



South Harbour, Port of Aberdeen

Expanded Port of Aberdeen's multi-billion pound economic and jobs boost

Her Royal Highness The Princess Royal today (22 September 2023) officially opens Port of Aberdeen's transformational £420 million expansion project, catalysing a multi-billion pound economic and jobs boost for Scotland.

Already an economic powerhouse for the region, independent analysis forecast that when the expanded Port of Aberdeen reaches its full potential the port's Gross Value Added contribution will jump 60% to £2.4 billion and increase the number of jobs supported by 45% to an incredible 17,500.

Bob Sanguinetti, CEO, Port of Aberdeen, said:

"We're honoured that Her Royal Highness The Princess Royal is joining us for this monumental occasion. Port of Aberdeen is the UK's oldest business and we're now officially opening the country's newest harbour. Aberdeen's expanded port promises a vibrant future for energy, trade, and tourism across Scotland on the road to net zero, unlocking new jobs and attracting investment to the region.

Deputy First Minister Shona Robison said:

"As the largest new marine infrastructure project in the UK, Port of Aberdeen's South Harbour will have a huge positive impact on the North East of Scotland and will be a national asset of strategic significance to Scotland.

"The Port of Aberdeen is at the forefront of the vital transition to net zero. It will be key to helping pivot our economy towards new decarbonised technologies and fuels, not least in facilitating the growth in offshore wind and developing tidal wave research.

"Aberdeen South Harbour has the potential to capitalise on the existing, strong energy supply chain located in the North East of Scotland."

Minister for Nuclear and Networks, Andrew Bowie, said:

"I am thrilled to attend the opening of the Aberdeen South Harbour - this is a staggering feat of British engineering excellence and I look forward to seeing the transformational impact it will have on the local area.

"Constructing the largest marine infrastructure project in Trust Port history shows this country's ability to attract inward investment, delivering jobs, economic growth and prosperity to the local community while helping us achieve our climate goals."

More than 250 stakeholders are attending the opening event on Dunnottar Quay which will be marked with The Princess Royal unveiling a plaque and 'Octopode Accropode' structure which was specially designed and painted by local street artist, Craig Fisher.

Upon her arrival, The Princess Royal will be welcomed by His Majesty's Lord-Lieutenant of Aberdeen David Cameron and Roy Buchan, Chair, Port of Aberdeen, followed by introductions to Bob Sanguinetti, CEO, Port of Aberdeen, ministers from the Scottish Government and UK Government, and Steve Murray, Port Chaplain for the Aberdeen Seafarer Centre.

During the event, The Princess Royal will engage with a wide range of people who helped take Aberdeen South Harbour from concept to completion, as well as representatives from the private, public and third sectors.

Port of Aberdeen's continued commitment to supporting those most in need will be highlighted at the event with £30,000 of funding awarded to local charities and community group projects, such as Aberdeen Cyrenians, Aberdeen Science Centre and Befriend a Child. This takes the port's charitable donations through its supPORT-all community action programme in 2023 to £70,000.

At the peak of construction, there were 300 people working onsite and more than 30 companies from across the North East of Scotland were involved in the construction of Aberdeen South Harbour. These local organisations played an instrumental role in the successful completion and benefitted from contract awards of £44 million since 2020, with a further £16 million of work delivered by companies across the rest of Scotland.

The new harbour has generated more than £3 million of revenue during its phased opening and is attracting vessels and projects that would have previously sailed past the city, often destined for a European port.

This increased activity in energy, trade and tourism supports local jobs, attracts local supply chain spend and investment, and the profits generated are reinvested back into the port to improve the facilities for future generations.

With Aberdeen South Harbour complete, Port of Aberdeen is the largest berthage port in Scotland. The new facility, next to the Energy Transition Zone, can accommodate vessels up to 300m in length, with port users and customer benefiting from an additional 1.5km of deepwater berths, to a maximum depth of 15m, 125,000sqm of flexible project areas and significant heavy lift capacity. The expanded port is a

recognised development under the Scottish Government's National Planning Framework 4.

The expansion project was significantly self-funded by the port with valuable support from the European Investment Bank, Scottish National Investment Bank, Scottish Enterprise, and Aberdeen City Council and Aberdeenshire Council through the Aberdeen City Region Deal.

Roy Buchan, Chair, Port of Aberdeen, said:

"Today marks a new chapter in our almost 900 years of history. Aberdeen South Harbour is transformational for the port, local communities, the supply chain and wider region. We look forward to working with our partners across the private sector and public sector to maximise the potential of this new facility."

Chair of the City Region Deal Joint Committee Cllr Anne Stirling, said:

"The expansion of Aberdeen Harbour has significant implications across the city, the shire, the City Region Deal area. It is a project which really represents joint working, in the interests of the users of the South Harbour now and in future. That is why City Region Deal investment in the project was so important, allowing us another avenue to progress our net zero ambitions, expanding and increasing the tourism markets into the North east via the cruise vessels, investing in the surrounding infrastructure and road network. On behalf of the whole Joint Committee I would like to welcome the inauguration and look forward to many years of positive working to come."

Supporting quotes - official opening

Maritime Minister Baroness Vere said:

"Ports are one of the most important pillars to our local communities, economy and global trade opportunities.

"Congratulations to the Port of Aberdeen on this monumental achievement. I look forward to seeing the transformative impact this expansion will have on the region, its people, and the entire maritime industry."

Aberdeen City Council Co-Leader Councillor Christian Allard said:

"As a resident of Torry, I am delighted to see the many tourists exploring our streets while walking to the city centre and enjoying our hospitality. The arrival of many cruise ships at the new harbour has brought much joy and business opportunities to the whole region.

"As a city we are committed to investing in renewables, decommissioning and the tourism sector, all of which are supported by the new harbour. This includes the Council's own plans for regenerating the city centre and beach areas, as demonstrated by the recent transformation of Union Terrace Gardens."

Aberdeen City Council Co-Leader Councillor Ian Yuill said:

"I am delighted to see the new Aberdeen South Harbour being officially opened today by The Princess Royal. The new South Harbour is already providing significant economic benefits and I look forward to those growing in the years to come."

David Whitehouse, OEUK's CEO, said:

"The opening of Aberdeen South Harbour marks a huge step in the race for us to become a net zero economy. The Harbour has supported the region for over 880 years, and this expansion will allow our world-class energy industry to take on new projects and spark crucial investment in the North Sea for decades to come. We are accelerating homegrown greener technologies like wind, carbon storage and hydrogen, however at the same time supporting our oil and gas sector. Aberdeen South Harbour will provide a fantastic asset for the region, for Scotland, and the wider UK."

Ian McQuade, Chair of Cruise Britain, said:

"The opening of the Port of Aberdeen's South Harbour development is a transformational change for cruise tourism to the region and further enhances the appeal of cruises to and around Britain. The global cruise market is growing rapidly and the projections for cruises to the British Isles are very encouraging.

"South Harbour offers significantly increased capacity and facilities, allowing guests sailing on vessels up to 300m to enjoy everything that Aberdeenshire has to offer. Cruise Britain is delighted to offer our congratulations to all involved in delivering this exciting project."

Richard Ballantyne OBE, Chief Executive, British Ports Association, said:

"It's amazing to see this once in a generation development complete, congratulations to everyone at the Port of Aberdeen. A huge amount of work has gone into the project and the development will be both significant for the region but also for Scotland. Also, it's worth noting that the new infrastructure is a major step for the port in its energy transition journey and it will be exciting to follow the new facility's progress."

Sir Ian Wood, Chairman of ETZ Ltd, said:

"The official opening of the hugely impressive Aberdeen South Harbour marks a very positive milestone for the future economy of Aberdeen. It is a truly transformational development with significant quayside and lay down space that will be crucial in increasing our capability to maximise vast opportunities in renewables, particularly offshore wind.

"I congratulate the excellent team at Port of Aberdeen for having the vision and determination to deliver what is certainly an economic jewel in the crown for the North East of Scotland."

Scottish Enterprise CEO, Adrian Gillespie, said:

"Scottish Enterprise has worked closely with Port of Aberdeen on the South Harbour development for the last decade, providing financial and other forms of support from concept to delivery. It is fantastic to see this transformational project completed and ready for business.

"Economic diversification and the energy transition will be key to the future success of the North East, a region which is hugely important to Scotland's energy ambitions, creating economic growth, inward investment and sustainable jobs for generations to come.

"The new South Harbour will be right at the centre of this through its role in tourism, trade and the evolving energy sector, including the Energy Transition Zone."

Claire Mack, Chief Executive of Scottish Renewables, said:

"The South Harbour expansion is a significant moment for the net-zero energy transition and these new facilities are set to bring major opportunities to not only the Port of Aberdeen but all of north-east Scotland.

"Scotland's ports will play a crucial role in supporting the delivery of a cleaner, greener energy system and they will all need significant investment to support the enormous ambition shared by government and industry for developing offshore wind projects in Scotland's seas.

"We urge The Scottish and UK Governments to urgently invest in our port infrastructure, mirroring the level of ambition displayed at Aberdeen, to ensure we have the necessary supply chain and manufacturing bases required for mass offshore wind deployment by the end of this decade."

Mark Munro, Chief Investment Officer of the Scottish National Investment Bank said:

"Today's official opening is a significant milestone for the city. The Bank's funding has helped facilitate the completion of one of the largest marine infrastructure projects in the UK.

"The development will further strengthen Aberdeen's position as a key hub for large scale energy transition, and the increased capacity will play a vital role delivering the supply chain benefits for the ScotWind leasing round, supporting the Bank's mission to achieve a just transition to net zero.

"This investment will help shape industry in Aberdeen for decades to come and bring with it a major jobs boost, which includes the wider North East economy."

Jean Morrison, AREG chair said:

"AREG is very pleased to witness the major milestone for this transformational project, not just for the Port but for Aberdeen and the region. Having worked alongside the Port of Aberdeen for many years and visited the South Harbour at various stages of its development, we are excited to see the project come to fruition.

"The Port's ambition to become the first net zero port in the UK is aligned with AREG's mission to accelerate the transition and having a Port with the largest quayside length in Scotland will ensure our members can better access opportunities that accelerate the development and use of renewable energy."

Russell Borthwick, chief executive of Aberdeen & Grampian Chamber of Commerce, said:

"Thanks to this incredible £420million investment by Port of Aberdeen, Aberdeen has its place on the starting line in the race to become a global energy capital of the future, building on our incredible North Sea heritage.

"This is going to be one of the biggest global races for investment in human history, and the North-east will now be in the frame for major projects thanks to South Harbour's world-class deep-water facilities.

"In addition, this investment has opened up a whole new tourism market thanks to the cruise ships it will attract, giving us a chance to share our stunning coastline, countryside, castles, world class golf courses and a city with great green spaces, museums and restaurants with the world.

"The economic benefits of South Harbour will ripple through our local economy for decades to come."

Chris Foy, CEO, VisitAberdeenshire said:

"We congratulate the Port of Aberdeen for successfully completing this gargantuan project that has opened a new gateway for visitors to explore our region and created business opportunities for the tourism sector."

Sam Long, CEO, Decom Mission, said:

"Decom Mission has long been a partner of Port of Aberdeen and of the development of the Aberdeen South Harbour. Ports and infrastructure have an important part to play in the energy transition, including the decommissioning activity that is a key enabler of this. Congratulations to Bob Sanguinetti and the team for all of the work invested in this project."