

Jersey Competition Regulatory Authority
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Via email - info@jcra.je

31 March 2022

Dear Sir or Madam

Freight Logistics Market Study

Condor Ferries would like to thank the Jersey Competition Regulatory Authority (“the Authority”) for the opportunity to respond to the Freight Logistics Market Study .

Condor Ferries provides lifeline Roll-on, Roll-Off (RoRo) freight ships twice a day, six days a week, connecting Jersey with the United Kingdom, France and Guernsey. The ships operate at a rate of 99% reliability, 6% of this figure were cancelled due to weather¹. Throughout the Covid-19 pandemic, the ships operated 706 days of uninterrupted freight services, providing Islanders with daily food supplies and delivered 375,000 vaccines in the effort in keeping people protected. Condor Ferries are committed to continue connecting the Channel Islands to the UK and Europe, as it has for the past 75 years.

We are supportive of the work of the Authority and the comprehensive nature of the study. Whilst there are some minor inaccuracies, we do not feel these would alter the overarching message of the report and therefore we will aim to respond on the significant themes. The comments are in no way meant to be critical and are merely stated for contextualisation and clarity of the author and subsequent readers.

1. Barriers To Competition

Lack Of Space

In respect of the lack of Port space, our comments are separated into two parts; challenges in the Restricted Zone today and considerations for the Restricted Zone in the future.

It probably should be clarified for those not familiar with Port layouts, the distinct difference between the Restricted Zone – where goods are presented awaiting Customs clearance, ready for shipment by sea, or having been unloaded from a ship awaiting collection by Logistics’ operators, and that of the wider Port estate that is leased or owned by Logistics operators.. The latter is used for the separation of cargo for onward distribution and is not appropriate for Condor Ferries to comment.

Challenges In The Restricted Zone Today

The principal challenge of the Restricted Zone is space. There is only sufficient trailer space for one ship's capacity, this means that there is a policy of one trailer out, one trailer in. Whilst this is good practice, there is no buffer in the event of a weather cancellation, or indeed, multiple arrivals of trailers requiring segregation. It should be remembered that the space is also shared with passenger vehicles. There is only space for 136 passenger cars, who share the space waiting to be loaded and 35 vehicles being discharged from the vessel. To contextualise, one high speed ship has a capacity for 200 vehicles, so up to 400 vehicles have to transit this space during a full vessel turnaround.

We concur with the study this results in significant in-efficiencies to the Port operations.

Considerations For The Restricted Zone In The Future

Population Growth

We felt it important to consider the impact of population growth on Port infrastructure. It is conceivable that with a new vessel freight lane metres could be increased by 11% despite the 130m vessel length restriction of the Port. Therefore, spatial planning should consider how this growth in demand would be accommodated.

Alternative Fuels

Alternative fuels are expected which will help decarbonise maritime transport. It is not clear at this moment what the principal fuel alternative will be, however, most require storage facilities ashore, due to the lack of range and/or 're-fueling' time when compared to traditional fossil fuels. This will put pressure on Port space and should again therefore be considered as a part of the footprint requirements.

RoRo Rate Card

A volume-based discount as stipulated in the Rate Card is a global industry standard way of pricing and common across many forms of purchasing and procurement.

2. Lack Of Diversification

Risks To Future Resilience

It has been correctly identified that the risk of two concurrent ramp failures is low. However, it is to be noted that the alternative RoRo ramp on East Berth has half the wind speed limit compared to the West Berth. With increasing pressure on the Port to accommodate more operators in the same area, resilience of the berths to make them operationally comparable, is essential.

Additionally, the Port no longer has a functioning passenger gangway and the mix of pedestrianised passengers and freight from a safety perspective is far from ideal. Whilst managed, it is inefficient for freight operations and not of modern-day expectations. An increase in freight demand causes yet more pressure on the system and the need to be efficient requires infrastructure investment. Turnaround time is critical for any ferry operator, particularly in Jersey, due to the Port being tidal.

Lift-On Lift-Off (LoLo)

LoLo and RoRo traffic mix is governed by the demand of the market. LoLo cannot be considered a suitable alternative to RoRo for most cargo due to its lack of speed. The significant reduction of warehousing space in Jersey over recent years, requires the superior speed and ease of handling to meet the Just in Time supply chain model, which Retailers have chosen to adopt. It is therefore with a cautionary note, and in particular for temperature-controlled goods, that LoLo may not be a substitute alternative, as any decision to change will be a Retailer / Manufacturer based decision.

Yours sincerely



Elwyn Dop
Executive Director Operations

¹ Conventional vessels' reliability year-to-date February 2022