

## **Report to Partnership Meeting 7 October 2011**

### **EUROPEAN PROJECTS**

#### **Food Port Project**

##### **Purpose of Report**

To report to Members on an opportunity that has emerged for HITRANS to become full partners in the INTERREG IV B North Sea Area Food Port project.

##### **Background**

SESTran (South East Scotland Transport Partnership) are a partner in the Food Port project. The project has secured a total budget of €4.9Million and partners are required to raise 50% of the project costs. One UK partner has withdrawn from the project and their budget of up to €1Million has been made available to new UK partners. SESTran have alerted HITRANS to this opportunity recognising the significance of the Highlands and Islands to the UK food and beverage sector which is the product market the project is focusing on.

##### **What Is Food Port**

Food Port aims to develop the North Sea Region (NSR) as the best food cluster and hub in Europe for food products delivered via efficient and sustainable transport systems e.g. 'green transport corridors'.

Food Port brings together partners from six North Sea countries (Belgium, Denmark, Germany, Norway, Sweden and the United Kingdom) to find practical solutions to improve the efficiency, effectiveness and sustainability of the food supply chains.

The Food Port project operates under the umbrella of the INTERREG IV B - North Sea Region Programme, part of the European Regional Development Fund. The project started on September 1st, 2010 and runs until August 31st 2013. The total project budget is 4.9M€, of which the ERDF co-finances 50%. The West Flanders Development Agency (POM West-Vlaanderen) is the lead partner.

In total 18 partners (including regional authorities, knowledge institutions, food industries and ports) from 6 countries are involved: Sweden (Region Västra Götaland, Port of Gothenburg and Chalmers University of Technology), Denmark (University of Southern Denmark, Development Council of South Jutland, Port of Esbjerg and Port of Odense), Norway (Port of Kristiansund and Nordmøre), UK (University of Hull, SESTran and Forth Ports), Germany (City of Bremerhaven, "Deutsche See" and University of Bremerhaven) and Belgium (VOKA – Chamber of Commerce West Flanders, Port of Zeebrugge, Port of Oostende, POM West Flanders).

The project will investigate and develop green transport corridors for food products between regions around the North Sea. This will lead to concrete modal shift pilots along the identified green transport corridors and to the development of (new) food platforms or hubs. In order to

improve the food-logistics chain, new technological solutions will be incorporated, such as a technical support platform.

Central Aim:

- Optimization and coordination of food logistic chains in the North Sea Region: improve the accessibility and transport logistic system of different food clusters in the North Sea Region;
- Strengthen the food industry within the NSR: strategic position as FOOD HUB.

Food Port Priorities:

- Promote the development of multi-modal and transnational transport corridors;
- Promote the development of efficient and effective logistic solutions

### **HITRANS Opportunity and Next Steps**

Food Port partners have invited interest from new UK partners to replace another UK partner who have withdrawn from the project. This opens up an opportunity to HITRANS to develop a project with freight and food/beverage industry stakeholders that would promote the development of the sustainable movement of products within the North Sea area where the Highlands and Islands offer significant opportunities.

The work on identifying food clusters has already been completed by SESTRan for all of Scotland which would allow HITRANS, should our submission be approved, to join the consortium with this first activity already complete for our area.

Through our Freight stakeholder liaison arrangements HITRANS have good links with hauliers and other groups associated with the food and beverage sector. Officers believe there could be interest from this sector in investigating the opportunity to move freight by sea or rail rather than road haulage. Therefore the purpose of this report is to seek approval for officers to engage with industry representatives to investigate whether a project could be submitted that would allow the Highlands and Islands to benefit from this opportunity. No commitment of budget will be required at this stage and any project would not commence until 2012/13 and could be considered within the Business Plan for next year.

### **Recommendation**

1. Members are asked to note the report.
2. Members are asked to approve officer level investigation of the opportunity presented by the Food Port project with a view to identifying a project that would allow HITRANS to apply for part of the available budget.

<b>Risk</b>	<b>Impact</b>	<b>Comment</b>
RTS delivery	√	This project fits well with a number of RTS Horizontal themes.
Policy	√	This project could have positive environmental benefits.
Financial	√	This project gives an opportunity to attract funding on a 50% intervention rate.
Equality	-	No impact on Equalities issues.

**Report by:** Ranald Robertson  
**Designation:** Partnership Manager  
**Date:** 7<sup>th</sup> September 2011