

Press Release Contact Information:

Sarah Chase
Image Line Communications
Head of PR
1A Zetland House, 5-25 Scrutton Street
London, UK
UK, EC2A 4HJ
Voice: +44 (0)20 7689 9009
Fax: + 44 (0) 20 7689 8008
E-Mail: [Email us Here](mailto:Sarah.Chase@image-line.com)
Website: [Visit Our Website](http://www.image-line.com)

UK Government Must Take Immediate Action to Meet Targets

The UK government must take immediate action to implement plans to modernise seriously outdated rail infrastructure in order to prepare itself for the forecasted economic perils and to actually meet its own self-imposed environmental targets.

/24-7PressRelease/ - London, UK, September 11, 2008 - The UK government must take immediate action to implement plans to modernise seriously outdated rail infrastructure in order to prepare itself for the forecasted economic perils and to actually meet its own self-imposed environmental targets. There can be no more delay in providing for modern upgrades to the UK's failing railways - especially along strategic routes such as the East Coast Mainline (ECML), which still suffer from Victorian-era technology.

Essential rail gauge enhancements are necessary if the UK government is to provide more efficient freight access to all parts of the country, and provide the means for the UK to meet set environmental targets for reduced CO2 emissions and decreased road congestion. According to figures from the Freight Transport Association (FTA), congestion on the roads currently costs British businesses some 17 billion per annum. However, the FTA says that for each extra container train that can be added into the UK supply chain, just that one train will remove 50 lorries from Britain's congested roads.

Ports in the North of England, widely recognised by the business community as a key element in the economic revitalisation and vitality of the UK, are handling in excess of 150m tonnes of cargo per year with no discernible downturn expected in the future. In a recent interview, Martyn Pellew, group development director for PD Ports (PDP), a leading northern UK port owner and operator, reported:

"In the North East there are lots of signs of inward investment. We have a strong manufacturing base and chemical industry and are as well placed as anywhere else to deal with the economic conditions."

While the northern UK ports are well situated and capable of handling modern cargo, the railways surrounding them are not. As Pellew explains:

"The shipping world is moving increasingly toward the use of more modern, taller 40' high cube (HC) containers. However, the UK's railways, built for Victorian-era trains, aren't capable of handling the modern HC containers."

In 2011, the northern UK port of Teesport will see the opening of a massive deep-sea container terminal known as the Northern Gateway Container Terminal (NGCT). The NGCT involves a 300+ million development in the region and will provide a major economic boost to the North East by adding an estimated 5,500 jobs. Additionally, the NGCT is designed with an eye toward the future of the shipping world, with a container capacity of 1.5 million TEU (twenty foot equivalent unit), and capable of accepting and handling the 40' HC containers from deep sea operators.

"Market research and independent analysis points to a significant use of high cube containers by 2015. In fact, it's projected that by 2015 when the NGCT is in full-operation, 85% of all 40ft containers we'll be receiving here in the UK will be high cube. That's a projected increase of 35% from the figures last seen in 2005. Our forecasts indicate that 2/3rds of all containers into the UK will be high cube by 2015. Clearly, changes have to be implemented soon in order for the UK rail networks to cope with the modern demands" states Pellew.

Because the use of rail can help enable the UK's increasing demand for imported containerised goods to be met more effectively, the UK government must address the pressing issue of where best to direct rail investment. The East Coast Mainline, which is a known link to the major ports in the North East such as Teesport, is a clear first place to commence with a much-needed rail gauge enhancement.

The ECML, strategically placed up and down the east coast, linking London with Scotland, is currently unable to adequately provide for the total requirements of the modern 40' HC containers:

"For our part, PD Ports recognises that it will take a long time to get UK government approval and implementation for rail gauge enhancement, especially along the ECML. That's why, in order for the UK to be prepared for the future and to meet our own environmental criteria, we must start now to address all rail modernisation issues within the UK, especially those that will have the greatest impact in the years to come" notes Pellew.

While the rest of the world has made serious investment on rail modernisation for freight, the UK government is still lagging behind. As countries throughout Europe, Asia and America are steadily preparing themselves for the growing demands of the global supply chain, the UK government's current lack of foresight as to where to direct strategic rail infrastructure enhancements could cause more severe economic and environmental consequences, both at home and abroad.

Notes to Editors:

About the Rail Britannia Campaign:

- PDP is seeking new and enhanced rail access from Teesport to the main East Coast Main Line (ECML) by the reconnection and upgrading of the original Shell turnout (from Network Rail's line from Darlington to Saltburn).
- There is a strong call for the UK Government to fund the cost of the strategic rail gauge enhancement for the ECML rail services in order to reach regional markets in Northern England and Scotland. Rail routes that have been targeted for enhancement are: a) ECML (York & Midlands to Scotland) and b) Transpennine (rail routes to the North West).
- The North East Regional Transport Fund has already identified priorities/projects totalling ca. 400m for implementation 2008-14 and the Teesport to ECML gauge enhancement project should be recognised as a future priority.
- 48% of the total UK freight transport (measured in tonne kilometres) devoted to inland distribution of unitised imports from the southern ports' is bound for the Northern Way regions and Scotland.
- Nearly half of all freight tonne kilometres of containers and trailers passing through southern ports are to and from the Northern Way regions and Scotland and this traffic is, therefore, adding to congestion on the road and rail networks in the South of England.
- UK Government funding for specific schemes at ports on environmental grounds (to reduce HGV mileages) is relatively small-scale and must be increased.
- The Freight Transport Association (FTA) recently reported, "Congestion on the roads currently costs British business 17 billion per annum - as road congestion from cars and vans increases the competitive advantage of rail will grow."
- In addition the FTA states:
- "Rail freight is a key part of the UK supply chain, helping improve UK economic efficiency for manufacturers and retailers."
- "Use of freight trains reduces the environmental impact of the supply chain in the UK."
- "Each extra container train can remove 50 lorries from Britain's congested roads."
- "Rail can help enable Britain's increasing demand for imported containerised goods to be met efficiently."
- "Rail freight use is growing in sectors such as retail and consumer goods."
- "Rail allows British industry to participate in global supply chains."

About PD Ports:

- PD Ports Limited was formed following the successful takeover of PD Ports plc by Babcock and Brown Infrastructure (ASX: BBI) in February 2006.
- PD Ports is a high performing specialist ports business offering a wide variety of supply chain services to improve customers' international product and material movements into and out of - as well as within - the UK.
- PD Ports employs over 1350 members of staff, and generates an annual turnover of over 130 million from 30 UK locations.
- PD Ports operates throughout the UK from bases at many key ports and logistics centres.
- The 3 business interests of PD Ports are:
 - o Port Operations- this includes:
 - Teesport: one of the top 3 UK ports, with flows of containers, bulk traffics and finished cars, handling 50 million tonnes of throughput p.a.
 - The Northern Gateway Container Terminal: a major new deep sea container terminal planned at Teesport on the South side of the River Tees. The 300+ million development will have a capacity of 1.5 million TEU (twenty foot equivalent unit) and is anticipated to deliver over 5,500 jobs to the Tees Valley, opening in 2011. Please visit www.thenortherngateway.co.uk
 - Portcentric Logistics: a new concept promoted by PD Ports for locating the storage and distribution of imported goods close to the point of arrival at a UK port. This concept avoids the slow handling and return of empty containers as well as eradicating unnecessary UK road mileage, which occurs when delivering to a traditional inland import centre, such as in the Midlands. In 2006 ASDA Wal*Mart opened a 350,000 million sq ft import centre at Teesport and has saved more than 2 million road miles by adopting the portcentric concept. Tesco is also building a 1.2 sq ft import centre at Teesport to open in 2009.
 - Humber & Small Ports: owners and/or operators of ports on the Humber estuary, Rivers Trent and Ouse, and at Medina

Wharf, Isle of Wight. Service offerings include ships' agency, chartering and stevedoring services.

- Logistics: PD Logistics offers warehousing and distribution services at 15 UK locations throughout the North East, Humberside & East Anglia, including at Felixstowe. Please visit www.pdlogistics.com

- o Conservancy - this includes:

- Management of river traffic for the ports of Tees and Hartlepool, ensuring safe navigation and maintaining the required channel depth.

- o Property- this includes:

- Revenue and income from property and facilities owned by PD Ports and used by third party clients on long term leases.
- Land that is not utilised for operational purposes and forms part of the potential for development.
- The redevelopment of part (133 hectares) of Hartlepool docks known as Victoria Harbour.

See also www.pdports.co.uk

For more information, please contact:

Sarah A. Chase

Head of PR for Image Line Communications

tel +44 (0)20 7689 9009

fax +44 (0)20 7689 8008

mobile +44 (0)75 0300 1499

email pr@imageline.co.uk

[www imageline.co.uk](http://www.imageline.co.uk)

Image Line Communications Ltd

1A Zetland House, 5-25 Scrutton Street, London EC2A 4HJ

About Image Line Communications

Eye-catching adverts, thought provoking press coverage, informative newsletters or spectacular exhibition stands - you will be amazed what a bit of creative thinking can do for your business.

Offering businesses a comprehensive range of Public Relations, marketing and events services, Image Line Communications has over 20 years experience creating and delivering innovative, exciting PR and marketing campaigns.

Specialising in the maritime, logistics and supply chain industries, we have a thorough understanding of what our customers need to stand out from the crowd.