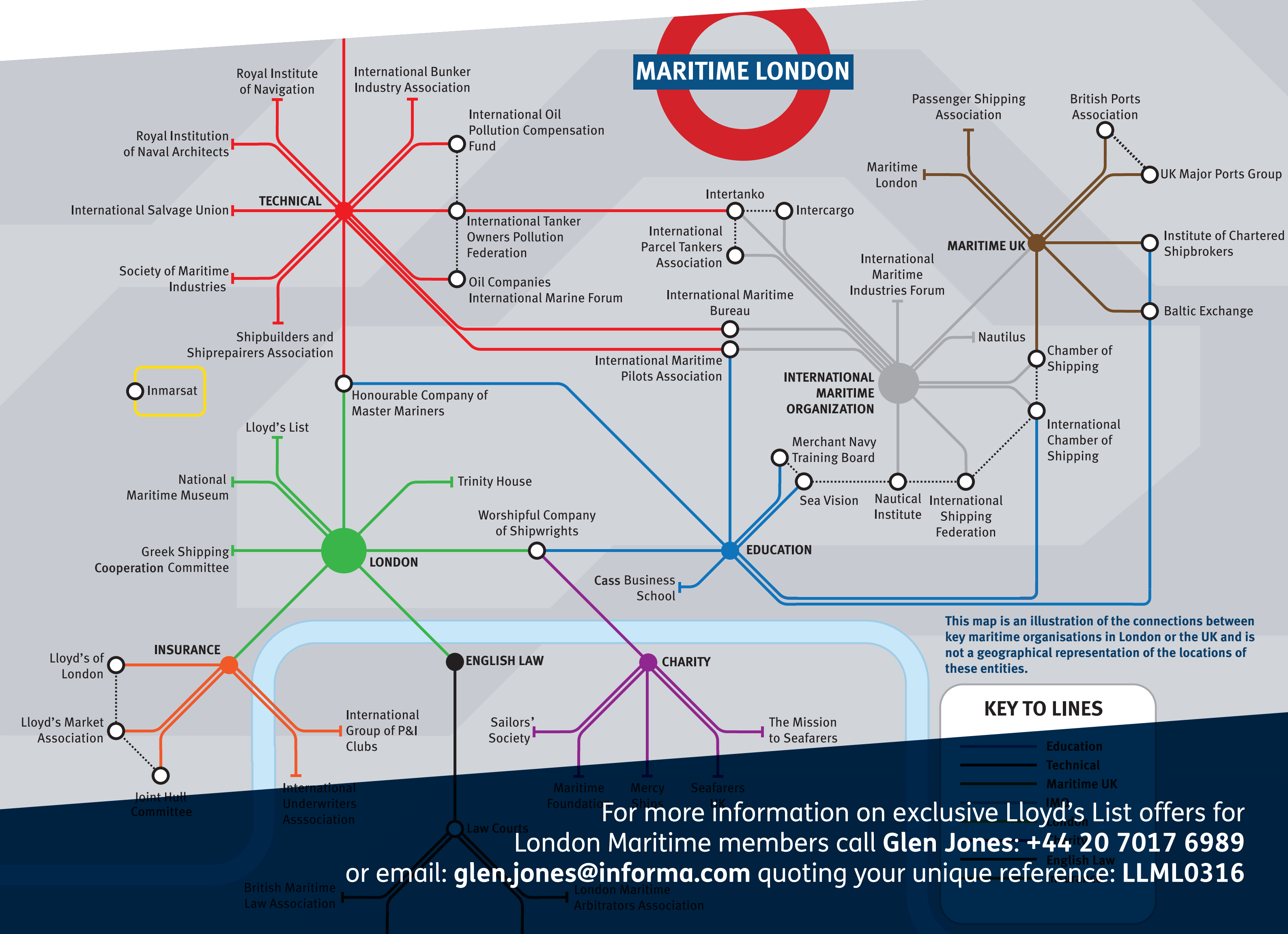
Lloyd's List
Maritime intelligence | informa

Lloyd's List talked to Alderman Jeffrey Mountevans, the 688th Lord Mayor of London about the perils of a Brexit, the risk of competition from global maritime centres, and training maritime professionals of the future.

Lloyd's List, The Intelligence provides a strong focus on long-form stories, exploring the industry's most significant trends and hot topics in-depth. To receive a **free complimentary copy** of this month's The Intelligence magazine simply email your full contact details and reference **LLML0316** to: **marketing@lloydslist.com**



For more information on exclusive Lloyd's List offers for London Maritime members call **Glen Jones: +44 20 7017 6989** or email: **glen.jones@informa.com** quoting your unique reference: **LLML0316**

Backing the Union

Lloyd's List talked to Alderman Jeffrey Mountevans, the 688th Lord Mayor of London, at his Mansion House offices, about the perils of a Brexit, the risk of competition from global maritime centres, and training maritime professionals of the future. **Helen Kelly** reports

If it was up to the Lord Mayor of London, there would be little argument over Britain's membership of the European Union. He very clearly sits in the 'Remain' camp when it comes to the thorny question of a Brexit, backing the 84% of City businesses that want to stay in a 'reformed' EU*.

"I think it is very important to stay in the single market," he told Lloyd's List over a cup of coffee at his Mansion House offices, just a few weeks ahead of Prime Minister David Cameron's announcement of a June 23 EU referendum.

"The UK as whole needs to make sure it is able to influence European discussions that impact on our competitiveness, growth of the economy and support job creation. At the same time, the City needs to represent its interests and make sure it is active in policy making across these European institutions."

The Lord Mayor is keen for the UK to have a voice in Brussels, he says, so that the EU does not make rules without Britain having a say. To that end former Foreign Office and Home Office Minister Jeremy Browne was appointed Special Representative for the City of London Corporation to Europe last year. "His experience and expertise as a former Foreign Office minister means he is able to do just this and make sure the City's voice is heard across the continent."

A Brexit could also have a negative effect on maritime growth, which is a key goal on the Lord Mayor's agenda this year.

His tenure coincides with the publication of the Maritime Growth Study, which he chaired, and which recommended an overhaul of the UK flag; to increase the commercial focus and culture of the Maritime and Coastguard Agency; greater collaboration in marketing British maritime abroad; and improved seafarer training at home.

He says government is already doing well on delivering his recommendations, including a cross-Whitehall maritime team to co-ordinate inward investment and develop maritime policy, and a working group to push forward the study recommendations.

It would seem that some resistance remains from the industry side in terms of creating a single, industry-wide promotional body. He admits that some individuals are "cautious about the shape of the industry body that I recommended", and is keen to stress that he is not looking for any part of the industry to "dilute its activity".

"But I am looking for co-operation, especially for marketing, and also greater co-ordination for industry goals and requirements for skills."

He would like all the recommendations to be up and running within this year, and seems confident that the government will accept his recommendation to keep funding for seafarer training at present levels, with the tantalising possibility for future growth.

"The government will be looking to us to see if we succeed with what we are doing. The funding would grow if we could demonstrate increasing demand."

Close ties with government are evident at our meeting. The day we spoke the Lord Mayor had come from a meeting with City Minister, Harriett Baldwin, where among other things they talked his very busy travel schedule.

Since taking office on November 13 last year, the Lord Mayor has visited Malta, Northern Ireland, UAE, Saudi Arabia, Kuwait and Bahrain. He is due to visit some 20 more countries before his one-year tenure expires, including jetting into Greece for the bi-annual industry extravaganza Posidonia, where he will no-doubt assuage any lingering worries over the non-dom tax issue that at one stage risked pushing international maritime businesses out of London. "I am very anxious that we shouldn't lose Greek and other foreign shipping interests in this country. We very much value principals here," he says.

In July the Lord Mayor will be completing a UK tour that will see him in Liverpool, Manchester, Leeds, Sheffield, York and Durham. Here he will seek to forge closer ties between UK 'regional' maritime and financial centres and London as well as promoting the strong educational offerings of port cities such as Liverpool and Southampton.

He was in the Gulf States when news broke of the lifting of EU and US sanctions on Iran, which sparked a flurry of interest in the maritime sector over the anticipated return of Iranian oil, and Iranian-owned vessels, to the global market. Since then a number of big ticket deals have been agreed between Iran and International maritime companies including the return of CMA CGM, UASC and other container lines, trade links with various EU ports, Chinese and Italian shipyards, to name a few.

So far UK maritime services have remained relatively quiet on plans to resume business with Iran.

The Lord Mayor does not believe that there is anything to stop British business going into Iran. However, his office needs to take a steer from the government on Iran, and so rather than the City itself promoting ties with Iran, it has to be built on diplomatic links.

"I don't think anything is ruled out, there has been a lot of progress made, but as a key player in the UN we are not going to be the first movers," he says.

"Many places will have ambitions to be maritime centres, and as the business grows there is scope for other centres to come up, of course, we are never going to do it all. But we want to keep growing and we want to be number one"

In the meantime, he will continue to promote opportunities with other trading partners, such as UAE, Kuwait, Saudi Arabia and Bahrain, all of which are currently grappling with the effects of the low crude oil price.

Kuwait and Saudi Arabia, in particular, are looking at redirecting their economy for greater diversification. "They've got very large numbers of the people are under 30, very many of whom work for government. They want to put them into more 'value-added', commercial sector jobs," he says.

This is a great opportunity for the UK, he says, because we have tremendous depth in professional advice services, education and training.

He was very impressed by the scale and efficiency on display at Dubai's Jebel Ali port, and sees some lessons to take away on port innovation, suggesting that world-standard ports would be a benefit for everyone.

"Across all sectors, maritime included, we need to adapt to the modern world economy. And if you look at somewhere like the Gulf, Jebel Ali, they are adapting, we can't as a nation afford to sit on our heels and let others overtake us in various sectors and maritime is one of them."

Competition from established and emerging maritime centres is felt very keenly, in particular Singapore which has stated its maritime ambitions very clearly in recent years. "Many places will have ambitions to be maritime centres, and as the business grows there is scope for other centres to come up, of course, we are never going to do it all. But we want to keep growing and we want to be number one."

That threat was one of the reasons that the bi-annual industry gathering London International Shipping Week was launched. "Twice it has exceeded our expectations, and work has already started on the third one," he says.

Near term growth for maritime services will be global, he says, with a particular emphasis on China. "People are fond of saying that the period of, if you like, rapid industrial and infrastructure growth [in China] has peaked and now they are moving to a more service economy. But I think that for the right parts of shipping this is going to be absolutely enormous."

The Lord Mayor is heading to Shanghai and Hong Kong in September, his last official trip abroad before handing over to his successor.

** According to a poll by TheCityUK, a lobby group made up of finance and professional services from the City of London.*

READ MORE ONLINE

Toned-down campaign for One Belt, One Road

Absence of Chinese government officials looms large as London-based figures seek to define President Xi's flagship project

www.lloydslist.com/finance