



15th Plenary Meeting of the Permanent Observatory for the Port Services Market

De la Encina highlights the Observatory's work to increase transparency and improve port quality and competitiveness

- Increased relevance of the fuel supply service for ships in Spanish ports

12-18-2019 (Ministry of Development). The 15th Plenary Meeting of the Permanent Observatory for the Port Services Market has been held under the chairmanship of Salvador de la Encina, the senior manager of Puertos del Estado, who has welcomed all participants, thanking them for the valuable work carried out at the Observatory to increase transparency and improve the quality and competitiveness of port services and, ultimately, of Spanish ports.

The president of Puertos del Estado quickly went over the legislative changes of the last few years which, on the one hand, have required the full applicability of "Regulation (EU) 2017/352 (establishing a framework for the provision of port services and common rules on the financial transparency of ports)", resulting in a new port service for the supply of fuel, amongst other issues, and redefining the current waste collection service and, on the other hand, amending the regime applicable to cargo handling services, following the passing of Royal Decree-Law 8/2017 (amending the workers' regime for the provision of cargo handling port services) and Royal Decree-Law 9/2019 (amending Act 14/1994, of 1 June, regulating employment agencies and adapting them to port stowage activities), as well as the V Framework Stowage Agreement, signed by employers and workers in November 2019. In relation to this liberalization process, the need should be recalled to draw up an "Annual performance report on Stowage sector liberalization", as announced at the plenary meeting held last June, which needs to be submitted to the Delegate Committee of Economic Affairs by the Ministry of Development.



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Finally, De la Encina thanked the the outgoing Port Authorities (A Coruña, Balearic Islands, Castellón, Gijón, Huelva and Málaga) for their work and welcomed and encouraged those that will join in 2020 following a rotating shift (Alicante, Bahía de Cádiz, Melilla, Marín y Ría de Pontevedra, S.C. Tenerife and Vilagarcía de Arousa), in order to further all ongoing work.

After presenting the new Observatory website, a port service market study document was displayed, going over its performance this past year. Overall, port services have increased their turnover by 0.9% in 2018, in line with increased cargo traffic (pilotage -0.4%, towing +1.2% and mooring +1.8%), with differences amongst various seafronts.

Next, details were given on progress made in the “Study on needs and implications when determining fuel supply services for ships as a port service, as established in Regulation (EU) 2017/352”. Such progress has evidenced a worldwide increase in the consumption of maritime fuel over the last 20 years, indicating that fuel-oil is the most common fuel- 174 million tons in 2019- and 37 million tons of diesel oil. This trend will radically change over the next few years; according to all estimates for 2020 and successive years, diesel oil will be the main maritime fuel, with a 4x increase in consumption.

In Spain, this sector invoiced 3,500 M€ in 2018, of which 100 M€ represented direct invoicing for fuel supply services for ships, employing 500 people. Nine Port Authorities (Bahía de Algeciras, Las Palmas, Barcelona, Ceuta, S.C. Tenerife, Valencia, Huelva, Bilbao and Vigo) concentrate more than 90% of this fuel supply, which exceeded 8.26 million tons in 2018. Based on the aforementioned estimates, Spain’s ports with diesel oil potential will continue to increase their supply over the next few years. In fact, this has doubled over the last 10 years, going from 776,000 tons in 2018 to 1.48 million tons in 2018.

When the study is completed, an accurate picture will be given of the factors that make a shipowner choose one port over another, as well as those contained in any Lists of Specific Terms that the Port Authorities need to tender for concessionaires interested in providing this service.



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Likewise, indicators to supervise and analyze the adaptation process of the stowage regime in the State's port system are under development which, according to Royal Decree-Law 9/2019, will help the Ministry of Development in issuing a report to the Delegate Government Committee for Economic Affairs.

Finally, a tool has been presented that the Port Authority of Valencia is currently developing to supervise ship stop-over times, providing details to port and ship operators on how long the ship will stay at the port, both as regards operative and waiting time.