



# WHY SLOW GOVERNMENT PLANNING HOLDS BACK THE UK MARITIME SECTOR

In March this year the UK Government set up a team of experts to advise on the future of the maritime industry—specifically keeping the industry at the forefront of new technologies such as autonomous ships and digital ports.

“Maritime 2050 is a once in a generation opportunity to set an ambitious vision for the future of this key sector and I encourage all of those who depend on shipping to have their say.”

- Transport Secretary, Chris Grayling

In response to this, ARX Maritime, Chief Executive, Josh Hutchinson looks at how a think tank could impact the maritime sector.

For any government to understand a growing market they first need to understand how the industry works. Once they've got a basic grasp of the industry they can start to understand how to adapt their policies and more importantly react to the trends of the industry. Any country that refuses to listen and tailor their minds to the advances in the industry could find themselves in a vulnerable position, lagging behind the performance of other countries.

Within 12 months the UK Brexit plan will be implemented and with many businesses relying on import and exports, it's inevitable they will be looking to Mr Grayling's board to design new ways to attract and promote maritime trade. Having said that, the maritime world will also expect the board to understand shipping strengths & growth, while taking note of potential risks as they formulate plans. Now is undoubtedly a very important time for the UK maritime industry as well as other businesses that rely upon the UK maritime companies.

This is evident nowhere more than in “A World-Class Maritime Centre”, a recent maritime growth study published by the UK Government. In the report, Maritime UK Chairman, Lord Mountevans describes that “there is no doubt that the UK is a world-leading business destination and that the maritime offering in the UK is world class”.

The UK Minister for Shipping and Ports, Robert Goodwill MP goes on to say that the UK is appealing because it has low taxes, taxes that will be progressively cut over the next five years, it has high demand, with 95 percent of UK trade moved by sea, and finally that the UK has some of the lowest registration survey and statutory certification costs available, with no annual renewal fees. These are all worth

mentioning, but is this enough to keep the UK maritime industry ahead of other countries until the 2050 plans are realised?

The need to quickly develop in order to keep up with our counterparts is one that is addressed in the report. UK&I, EY, Chief Economist, Mark Gregory said:

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However, focusing on 2050 and “discussing strategies” may be a case of too little too late. There is an immediate need for the government to focus on providing insurance and securities by funding the UK maritime companies. This will increase efficiency in ports, while also letting more people have a say over import and export cost. Results that would benefit any businesses relying upon the UK maritime industry. Then

the government can refocus on increasing access to the maritime market, including the technologies and services they provide, and “simplifying” the process, which some customers and companies currently find confusing and daunting. This all needs to be done at speed in order to keep the UK maritime industry at the same standard as the rest of the world. And all while companies and investors are seeking reassurance that recent cyber attacks and vessel fires won't impact the UK and slow down our developments.

I hope that the UK government looks towards companies that are currently solving maritime problems rather than just creating a glossy publication with some “power” words.

