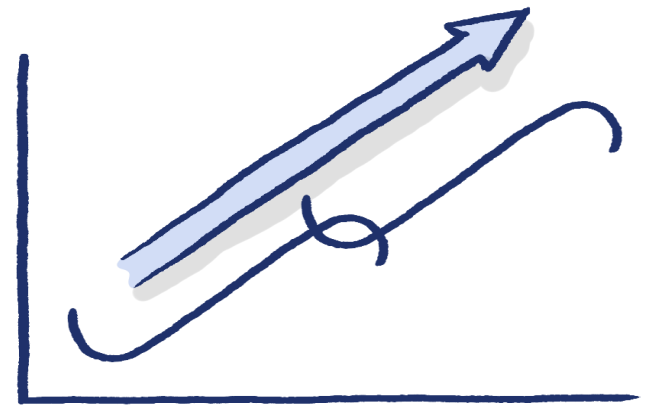
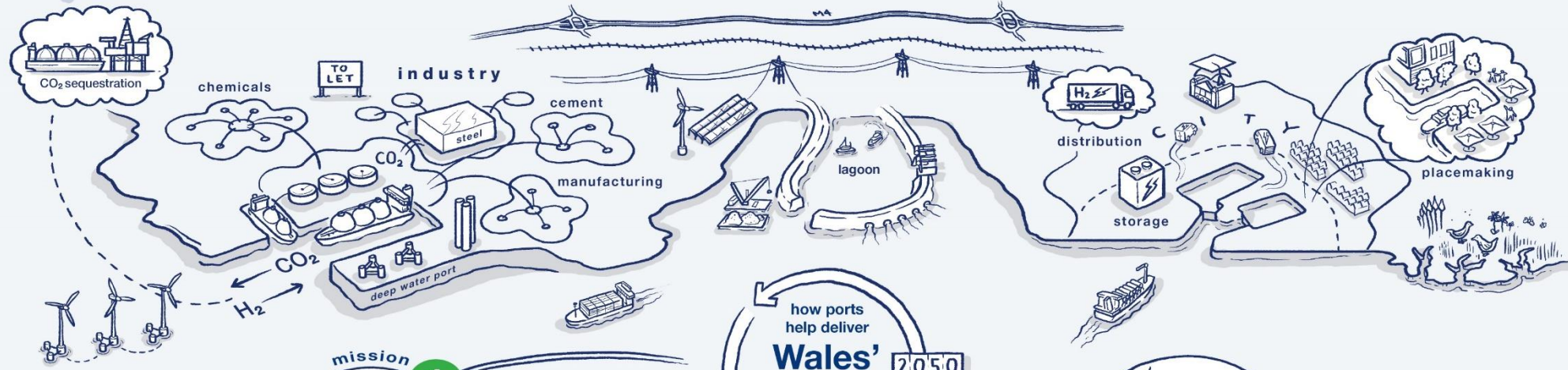


Future ports: Newport

Towards a new growth pathway for the port and city



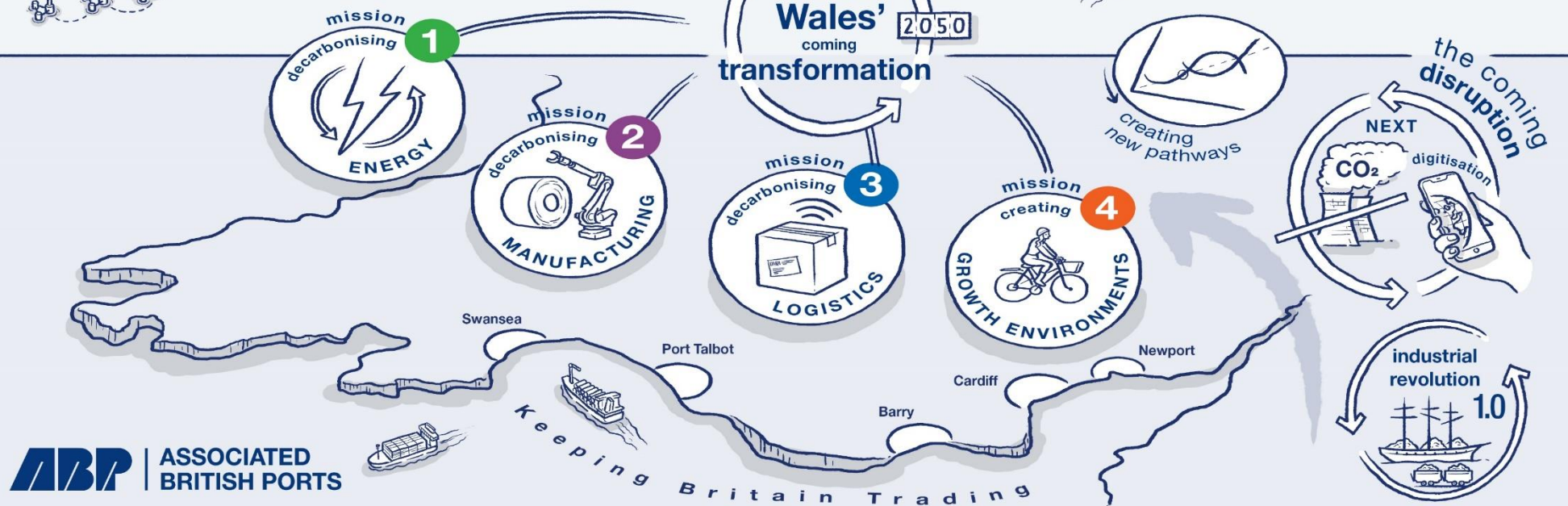


Our Wales Vision

This paper takes the missions defined in our Wales Vision work, and tailors them to Newport.

Find out more about how ports can help deliver the coming transformation at

www.abports.co.uk/future-ports-wales-vision/



Foreword

The Port of Newport is at a really exciting point in its history. That's because an entirely new pathway is about to open up alongside our existing port business – a pathway in which growth will be decarbonised.

This is a huge opportunity for Newport, and we see a decade-long investment boom in prospect. Just as in the earlier, carbon-based industrial revolution, Newport's ability to combine energy supplies, manufacturing capability and marine access will create a key competitive advantage for the city in future. But this time is different: the changes will happen inside a net zero wrapper.

This is not an opportunity just for the port, or even the city. We think that, working together, the port and city of Newport has a wider role to play in helping businesses across Wales and the UK pivot towards a new economy.

ABP is committed to helping make this big shift happen. Our sustainability strategy, *Ready for Tomorrow*, commits us to net zero emissions from our own activities by 2040, as well as supporting our customers to achieve their own decarbonisation ambitions. As part of our strategy, we are also reinforcing our commitment to biodiversity, and to the communities of which we are a part.

We know that success will require teamwork. A genuinely transformational Newport offer will require collaboration involving our customers, stakeholders, and local communities.

Successful teams need to share a common understanding. That is why this Vision Paper exists: we want to use it to explain our thinking, and to stimulate a conversation about how we can work together to achieve shared objectives.

There are undoubted challenges. Technical and policy issues need to be solved, and a lot of hard work will be needed. And we must be blunt about the fact that the investments described here will always be subject to commercial viability tests.

But we're hugely optimistic. If we can work together, we have every reason to think that Newport's next industrial revolution is going to be just as innovative and productive as its first.



Julian Walker

Chief Commercial Officer and Director, ABP Wales and Short Sea Ports



Andrew Clarke

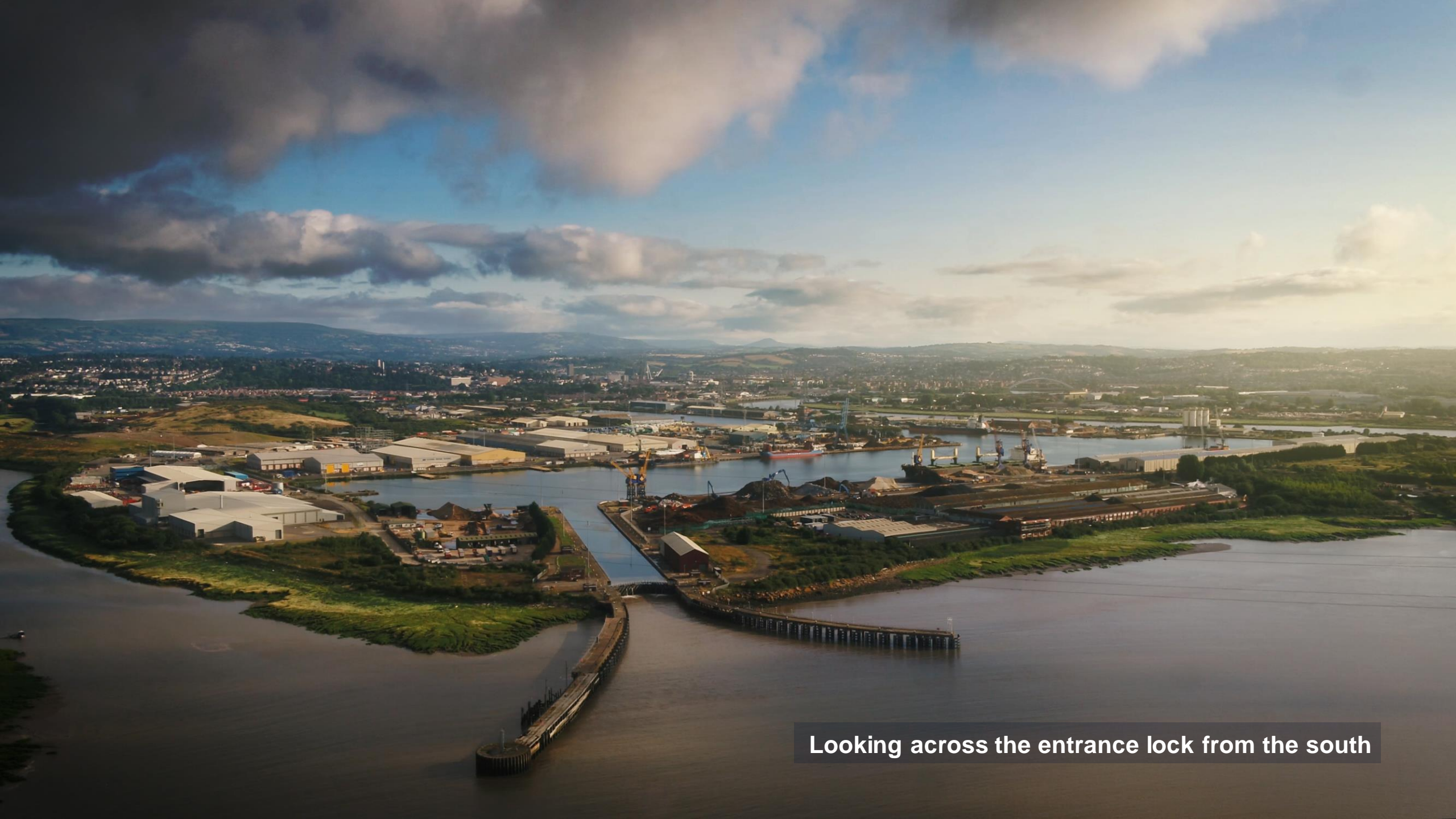
Group Head of Masterplanning, ABP

The Port of Newport today



- 1: Severn Estuary
- 2: Lock
- 3: South Dock
- 4: Atlantic Development Site
- 5: Tom Lewis Way
- 6: Port Office
- 7: North Dock
- 8: West Way Rd
- 9: Uskmouth Power Station
- 10: Liberty Steel
- 11: Birdport
- 12: River Usk
- 13: Ebbw River

Total acreage (land & water)	702 acres
Total acreage (land)	495 acres
North Dock frontage	2,450 m
South Dock frontage	5,569 m
Source: ABP website	



Looking across the entrance lock from the south

What was invented can be reinvented

Newport has claimed to be new for a long time. The Normans called it Novus Burgus, or New Town. By 1427, the port had supplanted the town in the settlement's name, and 'Newporte' had been born. Even back then, Newporte was a gateway - a portal that used its location on the Usk and coast to connect the markets of South Wales to England and the world beyond, sending wool, hides and cloth out for export.

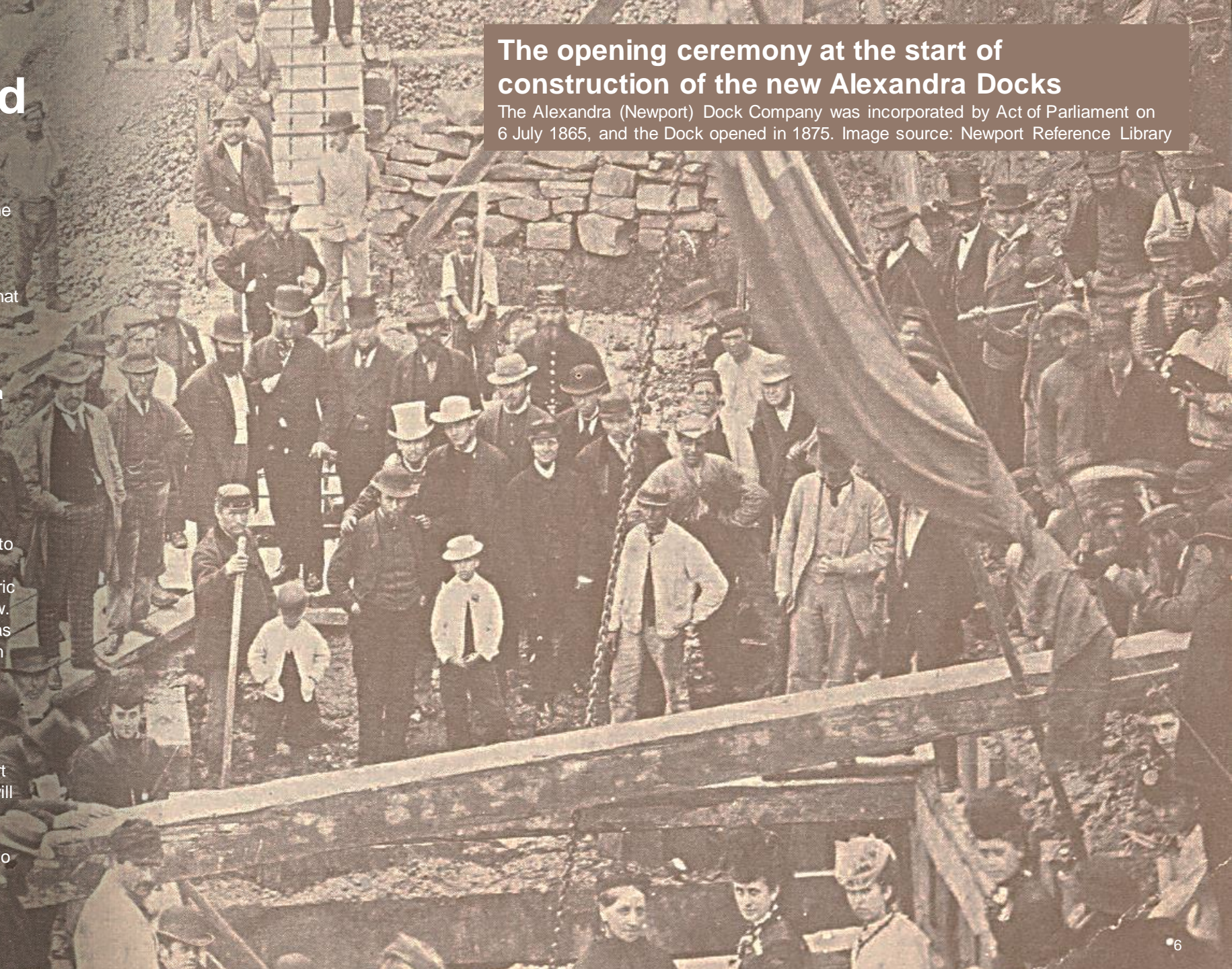
Newport has always changed with the times, but a radical reinvention was coming in the mid eighteenth century. This was revolution, not evolution: Newport was propelled forwards by the discovery of iron ore in the Monmouthshire valleys, fortuitously nearby to the coal needed to work it. This was the arrival of the carbon economy: new markets created colossal productive forces, subjecting nature to machinery, applying chemistry to industry and agriculture, bringing steam navigation, railways, electric telegraphs, and, later, the re-routing of the River Ebbw. An energy export and industrial manufacturing city was born, with a globally connected port complex to match its ambitions.

So, modern Newport is an invention: a creation of the modern world. And while the coming period of change will not match that early period of headlong expansion, we believe that decarbonisation is the start of a new growth pathway for the port. That pathway will keep the best of our existing port business, and see it grow. But this time, there's a big difference: the new growth pathway will be part of a national effort to get to net zero greenhouse gas emissions.

The process of reinvention is just about to begin.

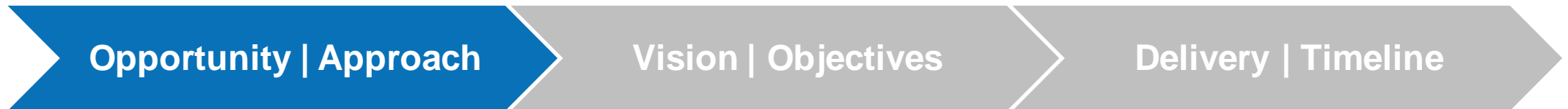
The opening ceremony at the start of construction of the new Alexandra Docks

The Alexandra (Newport) Dock Company was incorporated by Act of Parliament on 6 July 1865, and the Dock opened in 1875. Image source: Newport Reference Library



Part 1 – Opportunity | Approach

The ports business has always evolved. But the pace of change is accelerating as the decarbonisation opportunity gathers speed and the port will need to move to a new phase in its development. To understand the opportunity, we needed a new approach.





The port today, looking from the south

The opportunity

Something is about to happen to the UK economy which is very big and entirely new. The economy is going to move from being an economy based on access to fossil fuels, to an economy based on access to metals, rare earths and renewable energy. In this future economy, production and consumption will take place without atmospheric emissions of carbon dioxide. Any emissions that do take place will have to be abated elsewhere. This shift is going to have profound effects right across society and the economy.

This is a very significant opportunity for the ports business. In some respects, many things will stay the same. Our 'classic' port operations will continue to provide an essential service to both local and national customers. Newport has the right facilities, is expert in the right sectors, and is located in the right place. So in that sense, we will be keeping the best of the past.

But in the future economy, we believe ports are likely to see even more change than most sectors. This is because ports have a unique role to play in building, managing and hosting the infrastructure and production capabilities needed to get us to net zero. We expect to see the following changes emerge.

1. **We expect to see cargos adjust as the economy refocuses around decarbonised production.** The

port will need to respond quickly to new customer requirements.

2. **There will be a demand for dramatically more clean energy.** The port can contribute, generating 'green electrons' from wind and solar sources.
3. **New energy vectors will be in demand,** in the form of hydrogen and ammonia. The port will help generate, move and store these factors, possibly alongside grid-scale battery storage. The port is also likely to have a role in supplying these factors to customers, for use cleaning up the logistics supply chain.
4. **Carbon dioxide emissions will need to be managed and stored,** not just reduced. The port will have a role in this process, and in the safe transfer of carbon dioxide to storage points.

Seen together, this creates a new function for ABP Newport, and other UK ports. Ports are likely to emerge as clean manufacturing and logistics hubs, given their unique ability to integrate low-carbon maritime and rail links with new on-port energy, hydrogen supplies, Carbon Capture and Storage (CCS) facilities, batteries, and heat networks.

The opportunities available mean that we can foresee

an investment boom at ABP Newport. These facilities will combine to create a competitive advantage that will attract investment. We expect to see hundreds of highly productive, futureproof jobs created, with benefits that spill right across the city and beyond.

There is some urgency here and a big advantage in moving early. This is a competitive environment, and other port locations both within the UK and abroad will be looking at similar opportunities. There is an important first-mover advantage. We will need to be able to articulate this opportunity in detail if we are to succeed, and this vision paper represents an early step in that direction.

But none of this is set in stone: this investment 'long wave' can only happen if the public and private sector commit to work together in ways they have not before. Much depends on the maintenance of the UK net zero policy, along with a supportive investment environment and a recognition that Government support will be needed in some markets to correct for environmental externalities. Whilst ABP cannot control all these variables, we can help influence them, and we aim to work with partners and customers to help shape a future for Newport that we all want to see.

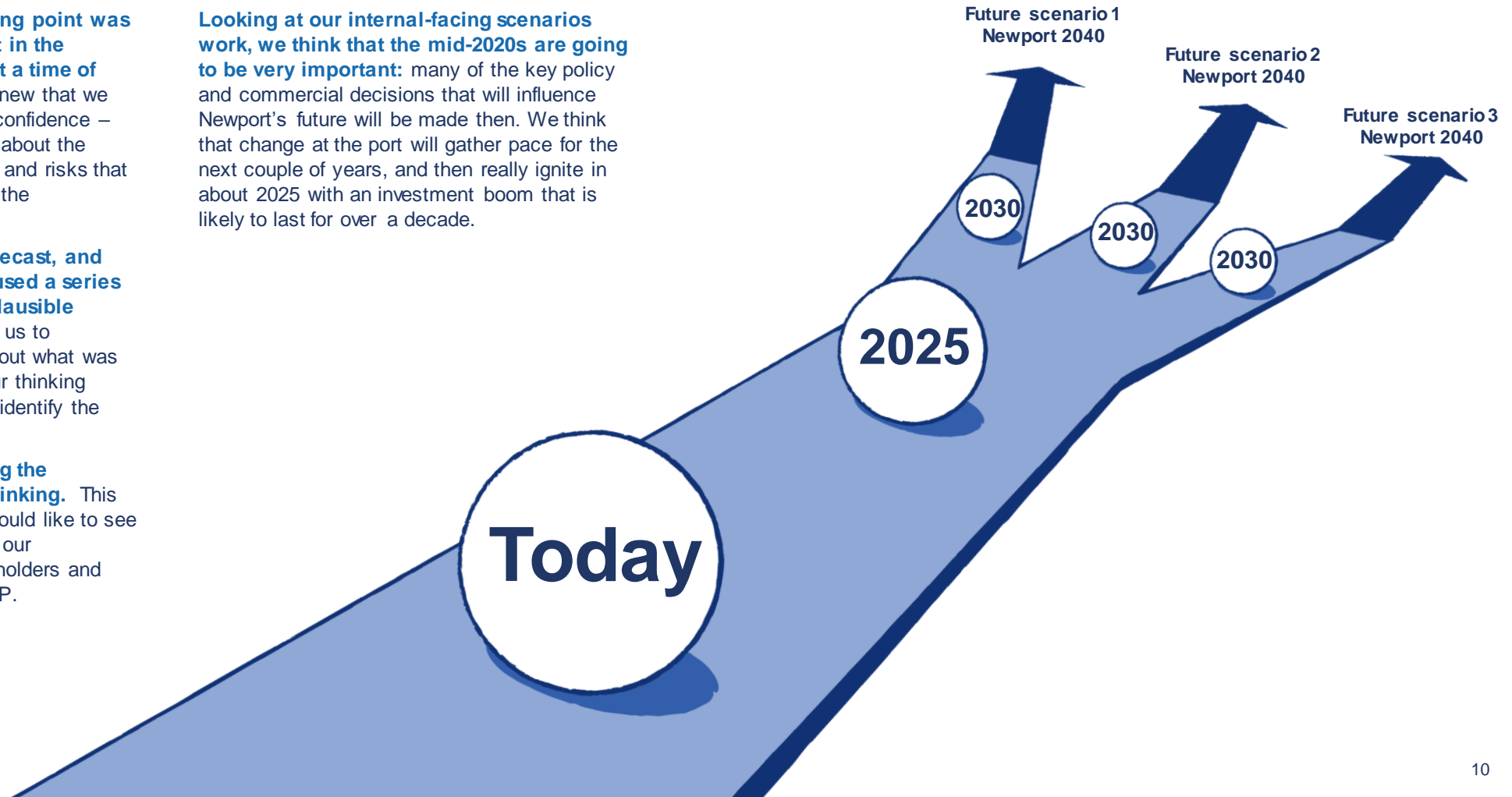
The approach

In writing this vision, our starting point was that we are facing a major shift in the business environment and that a time of real change was coming. We knew that we could not predict the future with confidence – but we needed a way of thinking about the future which clarified the choices and risks that we faced, as well as highlighting the opportunities.

Instead of making a central forecast, and basing our vision on that, we used a series of scenarios to test different plausible versions of the future, allowing us to challenge our preconceptions about what was possible at Newport, structure our thinking about future circumstances, and identify the most effective response.

In this paper, we are presenting the distillation of that scenarios thinking. This is the optimal scenario that we would like to see delivered for the port: optimal for our customers, optimal for our stakeholders and communities, and optimal for ABP.

Looking at our internal-facing scenarios work, we think that the mid-2020s are going to be very important: many of the key policy and commercial decisions that will influence Newport's future will be made then. We think that change at the port will gather pace for the next couple of years, and then really ignite in about 2025 with an investment boom that is likely to last for over a decade.



Part 2 – Vision | Objectives

Our vision of change sets out what we want to achieve by 2040. We have used it to set out three objectives that will help us focus our work with customers and stakeholders over the coming years.





The port is a key element of wider industrial logistics networks

This is our Newport vision for 2040 ... which generates masterplan objectives ... which deliver the *Future Ports: Wales* missions.

Our vision is of a **thriving, decarbonised industrial logistics port** successfully leveraging its strategic location: the port business has cut its carbon footprint and is commercially competitive, super-efficient, and in high demand. The port has been boosted by solar power, wind energy and innovative industrial decarbonisation facilities, and the resulting blend of classic and contemporary is attracting businesses to a **clean growth hub**. Integrated into the life of the city, the port will continue to work with customers, stakeholders and communities, **delivering well-being for Wales' current and future generations.**



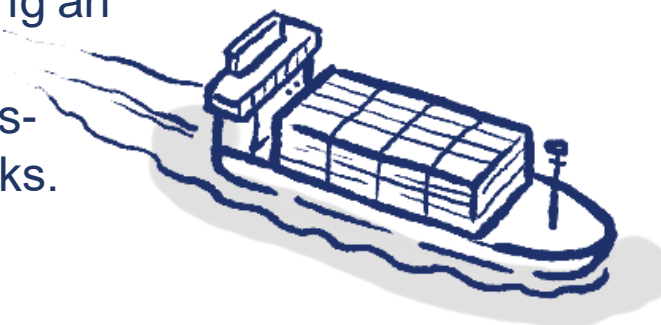


The port today, including a computer-generated image of the future transporter bridge visitor centre



Objective 1: a thriving, decarbonised industrial logistics port

This objective aims to reinforce our historic function of connecting the Welsh and UK economy to the wider world. We aim to modernise our offer, taking an integrated, system-wide approach that aligns site development, labour, cranes, storage and onward transport facilities. The result will be a class-leading port which is deeply embedded in our customers' logistics networks.





West Way Road / Tom Lewis Way

With access by sea, rail and road and the potential to link into on-port energy generation, there are opportunities across the port. At West Way Road and Tom Lewis Way, we see a range of storage, logistics and industrial uses. The location, topography and ground conditions at the West Way Road site means that it is likely to be amongst the first to come forward, with Tom Lewis Way coming forward later. The precise site layouts will be tailored towards the needs of end users.

Towards a new growth pathway

This objective is about the foundational activities that the city of Newport has been undertaking for nearly a thousand years: providing the point of interface between transport on water and land, and allowing the transfer of cargos on and off the water to storage, manufacturing, or next point of use.

As such, this objective is about successful evolution, rather than revolution. The port provides the Welsh and wider UK economy with an essential service, and that is going to continue into the future.

This work has highlighted that we need a more integrated approach to the development of new port capacity which fits together berths, sites, sheds, cranes, labour and transport connections to create a compelling package ready for an incoming customer. We aim to get to best-in-class status with deeper integration into our customers' logistics and IT networks. A new focus on pump-priming at strategic development sites will allow us to take a patient, cost-effective approach to site development – as well as allowing us to dramatically shorten the time from first enquiry to go-live on site.

There are cross-cutting themes which apply across our 'classic' port functions. Firstly, ABP's *Ready for Tomorrow* corporate sustainability strategy commits us to achieving Net Zero emissions from ABP's own operations by 2040. This requires ABP to replace diesel-burning vessels, cranes, handling equipment and vehicles with electric or hydrogen-powered alternatives, with the use of biodiesel as an interim solution only. We are also keeping a watching brief on the development of the Net Zero Carbon Building Standard (NZCBS). Together with the existing Energy Performance Certificate regulations, this emerging building standard may oblige us to make a series of changes to the built fabric of the port.

We will also be supporting our marine customers to make the shift to net zero operations. Vessel fuelling is likely to be an important part of this shift. Right now, the technology pathway is still unclear – marine fuels used could be methanol, hydrogen, ammonia, biofuels, battery, or a combination. Whatever the future holds, we want to be able to help our customers make these important sustainability improvements.

Wider road and rail access remains important to the delivery of the port's classic role. Road access remains critical, and we will keep the traffic implications from growth under review. And in future, rail is likely to be of growing importance: absent major innovations, it is still the most environmentally sustainable way of moving the large quantities of bulk cargoes we can see for the foreseeable future, as well as being a good way of keeping trucks off local roads. The rail links on the ABP site are maintained, but we expect that some of the links to the north of the port (outside ABP control) are likely to need substantial investment over coming years if we are to keep this rail facility functioning effectively.

Our work has also highlighted the importance of five future port logistics development zones – at the Port Gateway, West Way Road, Middle Quay, the North Side of South Dock, and the South Side of South Dock. Much depends on the requirements of incoming customers, but the basic requirements are becoming clear.

All projects are subject to commercial viability.

Port Gateway reconfiguration

The Gateway area has two roles. Firstly, it is a working part of the port with an important commercial role. Secondly, it has a wider role in presenting the port to the outside world, and welcoming customers and visitors. We think that improvements can be made to both roles, and we are looking at the business case that would allow this to happen.

Functionally, the Port Gateway reconfiguration project would allow the possible relocation of the Gatehouse – improving our ability to provide effective security by reducing the upstream effects of any vehicle queuing on the A48 junction. Plans are also likely to include greener office facilities which help us deliver our *Ready for Tomorrow* sustainability strategy, possibly including shared facilities that we could offer to port customers. Gateway reconfiguration would also allow more effective use of space at nearby sheds and allow us to incorporate new ABP Engineering facilities into the design.

We want to upgrade the Gateway area in order to send a stronger message to our customers and communities about our aspirations for growth in Newport. Selective demolitions of end-of-life warehousing and office accommodation will improve the external appearance of the port, and there is also potential to align our work with the adjacent provision of the Transporter Bridge Visitor Centre. We say more later in this paper (see Objective 3).

There are also important workplace safety and efficiency benefits available if we take a strategic overview of the southern part of the Gateway area. We aim to straighten East Way Road, and create additional functional port space from more efficient site layouts.

Note that the image here is indicative only. We have not yet made final decisions on building requirements, locations, or external treatments.





Middle Quay

The Middle Quay area lies to the eastern side of Junction Cut, and is bounded by the Dry Dock to the north and East Lock to the south.

The area is ripe for intervention: it is home to a number of end-of-life industrial sheds. These sheds will be cleared in a series of sequenced steps, allowing us to get sites assembled for new strategic customers.

At the north of area, we are likely to clear the existing area, and recycle land for use as open storage.

Along the main quayside area, we will look to release quayside whilst protecting existing customers, create new storage facilities for incoming strategic customers, and create efficient new access from East Way Road.

At East Lock, to the south of the Middle Quay area, we will also be streamlining port facilities to provide high quality experience for existing and future customers.



North Side of South Dock (NSSD)

Right now, the NSSD supports our customers' bulks and agribulks businesses, along with some steel import activity. We expect the NSSD to be getting busier over time, particularly as cargo volumes from manufacturing-related import businesses grow. We think that process innovation (rather than major quayside investments) will be the right response. Over the next few years, we will be doing more detailed work to set out the options.

South Side of South Dock (SSSD)

The SSSD has evolved away from its historic role as the 'Coal Bin'. At the western side, there is a new focus on metal recyclables, particularly on metals that that will be increasingly central to the decarbonised steel production using Electric Arc Furnaces (EAFs).

Subject to future negotiations, we also hope to welcome new production facilities, which we expect will be serviced by the largest vessels able to visit Newport ('handysize' 30,000 to 40,000t vessels up to 10.4m draft and 30m beam). We expect these facilities will sit well alongside the port's existing role in facilitating marine aggregate extraction from the Bristol Channel, and the future hydrogen/carbon capture facilities discussed in the next section of this masterplan. This is a development which has particular strategic significance, given the potential of this site to evolve into a rail-connected clean growth hub.

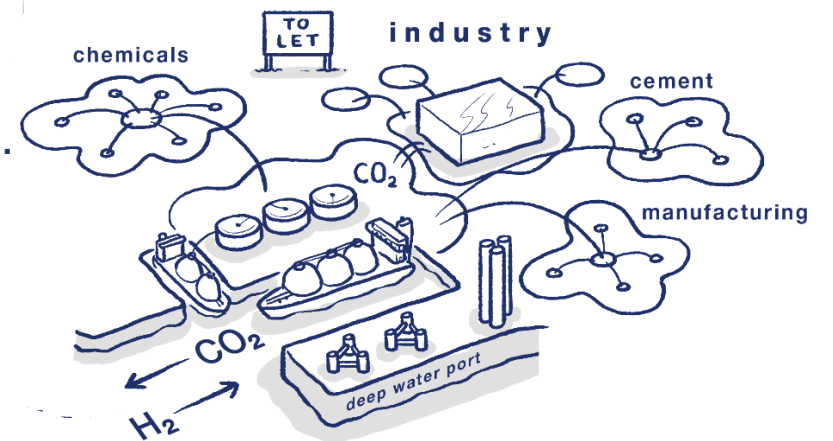
Finally, we expect to see the need for the reprovision of existing packaging manufacturing facilities. The existing site is nearing the end of life, and we expect that any future development will be highly energy efficient, and able to tap into local energy production and decarbonisation facilities. We will work with our customers to get ready for an energy-efficient future.

Our Steel Terminal will also be modernised.

South Side of South Dock

Objective 2: a clean growth hub

This objective sees ABP Newport create a key industrial resource for Wales. The next ten years will see a revolution in the prevalence of clean energy generation, hydrogen, synthetic e-fuels, heat networks and Carbon Capture and Storage. The port can knit together these technologies, and combine them with low-carbon rail and maritime logistics. The resulting 'clean growth hub' will create competitive advantages that help manufacturing and logistics businesses move towards net zero.





The clean growth hub at the South Side of South Dock (SSSD)

Anchored by a hydrogen production and ammonia synthesis plant and supplemented by solar power and further wind generation, the Vision sees the South Side of South Dock transformed into a green energy hub for the port and beyond.

Towards a new growth pathway

Decarbonisation will demand fundamental changes in manufacturing industries across the world. If Wales is to have a share in that future – and we very much think that it should – then the city of Newport has a big part to play.

We aim to host new hydrogen electrolysis, ammonia synthesis, heat networks, e-fuels and CCUS at the South Side of South Dock (SSSD), creating network effects both for the port and the wider sub-region, allowing a range of industries in hard-to-decarbonise sectors (such as cement, ceramics, chemicals, plastics) to prosper in Newport. We also hope to export heat from industrial processes through a local heat network.

We should explain why we think that the port is the right site for these strategic assets. The answer, simply, is that the port can connect the land with the sea in carbon-efficient ways which other sites cannot – and this brings unique advantages. The port has cost- and carbon-efficient access to:

- imports of heavy industrial feedstocks required. For high carbon-emitting industries, these feedstocks are frequently best transported by sea – including aggregates from Scotland and the Bristol Channel,

minerals, recyclates, and scrap metal;

- excellent rail and road connections;
- available, developable land to accommodate the future industrial development required;
- zero-carbon energy generation opportunities from solar and wind turbines; and
- an experienced local workforce.

But this is not an advantage that just accrues to the port and its users. Instead, the port creates advantages that stretch across the sub-region. As our plans indicate, we have positioned the site on the east of the port, allowing the easiest possible access to hydrogen and CCUS facilities for a range of sites including Llanwern, Birdport, Liberty Steel and the former Uskmouth Power Station site across the Usk.

These are ambitious plans, and all are subject to commercial viability. Nothing is likely to be possible without a series of policy innovations and major additional Government intervention in the energy markets. However, we aim to work closely with partners to help shape this future: we believe it is a critical part of securing a long-term industrial future for South Wales.

The Port at the centre of an integrated Newport clean growth hub

Low-carbon maritime and rail connections will complement access to clean energy generation from wind and solar, hydrogen, synthetic e-fuels, heat networks and Carbon Capture and Storage.

rail connections

hydrogen and CCUS for clean growth hub

sea connections



Towards a new growth pathway

These are the things that must happen to as the clean growth hub develops. This is a schematic view: these projects are unlikely to happen in the precise sequence described here, and are likely to need a form of public/private co-development

1: getting the energy generation and supply capacity

Energy supplies would come from two points

- On-port zero carbon energy generation will be subject to substantial development. We see opportunities for around 9MW of roof-mounted solar generation capacity, significant capacity for ground-mounted solar, and will look at the potential for two 2.4MW turbines (126m tip height, to match the existing pair of turbines). Further work on locations will be necessary, but at the moment, delivery is at a halt due to grid connection issues. The Distribution Network Operator (DNO) advises that these are unlikely to be resolved before the mid 2030s.
- Off-port energy. Given local grid connection difficulties, we may wish to bring a 132kV power line from the former Uskmouth Power Station site. This connection is likely to be costly – of the order of several millions of pounds – but would have the effect of unlocking future hydrogen and CCUS facilities, as well as making the on-port energy development possible, by sidestepping the need for local grid connection upgrades.

2: developing hydrogen, ammonia, e-methanol, heat networks and CCUS infrastructure

We envisage the new zero carbon cluster coming together in the following way

- After 2026, hydrogen electrolysis, ammonia synthesis or e-methanol plant is the likely first development, using around 20-30 acres at the Atlantic Development Area. This is the likely origin point for the heat network.
- A carbon capture plant could arrive later, given the timing of the Government's CCS Cluster sequencing process. The requirement for on-site CCU or CO₂ shipping facility would depend on demand from a CO₂ emitter. The site would use around 10 acres at an adjacent site at the Atlantic Development Area. A CO₂ export pipeline could run from the site to a location on the SSSD, to connect the site to sea-based transport to storage points.
- Heat networks which connect heat-emitting industrial processes to port users and the wider community will be explored.

3: developing the industrial cluster offer

Once supporting infrastructure is in place, the manufacturing cluster will build momentum, particularly as the advantages of ports become clearer in a world with carbon taxation

- The port location can minimise road transport and haulage costs that we expect to rise in future, particularly when bulk materials are needed as part of a manufacturing process.
- Zero carbon manufacturing would be likely to start on the SSSD, but connection on the north side would be possible by pipeline. Pipelines for the import and export of liquids via vessel would connect to either Middle Quay or SSSD.
- At the moment, it is impossible to be certain about land take-up rates for the industrial cluster within the 2040 plan period, but we expect to see a substantial jump in take-up once this infrastructure is in place. To some extent, this will be determined by take-up rates at Llanwern and neighbouring industrial sites.
- In this paper, we have assumed that facilities on at the west and south of the port come forward for zero carbon manufacturing development.



The new clean growth hub on the South Side of South Dock
Subject to grid capacity, we see opportunities for around 9MW of roof-mounted solar generation capacity, and potential for two new 2.4MW turbines and over 40 acres of ground-mounted solar



Objective 3: well-being for current and future generations

We see ABP Newport as part of a wider growth system that delivers well-being for the city and for Wales, both now and into the future. We want to help the city build a reputation as a fertile growth location where communities, businesses and natural ecosystems can succeed in a sustainable way.



ABP | ASSOCIATED
BRITISH PORTS
NEWPORT
WALES MARATHON & 10K
MARATHON & 10K CASNEWYDD CYMRU

Newport Marathon & 10K

ABP is one of the sponsors of this unique community event, which attracts runners of all ages from across South Wales and beyond



Towards a new growth pathway

If the City of Newport is going to succeed for future generations, it will need to attract investment, retain it, and then win more reinvestment, creating a cycle of growth. The Well-being of Future Generations (Wales) Act makes these objectives even more challenging, making clear that public bodies need to simultaneously deliver across a range of social, environmental, economic and cultural goals. ABP Newport is a Statutory Harbour Authority and a commercial port, so we do not technically share these duties. But even so, we take our responsibilities seriously, and believe that we have an important contribution to make to the well-being of future generations.

A shared public realm

As we have set out above, the Port Gateway is one of our focus areas for change. An opportunity may arise from the potential to integrate our redesign with the development of the new Transporter Bridge Visitor Centre, and help to reinforce the quality of this new site for the city. We have some outline ideas, and will develop these with partners and stakeholders.

Cohesive communities

We also want to contribute to the development of a cohesive community in the city. ABP is the proud sponsor of the Newport Marathon, 10K and family fun-run. This community event saw 6,000 runners and wheelchair participants in 2023 and is Wales' largest marathon. Alongside that, we have run sustainability-themed competitions with local schools, worked with the Royal Navy to celebrate Armed Forces Day with public tours of HMS Severn, continued our support to the Mission to Seafarers, and worked with the Welsh National Opera. We will continue to look at ways of expanding our support for the city's communities in future.

Resilient ecosystems

We believe that local environmental improvements can exist side-by-side with economic wins – and that done well, one helps the other. We've been working on these issues for some years now: the Port was an early adopter of wind and solar, has worked with the Gwent Wildlife Trust, and has undertaken ecological mitigation around new developments. We will continue

this work with partners to defend and improve biodiversity value.

We aim to deliver these opportunities in a planned and co-ordinated way – showing how we will work towards environmental benefits while securing the economic uplift we need. The changes described in this vision paper will need a habitat mitigation package - possibly including a strategic offset land acquisition. We will also explore the possibility of creating additional reserved 'zones' within the active port that will allow particular environmental assets to co-exist with updated industrial uses and look at the establishment of wildlife corridors that allow for the continued connectivity of important habitats and species across the landscape.

The right response to flood risk

Flood risk mitigation is an important issue for the port. But as we explain in the case study overpage, we believe that at least some of that risk comes from a policy over-reaction. We will continue to work constructively with Government and regulators on this issue.

CASE STUDY: TAN15 and the right response to flood risk

Like many coastal nations, Wales is working to understand what sea level rise means for future development, and ABP is an active part of that conversation. A significant part of the ABP Newport site falls within what Welsh Government has designated as being Flood Zone 3 within its flood-related 'TAN15' guidance for planning authorities. Planning authorities are obliged to take TAN15 into consideration when making planning decisions.

Flood Zone 3 areas are those which are at risk of inundation in the worst flood event expected in a 200 year period. But this is not the flood risk we are running today. This is the risk of a 1-in-200 year flood a century from now – because the calculations build in 100 years of sea level rise. So, while important to understand flood risks, it is critical that we do not over-react.

There are many potential highly efficient solutions here – ranging from allowing expert property owners to bear flood risks themselves, when they do so without risking public funds; looking at the possibility of using marine dredge arisings to alter ground levels; ensuring that shelter-in-place provisions are allowable; allowing statutory bodies to create flood resilience plans alongside local authorities; and ensuring that new buildings are designed with flood resilience in mind.

The good news is that we continue to have a constructive working relationship with Welsh Government, local authorities, and other investors, and we are working together to get the right approach through TAN15 that will deliver well-being for future generations.

Part 3 – Delivery | Timeline

The last decade has seen considerable change – with ABP Newport investing in new wind turbines, port-centric manufacturing facilities, and warehouse developments. Even so, we think that the rate of change is going to increase dramatically over the coming decade, meaning that we will need to work together with our customers and stakeholders in new ways if we are to succeed - developing opportunities, integrating workstreams, finding synergies, and brigading funding. Because, when we are facing climate deadlines, timely delivery is the only thing that really matters.



A new approach to delivery

At ABP, we know that innovation is central to growth. But the innovation we need is not just about changes in technology and markets. Instead, it is about business practices, mindsets, and the way that the public and private sectors work with each other. The climate challenge demands a cultural shift from both sectors. The private sector needs to think about investment in a more nuanced way than it might at present, whilst regulators and town planners need to work on helping find cost-efficient solutions to development issues, rather than focusing on objections.

We think that there has been a significant shift in the approach that ABP is taking to these issues, and we are pleased to report that we are finding the same process is under way with our stakeholders. Newport is particularly well-served in this respect: in our experience, the City Council's planning team has been first-rate in its speed and effectiveness. As well as the City Council, ABP Newport works within the wider context of the Cardiff City Region, Welsh Government, and the Western Gateway, and alongside Net Zero Industry Wales (NZIW), SWIC (South Wales Industrial Cluster), and Natural Resources Wales (NRW). There is great expertise in these networks, and together we have confidence that we will be able to bring forward ground-breaking projects.

If we continue to work together, the opportunities are remarkable. The hydrogen and CCUS facilities covered earlier are a great example. There is little doubt that these facilities will need substantial public sector funding and policy support if they are to be possible. But if they are delivered, they will 'crowd-in' potentially very significant private sector investment and create a new springboard for a next-generation industrial cluster which will have significance across South Wales and far beyond.

Desired Newport 2040

Actions

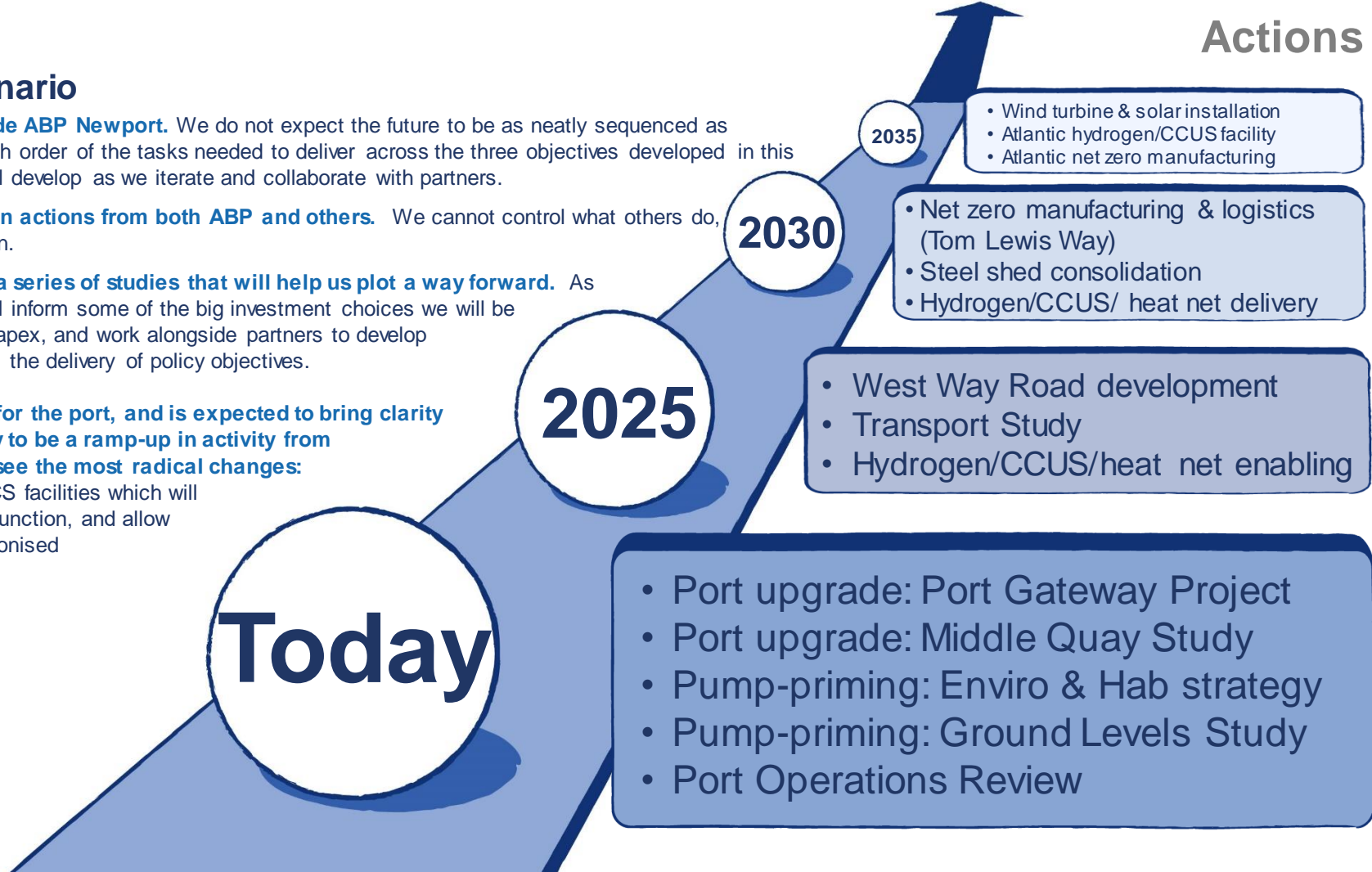
The timeline: the optimised scenario

We are at the start of a multi-year journey to upgrade ABP Newport. We do not expect the future to be as neatly sequenced as suggested here, but the image helps us arrive at a rough order of the tasks needed to deliver across the three objectives developed in this paper. Timings are uncertain, and much more detail will develop as we iterate and collaborate with partners.

The delivery of this 'optimised scenario' depends on actions from both ABP and others. We cannot control what others do, but we can help make good things more likely to happen.

To start the process of change, we have identified a series of studies that will help us plot a way forward. As we move through 2024 and into 2025, these studies will inform some of the big investment choices we will be making. These studies will allow us to apply for ABP capex, and work alongside partners to develop public funding packages where we are working towards the delivery of policy objectives.

The mid-2020s are likely to be an important period for the port, and is expected to bring clarity on a number of commercial matters. There is likely to be a ramp-up in activity from 2025 onwards, but the early 2030s are expected to see the most radical changes: this is when we hope to see the hydrogen and then, CCS facilities which will allow a major structural shift to take place in the port's function, and allow the full emergence of the port as the centre of a decarbonised manufacturing hub.



Today

- Port upgrade: Port Gateway Project
- Port upgrade: Middle Quay Study
- Pump-priming: Enviro & Hab strategy
- Pump-priming: Ground Levels Study
- Port Operations Review

2025

- West Way Road development
- Transport Study
- Hydrogen/CCUS/heat net enabling

2030

- Net zero manufacturing & logistics (Tom Lewis Way)
- Steel shed consolidation
- Hydrogen/CCUS/ heat net delivery

2035

- Wind turbine & solar installation
- Atlantic hydrogen/CCUS facility
- Atlantic net zero manufacturing

The optimised scenario, 2040: Newport is Wales' new clean growth hub and premier industrial port

Objective 1: a thriving, decarbonised industrial port

- A Port Gateway
- B Middle Quay redevelopment
- C South Side South Dock (steel shed consolidation plus wider logistics)
- D West Way Road strategic development (2025-30)
- E Road realignment, workplace transport and development site rationalisation

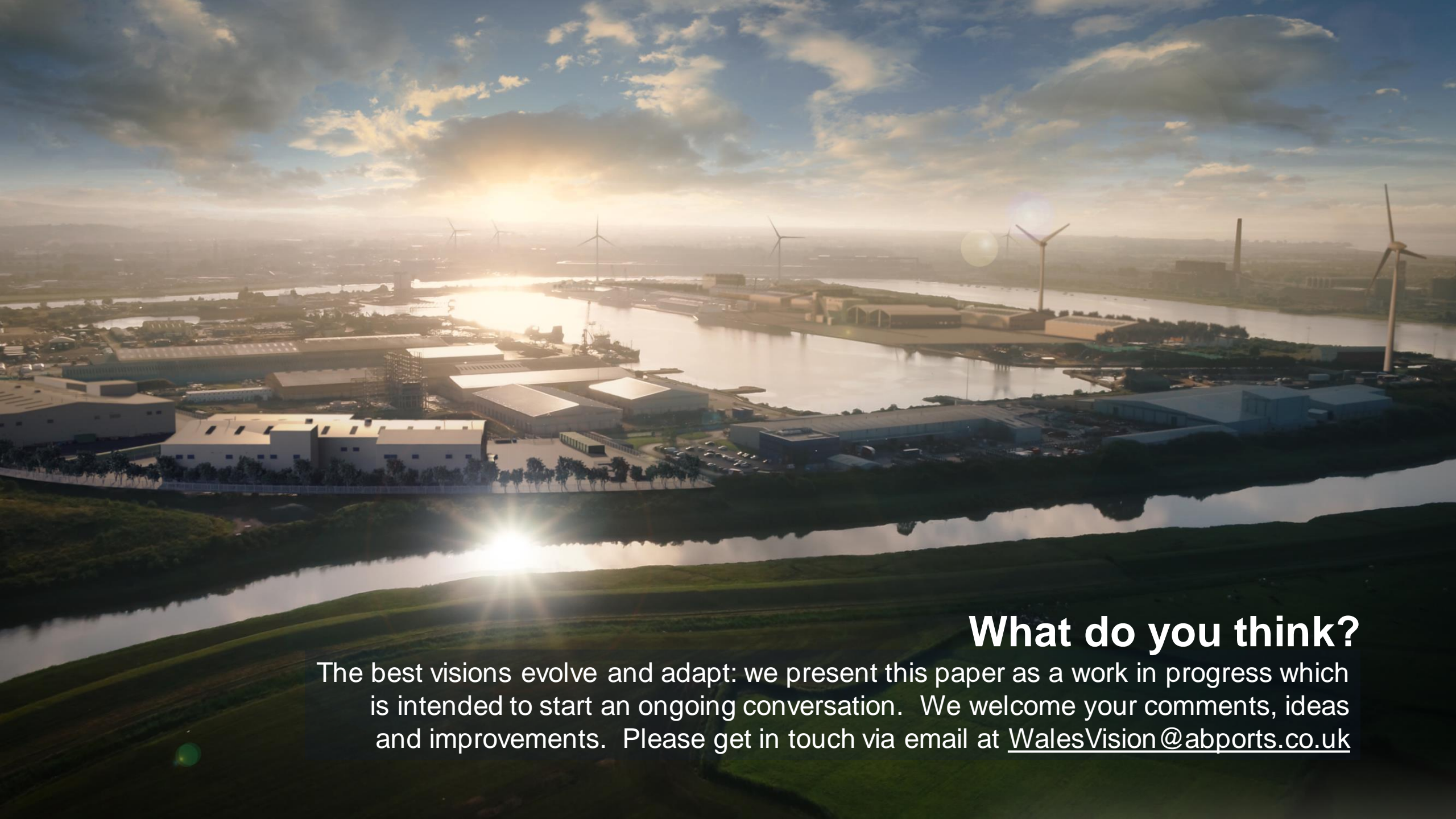
Objective 2: a clean growth hub

- F Hydrogen/CCUS pipeline, enabling works and potential Uskmouth link
- G Atlantic hydrogen/CCUS facility
- H Wind turbine & solar installation
- I Zero carbon manufacturing and logistics (2030 onwards)
- J Heat network connection point

Objective 3: well-being for current and future generations

- K Port Gateway Project public realm improvements
- L Environmental mitigation & habitat strategy





What do you think?

The best visions evolve and adapt: we present this paper as a work in progress which is intended to start an ongoing conversation. We welcome your comments, ideas and improvements. Please get in touch via email at WalesVision@abports.co.uk

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