

PE1637/N

Port of Cromarty Firth submission of 14 January 2021

Following the meeting of the Public Petitions Committee on the 12th November 2020 regarding petition PE1637: Ship-to-ship oil transfers and trust port accountability, the Port of Cromarty Firth (PoCF) are providing the below information in response to a number of the issues which were discussed.

Funding for Infrastructure Developments

The committee raised questions regarding the infrastructure investments made by PoCF and the funding which was provided by the Scottish Government / Highlands & Islands Enterprise (HIE). PoCF have made strategic investments into the Port's infrastructure to future-proof the facility and ensure there is sufficient capacity and capability to meet the requirements of key industries, such as offshore renewables, oil & gas and cruise. Two recent developments were discussed by the committee, which both received public sector funding, PoCF's Phase 3 and Phase 4 expansions.

Phase 3

PoCF completed the Phase 3 development in 2015, which involved the reclamation of 11 acres of laydown area and the creation of a new 154m deep-water quayside. This development has been utilised by oil & gas and offshore wind projects such as SSE's 588MW Beatrice Offshore Windfarm, which is reported to have contributed £460 million to the Scottish economy and supported more than 7,000 jobs.

The total project cost was £24m, which was funded through the following sources:

PoCF Funding	£17.4m
HIE Grant Funding	£4.0m
European Regional Development Fund (ERDF)	£2.6m

John Finnie MSP asked if the Scottish Government offered an inducement to PoCF (for the above public sector funding) to withdraw its ship-to-ship oil transfer application. PoCF can confirm that no inducement was offered and the public sector funding was awarded based on the merits of the business case put forward on the infrastructure expansion.

Phase 4

Construction of PoCF's Phase 4 development is currently ongoing and will provide an additional 9 acres of laydown area and a new 218m deep-water quayside. The expansion is targeted towards the requirements of the offshore

renewables and cruise industries, as outlined in the recent Crown Estate Scotland report on offshore wind energy requirements.

The estimated project cost is £31m, which has been funded through the following sources:

PoCF Funding	£10.25m
HIE Grant Funding - including ERDF	£7.75m
Bank Borrowings	£13m

Over £100m has been invested into the facilities within the Cromarty Firth, which have now accommodated and supported more windfarm projects than any other Scottish Ports. Over £50m has been invested in the Port's own facilities, in order to maximise jobs and opportunities for local people and businesses. As a result of these strategic investments, a [recent study](#) by Crown Estate Scotland identified the Cromarty Firth as a leading location to support future offshore renewable projects.