Holyhead	Stena	Terminal 1	Ro/ro HSS	130	4.8	E	Stena	HSS only
		Terminal 2	Ro/ro linkspan	110	4.5	E	Irish Ferries	1 fast craft a day. No freight.
		Terminal 3	Ro/ro linkspan	220	7.0	E	Irish Ferries	Ulysses
		Terminal 4	Ro/ro linkspan	180	6.5	E	-	Spare. [✂]
		Terminal 5	Ro/ro linkspan	220	7.0	E	Stena	Adventurer
<i>South Wales</i> Swansea	ABP	Ro/ro berth	Ro/ro linkspan	145	4.9	E	Swansea Cork	
		Lo/lo berth	Lo/lo fixed	200	9.9	R	Coastal	Lo/lo berth
Cardiff	ABP	Queen Alexandra	Lo/lo fixed	198	10.4	E	Coastal	Lo/lo berth
		Roath Dock	Lo/lo fixed	198	10.4	E	Coastal	Lo/lo berth
		Roath Basin	Lo/lo fixed	158	8.0	E	Coastal	Lo/lo berth
Fishguard	Stena†	Ro/ro berth	Ro/ro linkspan	200	7.0	E	Stena	Conventional ferry and Lynx off same berth
Pembroke	Milford Haven Trust Port	Ro/ro berth	Ro/ro linkspan	150	6.0	E	Irish Ferries	Some off-peak availability. Land available for berth expansions.

Source: Stena, P&O and ports.

*E = Existing and V = Vacant.

†Operator: ownership shared 50:50 by Stena and Irish Rail through Fishguard and Rosslare Railways Harbour Company.

6. Dredging constraints at Mostyn result in it not being accessible at all states of the tide. Sailing times therefore have to be adjusted each month, rather than being based on a recurring timetable. As the Dee estuary contains environmentally-sensitive mud flats, various types of consent are needed for the access channel to Mostyn to be dredged. Dredging there is at present carried out under short-term consents as the port's case for longer-term dredging consents is still under consideration. At Fleetwood, the minor tidal constraints affect operations to a much lesser extent, only requiring occasional adjustments to sailing times. Slight variations to schedules may also be necessary during spring tides at some other ports.
7. Much Irish demand is focused around the ports of Belfast and Dublin. Hence on the western side of the Irish Sea, the major ports are Larne and Belfast in the north and Dublin/Dun Laoghaire in the south. There is a relatively small ferry service using Warrenpoint and serving the border area; around 7 per cent of freight uses the southern corridor ports (Rosslare and Cork).
8. Table 4 shows the berths at ports in Northern Ireland used by Irish Sea ferries. There is currently one spare berth at Belfast. In addition there are plans to upgrade existing ro/ro berths and add further berths there within the next three to five years.
9. Table 5 shows the berths at ports in the Republic of Ireland used by Irish Sea ferries. One berth at Dublin (Ro/ro Ramp 6) may become available in due course if P&O terminates its Mostyn–Dublin service. Ro/ro Ramp 9 at Dublin serves as a reserve berth for operators using the other berths and is therefore available for a significant proportion of the time. Two other spare berths would require replacement work before they could be used. A new ferry port is being developed at Drogheda and two ro/ro berths are expected to be available there within five years. Waterford Port has

received approval for a plan to convert an old lo/lo terminal into a new facility which would include ro/ro capacity. [



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10. Any operator of a new port is likely to face high barriers to entry; capital expenditure in berths, linkspans and dredging will be needed. (The size of the investment will depend on the existing infrastructure.) Developing a new port or new berths at an existing port is, therefore, likely to depend on a ferry operator agreeing to share the risk of the investment by entering into a long-term agreement with the port (see paragraph 1). Ferry companies have, nonetheless, moved to ports that have not previously been used for deep-sea ferries. For example, P&O moved two ships from Liverpool to Mostyn, which had not previously been used for ferry services. P&O also moved its services from Ardrossan to Troon.

Port ownership

11. Broadly speaking, the Irish Sea ports are either state owned (for example, Dublin and Belfast) or owned by public or private limited companies (for example, Liverpool, Fleetwood and Mostyn), including ownership by companies affiliated to one of the major ferry operators (for example, Holyhead (Stena) and Cairnryan (P&O)). In both the UK and the Republic of Ireland, ports—or rather harbour authorities—are subject to statutory regulation. In the UK, where harbour authorities operate to a large extent under local statutory powers, most ports incorporate the ‘open access’ regime contained in section 33 of the Harbours, Docks and Piers Clauses Act 1847. This ensures that, subject to available capacity, a port should be open to all ferry operators wishing to use the facility and that each should be treated equally. However, case law suggests that the access obligation is limited to the extent that a

berth is already in use. It is our understanding that no equivalent open access provisions apply in the Republic of Ireland.

12. In addition to this domestic legislation, port operators may be affected by the EC Port Services Directive (intended to come into force in 2006), the objective of which is to extend the freedom to provide certain types of port services such as pilotage, towage, mooring and cargo handling to all Community providers of such services, thereby preventing port authorities from monopolizing port-service provision with their own vertically-integrated service providers.²

13. Ferry operators seeking access to a port on fair terms may be able to invoke the 'essential facilities' doctrine under both EC and domestic competition law if they are dissatisfied with the actions of the port owner. Whilst the application of this doctrine may go some way towards requiring access and preventing discrimination in relation to berths, slots, land and supporting services at ports, neither EC nor equivalent UK case law appears to go so far as to impose a positive obligation on port operators to reallocate berth slots or to create new capacity at their own expense. A ferry operator seeking to rely on the doctrine would be likely to have to follow a lengthy complaints procedure with the relevant competition authority or pursue extensive litigation.

The effect of the current transaction

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²The future of the EC Port Services Directive is uncertain following its rejection in the European Parliament in November 2003.

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TABLE 4 Berths at ports in Northern Ireland used by Irish Sea ferry operators

Port	Owner	Berths	Type of berth	Restrictions		Status*	Operator/ prospective operator	Comment
				Length m	Depth m			
Larne	P&O	Continental	Ro/ro linkspan	155	6.5	E	P&O	Fleetwood service
		Chainne	Ro/ro linkspan	135	6.5	E	P&O	
		MacKeen	Ro/ro linkspan	180	6.5	E	P&O	Cairnryan service
		Curran	Ro/ro linkspan	180	6.5	E	P&O	Troon service
Belfast	Belfast Harbour Commissioners	Victoria No 1	Ro/ro linkspan	155	7.9	E	Norse Merchant	Heysham service. Some off-peak availability.
		Victoria No 2	Ro/ro linkspan	180	7.9	E	Norse Merchant	Liverpool service. Some off-peak availability.
		Ballast Quay Berth B	Ro/ro HSS	125	5.8	E	Stena	HSS only
		Albert Quay	Ro/ro linkspan	158	5.5	E	Stena	Stranraer service. No slot availability.
		Donegall Quay 4	Ro/ro linkspan	125	5.5	E	Sea Containers	Troon service
		Donegall Quay 5	Ro/ro linkspan	120	5.5	E	Sea Containers	Isle of Man service
		Herdman Channel	Ro/ro floating	200	7.9	V	-	Spare berth
		Victoria No 4		TBC	TBC	D	[✂]	[✂]
Victoria No 5		-	-	-		Potential for further ro/ro berths		
Warrenpoint	Warrenpoint Harbour Authority	Ro/ro	Ro/ro linkspan	100	5.5	E	Seatruck	Heysham service

Source: Stena, P&O and ports.

*E = Existing, D = Development and V = Vacant. TBC = To be confirmed.

TABLE 5 Berths at ports in the Republic of Ireland used by Irish Sea ferry operators

Port	Owner	Berths/ro/ro ramp number	Type of berth	Restrictions		Status†	Operator/ prospective operator	Comment
				Length* m	Depth m			
<i>Central corridor</i>								
Dublin	Dublin Port Co	No 4‡	Ro/ro linkspan	290	7.7	E	P&O	Some off-peak availability May be spare in due course if P&O vacates on closure of Mostyn service
		No 6‡	Ro/ro linkspan	450	6.5	E	P&O	
		No 7‡	Ro/ro linkspan	200	8.0	E	Norse Merchant	Fast craft Liverpool service
		No 8‡	Ro/ro linkspan	180	6.0	E	Norse Merchant	
		No 5‡	Ro/ro linkspan	213	11.0	E	Irish Ferries	
		No 9‡	Ro/ro linkspan	190	8.0	E	Irish Ferries/Sea Containers	
		No 1‡	Ro/ro linkspan	210	8.0	E	Stena	
Alexandra quay	Ro/ro	TBC	TBC	E	-	Spare ro/ro berth. Needs updating.		
No 3	Ro/ro	TBC	TBC	E	-	Spare ro/ro berth. Needs updating.		
Dun Laoghaire	Dun Laoghaire Port Co	HSS	Ro/ro HSS	125	4.5	E	Stena	HSS only
Drogheda	Drogheda Port Co	None yet	N/A	N/A	N/A	D	N/A	Two ro/ro berths proposed. Could be available within five years.
<i>Southern corridor</i>								
Rosslare	Irish Rail§	Berth 1	Ro/ro linkspan	215	7.6	E	Irish Ferries	Isle of Inishmore
		Berth 2	Ro/ro linkspan	205	7.2	E	Irish Ferries/P&O	French services
		Berth 3	Ro/ro linkspan	180	7.6	E	Stena	Stena Europe
		Berth 4	Ro/ro linkspan	130	6.5	E	Stena	Stena Lynx III
Cork	Port of Cork Co	Albert Quay	Lo/lo fixed	135	5.6	E	Coastal	Cork City
		No 1 Ramp	Ro/ro linkspan	180	9.2	E	Swansea Cork	Outside city (Ringaskiddy)
		No 2 Ramp	Ro/ro linkspan	150	8.5	E	Brittany Ferries	Outside city (Ringaskiddy). French service.
Waterford	Port of Waterford Co	Belview	Lo/lo fixed	197	6–8	D	N/A	Direct services to European mainland. Can handle three lo/lo vessels. Potential for ro/ro berth

Source: Stena, P&O and ports.

*In the case of Dublin, the length of the berths served by the ramp.

†E = Existing, D = Development and V = Vacant.

‡Ro/ro ramp No 4 serves berths 24, 25 and 26; No 6 serves berths 19, 20 and 22; No 7 serves berth 52; No 8 serves berth 53; No 5 serves berth 49; No 9 serves berth 51A; and No 1 serves berth 51.

§Operator: ownership shared 50:50 by Stena and Irish Rail through Fishguard and Rosslare Harbour Company.