Record container year as **Marseilles Fos sets vision for future**

Container throughput at Marseilles Fos rose 13% in 2012 – led by a 16% surge in deepsea volumes at Fos – for a record 1,062,408 teu as the leading French cargo port benefited from the first full year of national port reforms. Meanwhile cruise and ferry passengers topped 2.4 million for another all-time best.

Dry bulks and liquid chemicals also produced major increases on the previous year, but total cargo slipped 3% to 85.79 million tonnes after a string of external factors saw oil and gas volumes fall 11% to just under 53MT.

In contrast, Marseilles Fos defied the world economic crisis to emerge as one of the few European ports to register double-digit box growth for the year. The port authority attributed the performance at Fos to reliable labour relations, further occupancy of the logistics parks and the two private Fos 2XL container terminals coming fully on stream.

The authority also stressed that 2012 was marked by consensus with various civic and professional partners on far-reaching schemes involving developments in the Marseilles harbour area and the Fos industrial zone.

General cargo

General cargo was up 11% to 17.22MT, which included a 12% rise in container tonnage to 10.46MT. Reduced trade with North Africa saw ro-ro traffic down a point to 4.21MT, with trailer numbers 2% lower on 180,734. Conventional traffic gained 25% for 2.53MT in direct response to increased steel products output from ArcelorMittal, which had operated only one of its two furnaces the previous year due to a fall in demand.

In unit terms, the 1.062 teu box total was some 60,000 teu better than the previous record of 1.003m teu set in 2007. The 16% increase at Fos contributed 827,346 teu, including a 13% increase in river traffic to 75,468 teu. Marseilles improved 1% for 235,062 teu after a 3,000 teu increase in trade with Algeria.

Throughput at Fos has been boosted by fast-growing logistics zones, which last year attracted companies ranging from Maisons du Monde to Sea Frigo. Future competitiveness at the Marseilles container facility – Med Europe Terminal – will be enhanced on completion of the Mourepiane combined transport terminal, for which funding was confirmed by the government and co-financers during 2012.

Oil & gas

The 11% drop in oil & gas volumes left the sector on 52.74MT compared with 59.43MT in 2011 – mainly reflecting a 5.7MT slump in crude imports due to technical shutdowns at the Total refinery, mothballing of the LlyondellBasell plant and reduced pipeline deliveries to Switzerland and Germany after production ceased at Cressier and a change of supplier at Karlsruhe. This saw volumes for national refineries fall 12% to 25.5MT, while pipeline supplies were 25% down on 6.53MT.

Meanwhile LNG imports fell 20% to 5.47MT under the effects of a weak economy, strong demand in Japan and the opening of the Nord Stream pipeline serving Europe from Russia. With LPG volumes down 4% at 2.14MT, the sole growth area was refined products - up 4% to 13.09MT on the back of imports.

Other liquid bulks

Liquid chemicals and foodstuffs rose 10% to 3.55MT. The chemicals total of 3.47MT was prompted by imports of biofuels – worth 0.92MT – as well as methanol and benzene.

Dry bulks

Revived steel industry demand for raw materials drove dry bulks to a 25% increase on 12.27MT, including 36% growth in coal and ore imports to 7.77MT. Other non-food bulks – notably construction materials – also boomed with a 19% rise to 3.46MT, but agro-bulks suffered in comparison with the exceptional cereals season of 2011 and finished 16% down on 1.04MT.

Passengers

A 4% rise in cruise and ferry numbers saw Marseilles to its new record of 2.43 million passengers in 2012. Ferry carryings were up 1% on 1.54m while cruise numbers grew 10% to 890,100.

Corsica ferry services passed the million mark for the first time with a 3% increase to just over 1.020m. Tunisia carryings were lifted 10% to 227,100 by the introduction of *Tanit*, the biggest ferry in the Mediterranean, but numbers dropped 11% to 271,300 for Algeria.

The cruise throughput confirmed Marseilles as the sector's premier French port. The number of home port passengers rose 17.5% to 311,000, which represents a 35% share of the total – up 2% on 2011.

Cruiseship repair and access

The Marseilles Fos port authority took two major decisions in 2012 in support of cruise activity. Firstly it agreed the operating concession for the re-opening of drydock 10 - the biggest in Europe – as a repair centre for new generation cruise ships and other vessels more than 300 metres long. The authority is contributing €21 million to the project, which is due on stream in 2015 under a consortium confirmed as shipbuilders STX France and Mariotti, Genoa-based shiprepairer San Giorgio del Porto and its local subsidiary Chantier Naval Marseille.
In addition, the authority confirmed a €35 million investment to enlarge the northern sea wall entrance to the port to facilitate access by the latest giant cruiseships. The work will be completed in 2016.

Finance & investment

Annual turnover was down 12% at €136 million. This was due to the transfer of operational activities under national port reforms as well as the decline in crude oil throughput.

The €40m investments budget included €15m on the maintenance of existing infrastructure such as roads, quays and the sea wall. In other projects, €14m was spent on improvements to the port/city interface, lengthening a cruise berth and modifications to accommodate the giant new ferry *Tanit.* Expenditure also included €9m on container facilities and logistics hubs – notably the Feuillane platform.

Looking ahead

Last year the port authority and civic partners reached consensus on a city/port charter that sets out a shared vision for the future of the Marseilles harbour area. In early 2013 they will sign up to the plan, which covers industrial, logistics and urban initiatives. Signatories joining the port will include the city and regional councils, the chamber of commerce and the Euromediterranee development agency.

In similar vein, more than 120 players involved in the Fos industrial zone met last year to discuss development plans. These will now be elaborated during 2013, which marks the zone's 50th anniversary. The milestone will be celebrated in June as the start of a new development cycle. According to a study published late last year by the Organisation for Economic Cooperation and Development, the port already generates 45,000 jobs and €4 billion of added value to the economy.

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A port strategic plan for the period 2014-2018 will also be drawn up in 2013. A major priority will be further diversification of activities to compensate for the decline in crude oil traffic – a process that started in 2000 with focus on LNG and container trades. Demand for new income streams is heightened by a heavy development programme in the coming years - €200m for the Fos 4XL container terminal; €200m for the combined transport terminal at Marseilles and other logistics facilities; €450m to develop the Marseilles harbour area; and €50m towards the Fos Faster methane terminal.

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