

Dublin Port eyes smooth crossing

Post-Brexit expansion will see more direct trade between Ireland and continental Europe



Dublin Port's announcement of plans to invest €1bn in its facilities over the next 10 years got some attention recently, but nothing compared to the fanfare there last April when Taoiseach Leo Varadkar christened the MV Celine.

Dubbed the 'Brexit-buster', it is 235m long and has a capacity of 8km, it is the world's biggest roll-on/roll-off ship and it will transport freight between Dublin and the continent.

It would not have been able to dock in Dublin had it not been for the completion of recent expansion works there.

But these expansion plans are now being beefed up further, according to Dublin Port chief executive Eamonn O'Reilly.

The latest expansion drive of €1bn, compared to a previous projection of €600m, is being funded by a combination of the company's own cash flow, backing from other private lenders and the European Investment Bank (EIB).

As part of new developments, the semi-state body which runs the port is also rowing back on earlier plans to deepen the port to 12 metres, saying the ongoing work to deepen it to 10 metres is sufficient.

The focus, now, is increasing the port's capacity. Trade volumes at Dublin Port have increased by 29pc over the past five years and if the rate continues, they will have doubled in 14 years.

Roll-on/roll-off (ro-ro) freight was up 4.6pc in the first half of the year while container volumes increased 5.8pc. Outside of freight, the leisure aspect of the business also grew.

Tourism figures increased by 2.7pc on last year.

Ferry passenger numbers reached almost 800,000, with the number of cruise ships calling to the port rising by 14 to 64. "All we are at the end of the day is a provider of infrastructure for the shipping industry," said Dublin Port's O'Reilly who added that growth is key.

And while Brexit is a major challenge for all business and the UK remains a massive trade route for Dublin Port, shipping companies are seeing opportunities because of the UK exit and the port is accommodating them.

"Shipping companies are putting extra capacity onto existing routes from Dublin to continental Europe and we are seeing that they will sacrifice time for certainty where they can - there is uncertainty around the landbridge," he said.

Currently there are routes from Dublin to Cherbourg with Irish Ferries and to Zeebrugge and Rotterdam with CLdN. Supply chains are adapting and there is also growing evidence that extra routes direct to continental Europe are being considered by shipping firms.

And, in future, if tariffs become an issue we will see goods that are today imported from Britain come from continental Europe where possible, O'Reilly added.

"Last week I met the German ambassador and the Irish German Chamber and later in the week we have Ireland's five major ports at Dublin Port to meet representatives of all of the major French ports on the north and west coasts - including Calais, Dunkirk and Cherbourg," O'Reilly said.

"We did that for two reasons - one to explore the potential for new shipping routes between Ireland and France and also to discuss the shared problem that ports like Dublin, Rosslare, Calais and Dunkirk will have with British trade after Brexit."

O'Reilly added that the port recently had a delegation of Irish civil servants visit at 5am, peak time, as part of their post-Brexit preparations to explore how they can introduce border checks without disrupting the flow of goods.

The expansion at the port was widely welcomed by industry participants.

"Anything that facilitates trade is positive and Dublin Port's move is a welcome one," said Simon McKeever, chief executive at the Irish Exporters Association (IEA).

"For example, there will be more capacity on Irish ferries when Ulysses comes into service and when the WB Yeats starts it will increase from one to three-and-a-half round-trip sailings per week to Cherbourg," McKeever added.

While its delivery was recently delayed, the WB Yeats is a 54,985 gross tonnes cruise ferry that can accommodate 1,885 passengers and crew and has nearly 3km of car deck space.

But these are uncertain times for trade generally and with the upheaval caused by Brexit, many of the IEA's members are looking to diversify and find new markets.

And the port may well end up accommodating some of this trade.

"Germany is top of the list of our member companies choosing to diversify into new markets at 29pc. The most popular ones are either close by or English-speaking with the US second on the list," he said.

According to McKeeever, the association was the first to introduce a new training initiative on Authorised Economic Operator (AEO) status to support importers and exporters to comply with the Union Customs Code (UCC) which is a standard issued by customs administrations in the EU to businesses involved in the import and export of goods.

The course is designed to modernise and enhance the way in which goods flow across the international supply chain and complements other courses run by the body.

"We have seen a 30pc increase in demand for our courses to date - particularly for in-house, tailored customs training and AEO," he said.

According to Verona Murphy, president of the Irish Road Haulage Association, other ports will play a significant trade role in the post-Brexit Ireland and investment is needed outside of Dublin.

"One of the biggest drawbacks to Dublin Port is the congestion on the M50," she added.

She said that Rosslare Europort needs to be given Tier 1 status to make it eligible for the same type of investment as Dublin Port.

"It also needs to be made an agricultural border inspection post or an awful lot of queues will ensue post-Brexit.

"The EU will want Ireland to do what's good for the EU, but Ireland needs to do what's good for Ireland or we will be in a black-hole recession for nigh on 10 years post-Brexit," she warned.