NRA
An tÚdarás um Bóithre Náisiúnta
National Roads Authority

Transport Research & Information Note

Trends in Port Traffic

February 2011

Transportation Research & Information Notes

Trends in Port Traffic
October 2010

This document is available to download at www.nra.ie/publications/trin

For further queries please contact:

Strategic Planning Unit
National Roads Authority
St Martin's House
Waterloo Road
Dublin 4

Tel: (01) 660-2511
Email: info@nra.ie
Web: www.nra.ie

Prepared on behalf of the National Roads Authority by

The AECOM Consortium

Contents

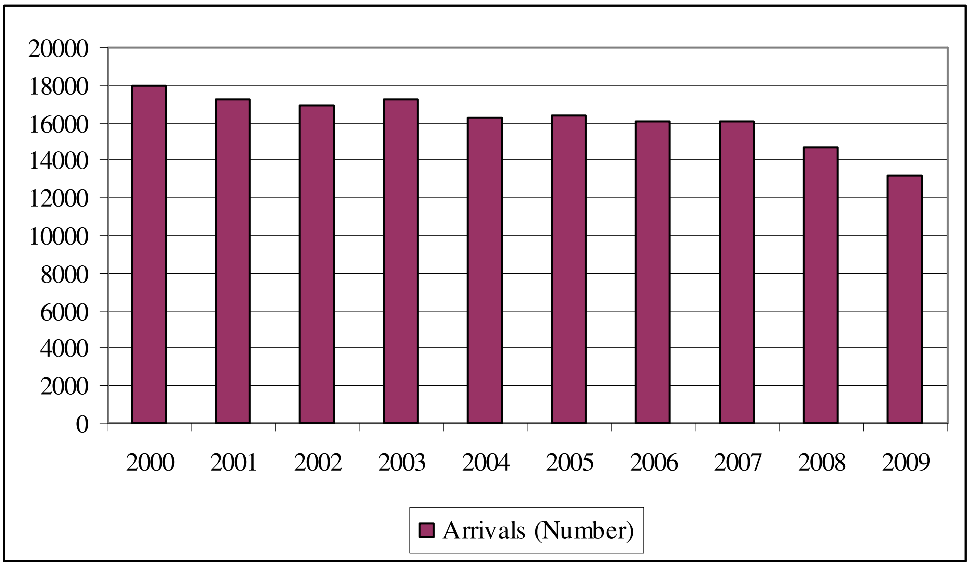
1. General Overview 1
2. Activity by Type of Cargo 1
3. Imports & Exports 2
4. Activity by Port 3
5. Trends in 2010 5
6. Conclusions 5

1. General Overview

1.1. Port activity declined substantially in Ireland in 2009. The number of vessels entering Irish ports in 2009 was 13,223 compared to 14,729 in 2008, a fall of over 10 per cent. This decline is the largest experienced in the past ten years.

1.2. The decline in the overall number of vessels entering ports is broadly in line with the decline in the tonnage of goods handled by Irish ports. The total tonnage of goods handled by Irish ports was 41,836 thousand tonnes in 2009. This represents a fall of over 22 per cent from its peak in 2007.

Figure 1: Arrivals in Irish Ports 2000-2009



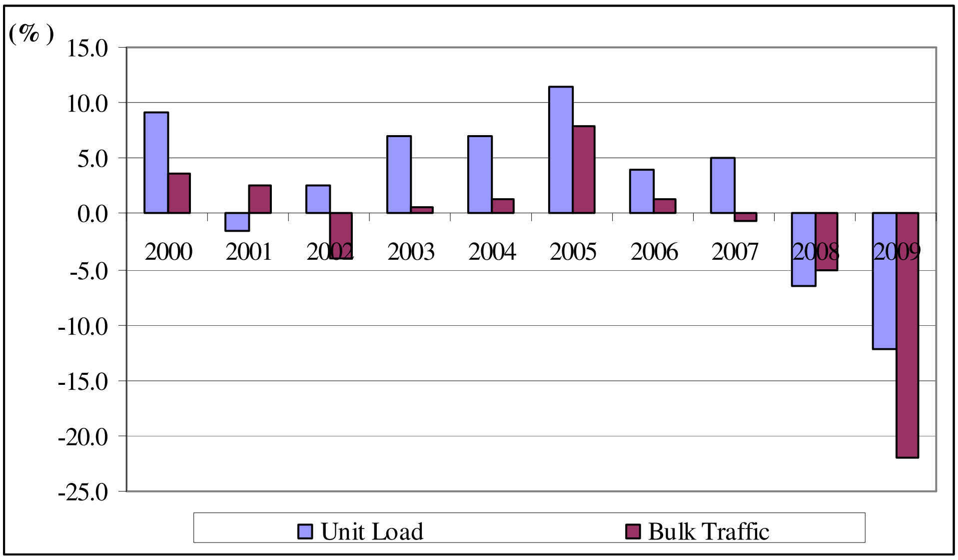
Source: CSO

2. Activity by Type of Cargo

2.1. The decline in tonnage handled by Irish Ports in 2009 occurred across all types of cargo. The greatest decline was seen in break-bulk and other goods which fell by over 47.5 per cent on 2008. This was followed by dry bulk down 29.7 per cent and Lo-Lo down 16.2 per cent. Liquid bulk and Ro-Ro declined by 9.1 and 9.5 per cent respectively.

2.2. Amalgamating the different types of cargo into unit load and bulk illustrates the severity of the drop in total bulk tonnage in 2009. Figure 2 illustrates that total bulk traffic declined by approximately 22 per cent in 2009. This decline is largely attributable to the fall in dry bulk which accounts for over 26 per cent of the market. The decline in break bulk while substantial, only accounted for 2.3 per cent of the market in 2009. The figure also illustrates that total bulk traffic has been in decline since 2007 in line with the downturn in the economy. The decline in unit load was delayed somewhat until 2008, largely due to the delayed reaction of consumers. The fall in consumer confidence in 2008 and 2009 as well as the decline in residential construction saw Lo-Lo activity diminish in 2008 and 2009.

Figure 2: Trends in Goods Handled 2000-2009



Source: CSO

3. Imports & Exports

3.1. Of the total tonnage of goods handled by Irish ports in 2009, approximately 69 per cent were imports while 31 per cent were exports. In 2009, imports fell by 19.6 per cent while exports declined approximately 14.6 per cent. The greatest fall in imports occurred in break-bulk while in exports it was in dry bulk cargo. The fall in break bulk is largely attributable to the fall off in construction activity here while the decline in dry bulk exports is largely attributable to the decline in activity in the Aughish Alumnia plant which fell by 40 per cent. The decline in activity in Aughish Alumnia resulted in a fall of 29.6 per cent in dry bulk throughput at Shannon Foynes which handles 60 per of all dry bulk traffic in Ireland.

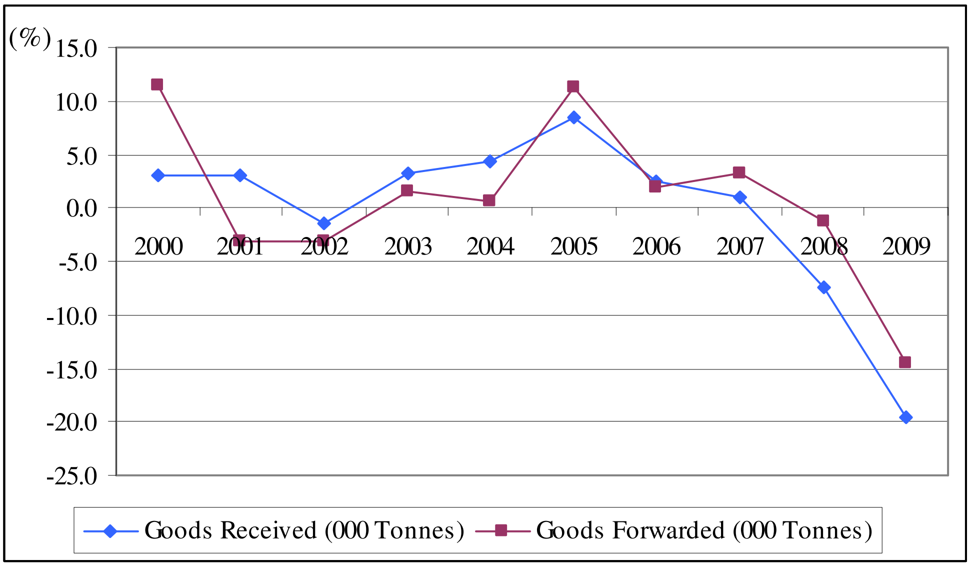
Table 1: Percentage Change in Imports & Exports 2008-2009

Traffic	Imports	Exports
Roll-on/roll-off traffic	-13.7	-3.7
Lift-on/lift-off traffic	-23.3	-4.6
Liquid bulk	-9.4	-7.7
Dry bulk	-26.7	-38.8
Break bulk and all other goods	-59.5	-25.0
All Cargo Types	-19.6	-14.6

Source: CSO

3.2. Trends in imports and exports since 2000 are illustrated in Figure 3. It can be seen that up to 2005 growth in imports exceeded that of exports; however from 2007 onwards export growth became dominant. This is likely due to the fact that domestic demand diminished from 2007 onwards impacting on demand for imported goods.

Figure 3 Trends in Goods Forwarded and Received ('000 Tonnes) 2000-2009



Source: CSO

4. Activity by Port

4.1. The decline in goods handled by Irish ports in 2009 was evident in all ports across the country. Table 2 details the decline in the main ports in Ireland. The largest fall occurred in Shannon down 30 per cent while Dublin experienced the smallest decline in goods handled, falling only 12 per cent.

Table 2: Goods Handled (000 Tonnes) by Irish Ports 2008-2009

	2008	2009	(%) Change
Dublin	21127	18606	-12
Drogheda	664	512	-23
Shannon Foynes	10819	7577	-30
Cork	9633	7968	-17
Rosslare	2722	2328	-14
Waterford	2082	1631	-22

Source: CSO

4.2. The fall in goods handled by Shannon Foynes as previously mentioned can be attributable to the decline in dry bulk which fell by 29.6 per cent due to a fall off in activity at Aughish Alumnia. However, it was also impacted by a 30.4 per cent decline in liquid bulk due to the running down of the Tarbert power station in Kerry.

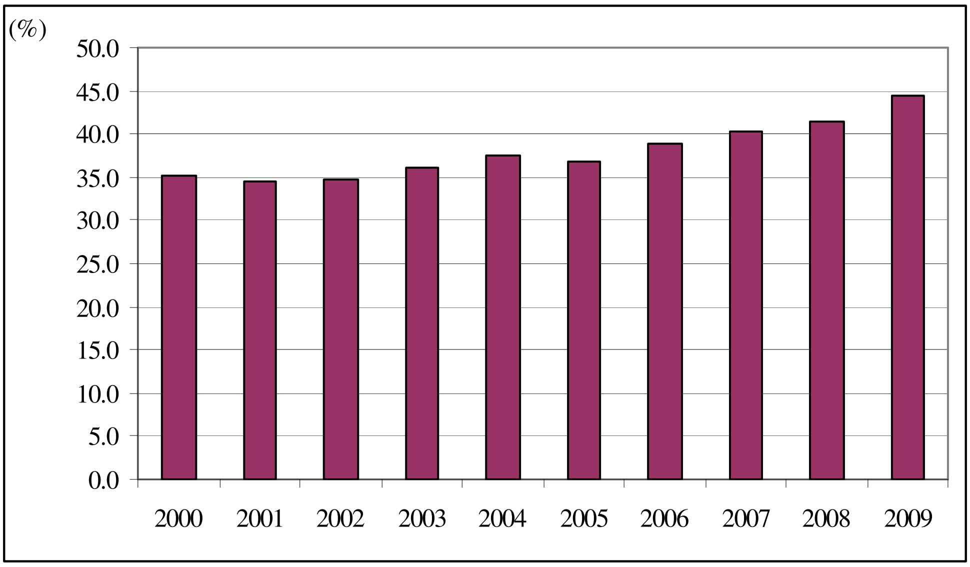
4.3. The decline in goods handled in Cork is also related to a decline in liquid bulk traffic. Cork which handles 42 per cent of liquid bulk in the country saw volumes decline by 16.7 per cent on 2008. This decline was largely due to lower reserve requirements at Whitegate in 2009.

4.4. The decline in volume activity at Drogheda and Waterford is partly due to the termination of services by Lo-Lo operators. Drogheda saw a 78.6 per cent fall in Lo-

Lo traffic in 2009. This is likely due to C2C Lines transferring their Scandinavian traffic volumes from Drogheda to Dublin. Waterford also saw a decline in Lo-Lo activity by 23.6 per cent also partly due to services from Waterford being transferred to Dublin. The transfer of these services to Dublin has cushioned it somewhat from the current downturn.

4.5. The majority of goods handled by Irish ports go through Dublin port which accounted for 44 per cent of all goods handled in 2009, up 3 percentage points on 2008. The role of Dublin Port has been increasing in prominence over time. Figure 4 illustrates the proportion of goods handled by Irish ports, which has been transported through Dublin. Since 2000 the proportion of total traffic using Dublin port has increased 9 percentage points. Ro-Ro and Lo-Lo account for the majority of cargo going through Dublin port, followed by Liquid Bulk, Dry Bulk and Break-bulk. In 2009 the largest fall in goods handled by Dublin Port occurred in Break-bulk and Dry bulk which declined by 48.7 and 34.1 per cent respectively. Since neither of these cargos is of primary importance to Dublin Port the decline in activity has not had a significant impact on the port.

Figure 4: Proportions of Total Goods Handled by Irish Ports in Dublin 2000- 2009



Source: CSO

5. Trends in 2010

5.1. Latest figures from the Irish Marine Development Office (IMDO) indicate that shipping volumes for the first half of 2010 have stabilised with a positive underlying trend. Ro-Ro traffic for the island as a whole is up 2 per cent, for the first half of 2010, while Lo-Lo traffic volumes only fell 1 per cent. The decline in Lo-Lo traffic volumes is very slight compared to a decline of 24 per cent for the same period in 2009. The positive trend emerging in 2010 is largely due to strong export growth. Both Ro-Ro export traffic and Lo-Lo export trades were up 5 per cent in the first 6 months of the year.

5.2. Activity in bulk cargo volumes remained more variable over the first half of 2010. Dry bulk volumes increased 15 per cent for January to June, largely due to increased domestic demand for agricultural products as well as a global demand for steel and ore aggregates. However, break bulk and liquid bulk volumes continued to decline. Break bulk volumes, largely attributable to construction inventories, fell 11 per cent. While the decline in break-bulk is half that which occurred in 2009, activity volumes in this area remain at historically controlled levels. Liquid bulk volumes declined 4 per cent year-on-year, primarily due to lower transhipment storage for the US market. The IMDO maintain that recovery in shipping volumes in the short term is largely contingent on an external global economic recovery.

6. Conclusions

6.1. Port activity declined substantially in Ireland in 2009. The total tonnage of goods handled by Irish ports fell over 22 per cent from its peak in 2007. The decline in tonnage handled by Irish Ports in 2009 occurred across all types of cargo. The greatest decline was seen in break-bulk and other goods which fell by over 47.5 per cent on 2008. This was followed by dry bulk down 29.7 per cent and Lo-Lo down 16.2 per cent

6.2. Of the total tonnage of goods handled by Irish ports in 2009, approximately 69 per cent was imports while 31 per cent was exports. Trends in imports and exports since 2000 show that up to 2005 growth in imports exceeded that of exports; however from 2007 onwards export growth became dominant. This is likely due to the fact that domestic demand diminished from 2007 onwards impacting on demand for imported goods. It is likely that as consumer confidence returns import levels will rebound and the volume of goods handled will increase.

6.3. The decline in goods handled by Irish ports in 2009 was evident in all ports across the country. The largest fall in goods handled occurred in Shannon Foynes followed by Drogheda, Waterford and Cork. The decline in goods handled at Shannon Foynes in 2009 was largely attributable to a decline in dry bulk. However, as economic recovery gets underway it is likely that activity levels at Aughish Alumnia will return to more normal levels. Furthermore, the decline in liquid bulk activity at Cork port will likely stabilise as demand for petroleum and related products tend to be less volatile.

6.4. Dublin was largely cushioned from the decline in other areas and volume of goods handled only fell 12 per cent. Dublin also accounts for the majority of goods handled by Irish ports. As a result traffic in and out of Dublin port was less depressed. Since all the major interurban routes tend to be centred on Dublin this implies that the impact on the national road network emanating from Dublin may be less pronounced.

6.5. Latest figures from the Irish Marine Development Office (IMDO) indicate that shipping volumes for the first half of 2010 have stabilised with a positive underlying trend. Ro-Ro traffic for the island as a whole is up 2 per cent, for the first half of 2010, while Lo-Lo traffic volumes only fell 1 per cent. Break-bulk volumes fell 11 per cent in the first half of 2010, while liquid bulk fell 4 per cent. However, dry bulk volumes increased 15 per cent for January to June, largely due to increased domestic demand for agricultural products as well as a global demand for steel and ore aggregates. The IMDO advocates that recovery in shipping volumes in the short term is largely contingent on an external global economic recovery.