ABOUT PORT AUTHORITY

PORT AUTHORITY
OF NEW SOUTH WALES

Port Authority of New South Wales is a State-Owned Corporation.

We manage the navigation, security and operational safety needs of commercial shipping and cruise vessels in Sydney Harbour, Port Botany, Newcastle Harbour, Port Kembla, Eden and Yamba.

We work 24/7 to ensure the safety of more than 6,000 visits from trade and cruise vessels, the security of our working ports and the protection of our marine environment.

We own and manage Sydney Harbour's cruise facilities at the Overseas Passenger Terminal and White Bay Cruise Terminal as well as berths at Glebe Island.

Port Authority is the lead agency for responses to maritime incidents, including emergency and pollution response, in our ports and along NSW coastal waters from Port Stephens to Gerroa.

Each year we respond to more than 200 reports of marine pollution and conduct more than 3,000 audits of vessels transferring bulk oil, gas and chemicals to ensure operations are conducted safely.

HOW WE KEEP OUR PORTS SAFE, SECURE AND OPEN TO THE WORLD

OUR ROLE

Port Authority of New South Wales manages the navigation, security and operational safety needs of commercial shipping in Sydney Harbour, Port Botany, Newcastle Harbour, Port Kembla, Eden and Yamba.

99% OF AUSTRALIA'S IMPORTS AND EXPORTS ARRIVE AND LEAVE BY SEA

HYDROGRAPHIC SURVEY

Scanning the seabed to create charts that inform users of the depths of our shipping channels.

VESSEL TRAFFIC SERVICES

Communicating timely and important information to assist mariners to navigate their vessels safely.

SUSTAINABILITY

Creating a sustainable future for our ports by considering the environment, our people and our community in our operations.

PORT MANAGEMENT

Managing and developing key port and marine assets.

HARBOUR MASTERS

Setting the safety regulations for shipping in all of our ports.

DANGEROUS GOODS

Ensuring that dangerous and hazardous goods are handled appropriately and transit safely through our ports.

AIDS TO NAVIGATION

Operating a network of lighthouses and buoys to help vessels navigate safely through our harbours.

PILOTAGE

Transferring our highly skilled marine pilots to large commercial vessels to help them navigate safely in and out of our ports.

24/7

EMERGENCY RESPONSE

Responding 24/7 to marine emergencies and environmental incidents such as oil spills, pollution, fire or vessels needing assistance.

$100 BILLION IN TRADE PASS THROUGH NSW'S PORTS EACH YEAR

212M TONNES OF CARGO PASS THROUGH NSW'S PORTS EACH YEAR

6,000 COMMERCIAL VESSELS (TRADE AND CRUISE) VISIT OUR WORKING PORTS EACH YEAR

CRUISE

Facilitating hundreds of cruise ship visits to NSW each year and operating Sydney's two cruise terminals and cruise facilities in Eden.

Source: Maritime Australian sea freight 2015-16
Department of Infrastructure, Regional Development and Cities)

NEW SOUTH WALES

New South Wales is home to some of the most economically significant ports in Australia. These ports are vital on a local, regional and national level; contribute billions to our economy and support thousands of jobs and businesses.

Around 212 million tonnes of cargo pass through NSW's ports each year, representing over $100 billion in trade. Over 6,000 commercial vessels (trade and cruise) visit our ports yearly, delivering the goods we all depend on and bringing around 1.6 million cruise passengers.

Port Authority of NSW works 24/7 to ensure the safety of these vessels, the security of our working ports and the protection of our economic gateways to the world.

EMERGENCY RESPONSE
Port Authority is the lead agency for responses to maritime incidents in coastal waters from Port Stephens to Gerroa, and three nautical miles out to sea.

PORT AUTHORITY
OF NEW SOUTH WALES

WHY DOES SYDNEY NEED A THIRD TERMINAL?

PORT AUTHORITY OF NEW SOUTH WALES

Cruise generated **$3.3 billion** for the NSW economy, supporting around **11,500 jobs** and creating nearly **$1 billion** in wages.

- Cruise is the fastest growing tourism sector in Australia.
- Sydney Harbour is Australia's most visited cruise ship port.
- Passenger visits to Sydney are expected to double by 2040 (compared to 2017-18).

The number of cruise ships berthing in Sydney Harbour has increased and they are getting taller and wider.

- Ships taller than 49 metres cannot pass under Sydney Harbour Bridge to access White Bay Cruise Terminal. This places increased pressure on the Overseas Passenger Terminal (OPT) as the sole berth for large ships.
- During the peak season, from October to March, the OPT operates near full capacity.
- This means Sydney is missing cruise ship visits, as the cruise lines seeking to deploy large ships to Sydney cannot obtain berthing slots during the summer months.

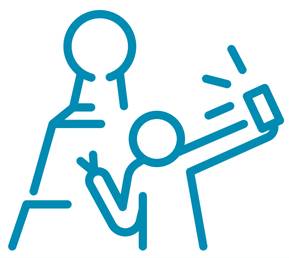
The NSW Government has worked to accommodate growing demand by improving the utilisation of Sydney's existing two terminals. New infrastructure is now needed to address capacity constraints, support tourism and ensure Sydney remains the premier cruise destination in Australia.

Cruise passengers and crew stay on average **2.8** days in NSW

and spend **$82.20** per day

On average, cruise passengers in NSW spend **$230** per visit

and crew spend an average **$155** per visit



Most spend is on accommodation, food and beverages and retail shopping

Sydney is the gateway for international cruise passengers visiting NSW with passengers spending an average of

4.8 nights in Sydney

SOURCES: International Travel to NSW YE March 2019 – Destination NSW; Cruise Passenger Survey (2019) – AEC Group

PROJECT BACKGROUND

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The NSW Government has worked alongside the cruise and tourism industry to explore options for addressing cruise capacity constraints in Sydney.

Why not Newcastle or Wollongong?

Sydney is seen as the gateway to cruise ships visiting Australia. While regional port visits are increasingly becoming an addition to international cruise itineraries, visits to locations such as Port Kembla (in Wollongong) and Newcastle are a complement to (and not a substitute for) a Sydney port visit for most vessels.

In order for regional visitation to grow, Sydney must maintain its position as the leading cruise tourism destination in Australasia.

This is why the Cruise Capacity Project is assessing Sydney-based options to address capacity constraints.

Key milestones to address cruise capacity and inform site selection of Yarra Bay and Molineux Point.

2012

The NSW Government committed to delivering a long-term plan for the cruise industry, supporting the aim of the **Visitor Economy Action Plan** to double overnight visitor expenditure by 2020.

2013

NSW Government invests $54 million in **White Bay Cruise Terminal** in Balmain which can host ships able to pass under the Harbour Bridge.

2014

NSW Government commits to progressing the **Cruise Development Plan** and targets to boost the economic benefits of tourism for NSW.

2014

Port Authority completes $78 million in upgrades to enhance visitor experience and boost capacity at the **Overseas Passenger Terminal**.

2017

- **Cruise Industry Reference Group (CIRG)*** investigates potential terminal locations in and around Sydney, as well as regional NSW ports, to relieve cruise capacity constraints emerging in Sydney.
- A preliminary assessment of 14 sites was refined to **seven potential sites**: Garden Island West, North East Garden Island, Port Botany, Molineux Point, Yarra Bay, Rose Bay and Athol Bay.
- CIRG recommends to the NSW Government that **four sites** be further evaluated for a new cruise terminal east of the Sydney Harbour Bridge: Garden Island West, North East Garden Island, Molineux Point and Yarra Bay.

2018

- Mid-2018: The Commonwealth Government advises the NSW Government that shared use of **Garden Island was not feasible** due to significant challenges in managing berth space and infrastructure alongside expanding Navy operations.
- July 2018: NSW Cruise Development Plan released and includes a Government commitment to progress a **Strategic Business Case** investigating the CIRG shortlisted sites: Molineux Point and Yarra Bay.
- Late 2018: Strategic Business Case undertaken.

Late 2019

With the Strategic Business Case now complete, community, stakeholder and industry consultation starts to inform the **Detailed Business Case**.

**The Cruise Industry Reference Group consisted of representatives from NSW Government departments, major Australian-based cruise operators and cruise industry associations.*

CRUISE CAPACITY PROJECT

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The Cruise Capacity Project is assessing options for a potential third cruise terminal for Sydney.

In collaboration with NSW Treasury, Port Authority has been tasked by the NSW Government to develop a Detailed Business Case to investigate industry demand and assess potential sites for a third cruise terminal in the study area between Yarra Bay and Molineux Point near Port Botany.

Detailed Business Cases are a tool used by the NSW Government to guide evidence-based investment decisions.

The Cruise Capacity Detailed Business Case will recommend preferred site options, provide high-level terminal concepts and commercial models for procuring, funding and operating a potential terminal. The business case will be informed by inputs including detailed technical studies, stakeholder and community consultation and discussions with industry.

The Detailed Business Case will be submitted to the NSW Government for consideration in 2020.

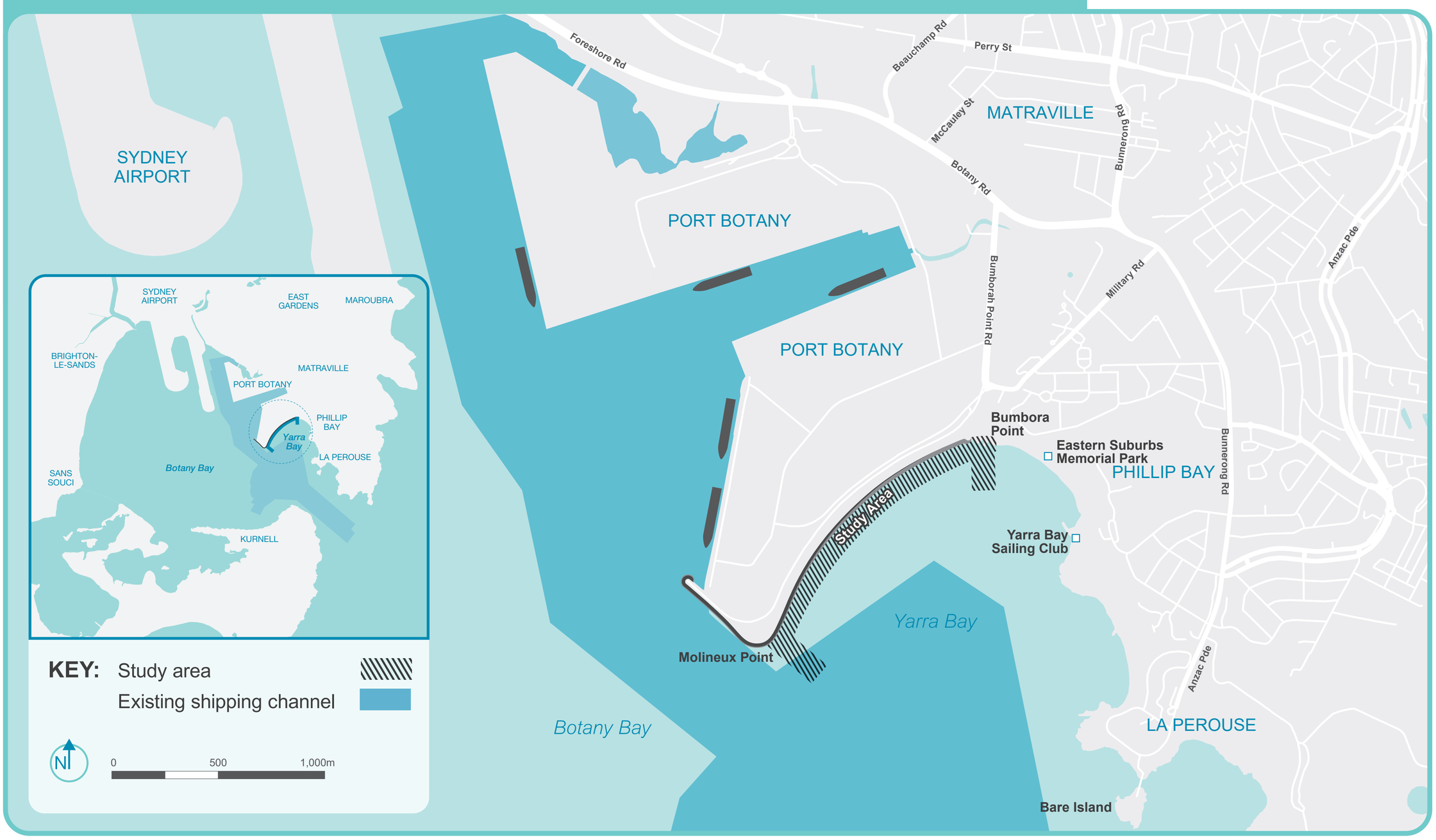
Site selection

When planning for a new port or cruise terminal infrastructure, many aspects of a potential location are considered.

These include:

- width and depth of the shipping channel
- ease of navigation including space for turning basin
- engineering feasibility
- local terrestrial and marine environments
- cultural heritage
- proximity to residential areas
- access including traffic and transport links and proximity to airports.

Potential cruise terminal locations at Yarra Bay and Molineux Point.



HOW A CRUISE TERMINAL OPERATES

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During the cruise season, most cruises that arrive or depart in Sydney are ‘turnarounds’. This means a ship would arrive and remain at port for 12 hours before departing. Passengers finishing their cruise disembark during the morning over a period of three to four hours.

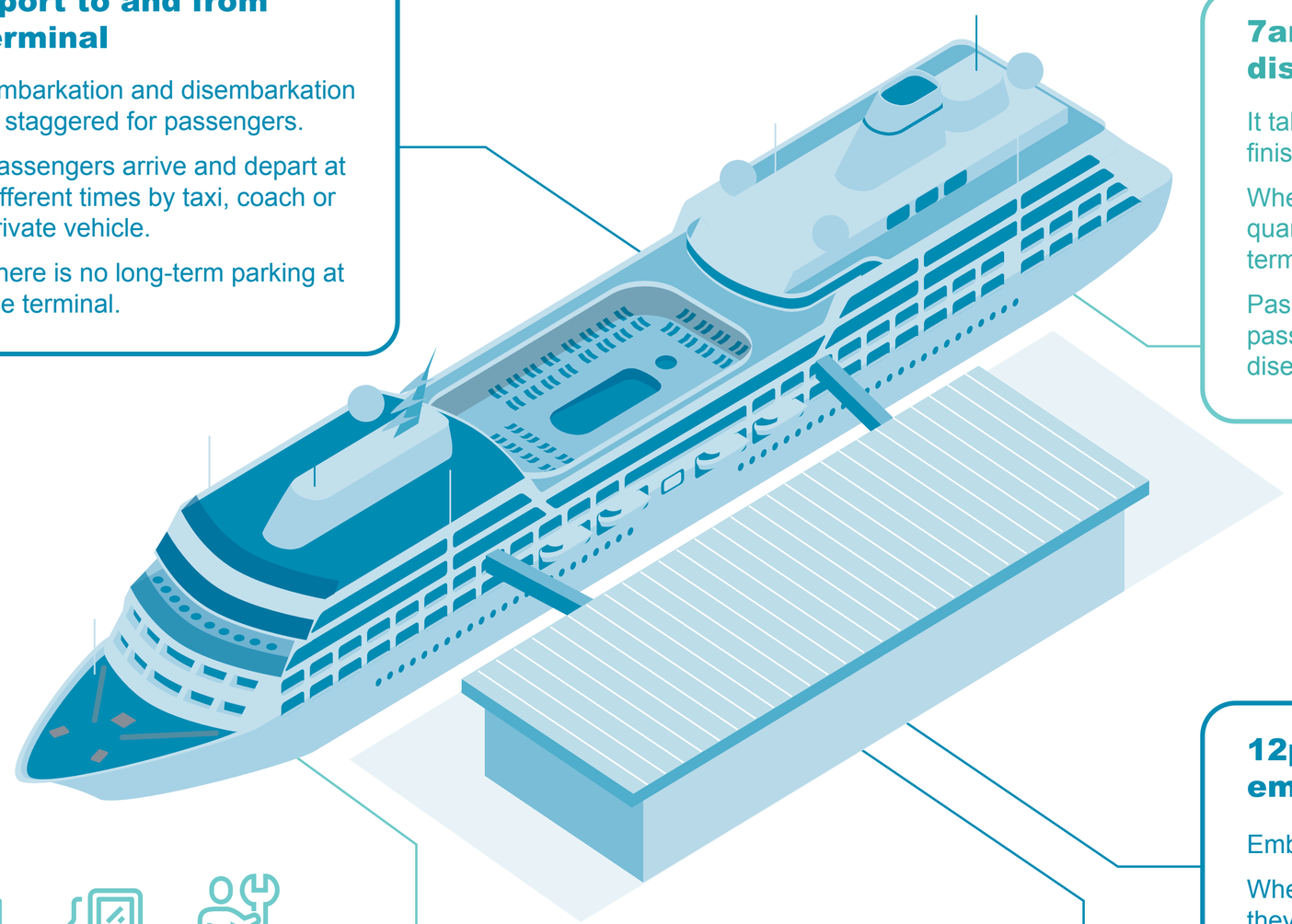
Passengers starting their cruise will embark later in the day, staggered over a period of three to four hours, and the cruise ship leaves the port in the afternoon.

The information below is based on how a typical terminal operates in Sydney.

Transport to and from the terminal

- Embarkation and disembarkation is staggered for passengers.
- Passengers arrive and depart at different times by taxi, coach or private vehicle.

There is no long-term parking at the terminal.



7am – 11am Passengers disembark the ship

It takes 3 to 4 hours for all passengers finishing their cruise to leave the ship.

When they leave they go through customs, quarantine and collect their bags within the terminal. This takes around 20 minutes.

Passenger check-out is staggered and passengers are allotted a timeslot for disembarking the ship.

12pm – 4pm Passengers embark the ship

Embarkation also takes up to four hours.

When a passenger arrives at the terminal they drop their bags, check-in and go through a security screening and customs.

This takes around 20 minutes.

7am – 4pm Providoring

While at port, food and beverages for the ship must be restocked, linen and cleaning supplies replaced and the ship refuelled.

Some items within or outside the ship may be repaired or replaced. The ship is thoroughly cleaned after passengers disembark.

For many cruise ships, produce will be locally sourced – with cruise lines contributing almost $274 million to Australia’s food and beverage sector

7am – 4pm Inside a cruise terminal

Like an airport, the terminal has security screening, customs and quarantine functions.

It also typically has a check-in area, waiting area and baggage drop.

SUSTAINABILITY TRENDS IN THE CRUISE INDUSTRY

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In Australia and globally, the cruise industry is constantly working to improve the sustainability of its operations.

To reduce the environmental impact of cruise ships new technology has been developed and implemented and initiatives undertaken to address global targets set by the International Maritime Organisation.

WATERWASTE TREATMENT SYSTEMS

100%
of new ships on order to have advanced wastewater treatment systems

68%
of the global fleet to have advanced wastewater treatment systems

LIQUIFIED NATURAL GAS

26
LNG powered ships are currently ordered or under construction

44
of new-build ships to rely on LNG for primary propulsion

EXHAUST GAS CLEANING SYSTEMS (ECGS)

68%
of the global fleet used EGCS to meet or exceed air emissions requirements

75%
of new ships that don't use LNG will have EGCS installed

LOW SULPHUR FUEL

All commercial ships including cruise ships will be required to meet low sulphur fuel requirements from 1 January 2020

Almost all cruise lines have committed to reduce their carbon emissions 40% by 2030 and 70% by 2050.

Cruise lines source food from local producers, including Australian farmers.

The cruise industry supports communities worldwide sustaining 1,180,676 jobs equalling $67.3 billion in wages and $197.8 billion total output in 2017.

The cruise industry recycles 60% more waste per person than the average person does on land.

The cruise industry does not discharge untreated sewage into oceans during normal operations.

93% of cruise ships have eliminated plastic straws, or only provide them on demand.

Many are working to reduce or eliminate single-use plastics.

SOURCE: New Wave (2019) – Cruise Lines International Association Australasia

COMMUNITY AND STAKEHOLDER CONSULTATION

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Our engagement commitment

- We are engaging at this early phase so feedback, questions and concerns can help guide decision-making about a potential third terminal.
- Our commitment is to share information as the project progresses and to update you on how your feedback has been used.
- We are engaging with cruise operators and the broader industry to inform potential partnering and financing arrangements. We are also undertaking further technical studies.

By mid-2020 we will:

- Hold our second round of information sessions to update the community on the project's progress and provide more information including:
  - refined site options within the study area
  - high-level early design concepts
- Share an Early Consultation Outcomes Report outlining how community feedback has been used to inform the project.

Have Your Say

www.yoursaycruisecapacity.com.au

120 Questions

48 Comments

592 Subscribers

Over 150 emails and phone calls received with questions and comments

Conducted more than 10 meetings with local organisations or groups

22,000 newsletters sent to local households and businesses

1,140 pins dropped by **233** people, reflected in the word clouds

RECREATIONAL AMENITY

PORT AUTHORITY OF NEW SOUTH WALES

What we heard

Many people have fond memories of family times and want their children to be able to enjoy the area the way they have done in the past.

Water-based recreation

Yarra Bay is treasured for its unique calm waters, which make it great for swimming, including for children and older people.

"I love spending time here with friends in summer months…and the little boat that comes in with ice creams and drinks"

"Lovely place to lie in the sun, collect seashells, walk along the beach, watch other people having fun"

How we are responding

The design of any potential cruise terminal will preserve recreational uses where possible.

In other terminals operated by Port Authority, including those in Sydney Harbour, **waterside restricted zones** are in place only on **cruise days.** This means recreational vessels can not approach within 50m of a ship on cruise days.

There are **no restricted zones on non-cruise days.**

Any design of a terminal would also consider high-energy wave climates and other hydrodynamic conditions on valued activities such as sailing, kayaking and fishing.

Potential options for future planning include:

- Supporting habitats and breeding grounds that encourage important and endemic species. This could include artificial reefs, flora and fauna or fish breeding grounds.
- Working with the community to investigate investments in other recreational facilities, for example kayak launches or swimming enclosures.
- Providing improvements to beach and shore-based facilities that improve access and use, for example landscaping, lighting, boardwalks, and parking improvements.

RECREATIONAL AMENITY

PORT AUTHORITY OF NEW SOUTH WALES

What we heard

The community values Yarra Bay as their local beach for its scenery, fauna, outlook and peaceful nature.

Land-based recreation

Locals see this terminal as part of a wider trend towards development in the area, which is placing increasing pressure on local infrastructure.

> **Will the project build new natural recreation areas of this scale to replace what is lost to the local community?**

Concerns

- **A cruise terminal will mean water-based recreational activities are impacted** and users will be unable to safely swim, wakeboard, kayak, surf, paddle ski or tube in the bay.
- **Yarra Bay and Molineux Point will operate under an exclusion zone** for anglers and fishers, based on experiences with development at Port Botany.
- **Social equity and the 'fairness' of a proposal –** as community members who do not cruise experience the loss of open space and social amenity.
- **A terminal may destroy the lifestyle, amenity and social links with the area** such as collecting shells with their children, riding bikes along the track adjoining the Bay, and watching dolphins and whales during their migration season.

Questions

- What are the potential impacts of a terminal and its operations on sailing activities, sailing lessons for children and the long-term viability of Yarra Bay Sailing Club?
- Will there be a loss of open space, and if so how will it will be offset?

ENVIRONMENTAL IMPACTS

PORT AUTHORITY
OF NEW SOUTH WALES

What we heard

Yarra Bay is valued as a viewing spot for passing dolphins and whales.

Yarra Bay's waters are valued for their marine life and as a habitat for species including seals, penguins, pygmy pipehorse, redfingered anglerfish and weedy seadragon.

"Great diving location with great diversity of marine life and aquatic plants and soft corals. It's a delicate marine environment"

Concerns

- **Operational impacts** of a potential terminal including air pollution, oil spill, sewage and pollution from increased vehicle and ship traffic.
- **Impact of a potential terminal on the ecosystem** and functioning of Yarra Bay and the wider Botany Bay area.
- **Construction of a possible breakwater,** including any dredging that may be required and any flow on effects to the surrounding coastline, such as sand movement and erosion.
- **Desire to understand how widely impacts would be felt** across Botany Bay, driven by concerns about previous development activities.

How we are responding

- **Terminal design would aim to minimise dredging** by making use of existing shipping channels, deep water and the breakwater constructed in the 1970s.
- **Terminal structure would minimise disturbance** on bay currents as much as possible.
- **Terminal would be designed and operated within best-practice guidelines** for environmental sustainability and performance, including sustainability measures for waste management, energy efficiency, air and water quality standards.

SOCIAL & CULTURAL VALUES

PORT AUTHORITY OF NEW SOUTH WALES

What we heard

The area is recognised for its rich cultural history, both for Aboriginal people and non-Aboriginal people, who have deep family links to the local area, including around La Perouse and Bare Island.

We heard the La Perouse people are ‘salt water’ people and that maintaining a connection to the waters of Yarra Bay is fundamental to identity and for future generations.

Locals feel linked to the area through connections with the Eastern Suburbs Memorial Park.

“My relatives are buried in this cemetery and our extended family visit often to pay their respects”

“This is where we were taught about local Aboriginal cultures and how to connect with the land. This place holds lots of historical importance to locals”

Concerns

- **Uncertainty around what a terminal might mean for Aboriginal cultural practices** and ongoing use of the area for fishing and education.
- **Potential impacts of a terminal on the ongoing Aboriginal connection to Country,** especially given its past significance.

How we are responding

We have started consulting with the La Perouse Aboriginal Land Council.

Our planning will reflect the unique characteristics and qualities of the area.

A potential terminal would be cognisant of the cultural heritage considerations of the location and the area’s links to Aboriginal and non-Aboriginal heritage, and aim to minimise any impacts on existing cultural practices and the rich history of the area.

TRAFFIC AND TRANSPORT

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What we heard

Existing transport options in the area are already constrained.

Links to the Sydney CBD via public transport are poor.

There is a desire for a public transport-led solution, such as improved bus connectivity, light rail extension, or metro or heavy rail.

> **"Our roads are already over congested, public transport in and out of the area is poor"**

Concerns

- **Traffic and transport networks** need to be enhanced to cope with the additional demands of a cruise terminal.
- **Traffic issues in the area** surrounding Yarra Bay will worsen with a cruise terminal and other local projects including higher-density residential developments.

How we are responding

Should the cruise terminal project be approved, the terminal would be supported by investments and upgrades to transport and traffic networks that could help improve traffic more broadly in the local area.

We are working with Transport for NSW to investigate ways to reduce traffic impacts and help ensure future transport strategies covering the South East region consider the traffic and transport needs of a potential cruise terminal and other proposed developments.

Potential options for future planning include operational measures such as:

- **Planning passenger embarkation/disembarkation times** to minimise the impact during peak traffic times.
- **Using remote transport hubs** to shuttle staff, passengers and/or crew to a terminal.

LOCAL IMPACTS & BENEFITS

PORT AUTHORITY OF NEW SOUTH WALES

What we heard

There is a perceived tension between economic gain for private interests and significance of the proposal for an area valued by 'every day local people'.

"How will this project add value or add some benefit to the surrounding areas of Molineux Point and Yarra Bay?"

"Yarra Bay Sailing Club is an institution with a vibrant and long history. It is a cultural hub and meeting place for members and guests"

Concerns

- **How would a potential terminal benefit** the local community, businesses and surrounding areas?
- **Financial implications** on local council resources.

How we are responding

A key additional benefit of cruise comes from the pre and post cruise activities of passengers and from providing support services to crew.

There are many wider economic benefits associated with a potential terminal and cruise operations – for example, cruise lines increasingly focus on providoring ships with locally-sourced food and wine.

The project will consider local economic opportunities that may arise from the potential terminal, such as integration with local businesses and tour operators. Should the project progress, these opportunities would be more fully explored.

PORT AUTHORITY
OF NEW SOUTH WALES

NEXT STEPS

Indicative project timeline (subject to NSW Government approval)

2018	2019	2020	2021	2022	2023 (onwards)
Strategic Business Case	**Detailed Business Case process starts**	**Early Consultation Outcomes Report** **Community Information Sessions (Round 2)** **Detailed Business Case considered**	If Detailed Business Case is approved: Lodgement of State Significant Infrastructure application and Environmental Impact Statement	Environmental approval Detailed design and procurement in preparation for construction	Construction starts and once complete, terminal is operational

Stakeholder and community consultation is a key activity informing the project.

Before the Detailed Business Case is submitted, we will:

- **update the community on the project's progress including refined site options within the study area and high-level early design concepts**
- **share an *Early Consultation Outcomes Report*, outlining how community feedback has been used to inform the project.**

If the NSW Government approves the Detailed Business Case then a State Significant Infrastructure Application would be lodged with the Department of Planning, Industry and the Environment.

This would include preparation of an Environmental Impact Statement (EIS), which is a planning approval document. An EIS would include further detailed technical and environmental studies of the preferred cruise terminal site. The EIS would be placed on public exhibition as part of a formal submissions process.

Feedback and questions

We want to know:

- if we have captured your concerns and questions accurately
- if there are further questions you have
- if you have other suggestions about how we can use the information you have shared to inform the Detailed Business Case for a terminal within the study area.

Please use a feedback form today.

Our Have Your Say website has copies of these information boards, and you can also share your feedback online.

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