



South Shore Community Liaison Committee | October 5, 2023

Business Update

August 2023 year-to-date

	Total Cargo	Auto	Coal	Grain	Potash	Foreign breakbulk	Container TEUs	Cruise*
YTD								
Compared to 2022	6%	28%	-3%	99%	-20%	-20%	-18%	63%

- Increases seen for autos (+28%), grain (+99%), sulphur (+9%).
- Declines in coal (-3%), potash (-20%), foreign breakbulk (-20%), container TEUs (-18%), petroleum products (-1%), chemicals (-7%), wood pellets (-24%), and canola oil (-3%).

General Updates

President and CEO Transition

- After 14 years as president and CEO of the Vancouver Fraser Port Authority, Robin Silvester’s last day at the helm of the organization was Friday, June 30, 2023.
- The decision to select a new president and CEO will be made by the port authority’s board of directors, who are currently leading a comprehensive search. This global search has attracted a number of qualified local and global candidates.
- As an executive search of this nature takes some time, Victor Pang, the port authority’s chief financial officer, has been appointed as interim president and CEO while the board conducts its search. Victor will continue in his role as CFO during the transition.
- An announcement regarding the new president and CEO is expected within the coming months.

Roberts Bank Terminal 2 Receives Government of Canada Approval

- On April 20, 2023, the Vancouver Fraser Port Authority welcomed the Government of Canada’s decision to approve the Roberts Bank Terminal 2 Project.
- For more information about the project, please [visit our website](#), the [Government of Canada’s website](#), or you can visit [IAAC’s public registry](#) to read the government’s decision statement and project conditions.
- On January 23, 2023, the port authority received news that the federal minister of environment and climate change has deemed that the information request response for Roberts Bank Terminal 2 is sufficient.
 - [The letter from the minister to Robin Silvester is here.](#)
 - [The port authority’s response to the letter is here.](#)
- On September 28, 2023, the port authority welcomed the Government of British Columbia’s decision to approve the Roberts Bank Terminal 2 Project. The provincial environmental assessment certificate includes 16 conditions to help avoid, minimize or offset potential adverse effects, such as a greenhouse-gas reduction plan and to be net-zero by 2050.
 - [Provincial environmental assessment certificate granted for Roberts Bank Terminal 2](#) (B.C. Government media release)

2023 Cruise Season Update

- 40 vessels (334 calls) are scheduled for Canada Place cruise terminal between April 12 and October 24, an 8% increase compared to 2022 (36 vessels, 306 calls).
- A record 1.2 to 1.3 million passengers could travel through the Canada Place cruise terminal in 2023—an increase of about 10% over the record set in 2019 of 1.1 million. (810,090 passengers in 2022).
- Vancouver's cruise industry injects an average of \$3 million/ship into the local economy and generates nearly 7,000 jobs across Canada, \$300 million in wages and contributes \$840 million to national GDP.
- The first ship of the season, the Sapphire Princess, arrived at the Canada Place cruise terminal east berth at 7:00 a.m. on Wednesday, April 12, 2023. The last cruise ship of the season, the Koningsdam, will depart Canada Place on Tuesday, October 24, 2023.

ILWU Strike

- Strike action by B.C. dockworkers in July 2023, resulted in significant disruptions to trade moving through the Port of Vancouver. Collective bargaining negotiations between B.C. Maritime Employers Association (BCMEA) and the International Longshore and Warehouse Union (ILWU Canada) and ILWU Local 514 began on November 30, 2022.
- The bargaining covered wages, benefits, hours of work and employment conditions for more than 7,400 longshore workers and foremen working on Canada's West Coast ports.
- The last agreements expired on March 31, 2023.
- On August 1, 2023, we were pleased to see an agreement has been reached to end to the labour dispute between the International Longshore and Warehouse Union Canada (ILWU) and the British Columbia Maritime Employers Association (BCMEA).
- As a port authority, our focus continues to be on enabling Canadian trade and ensuring the Port of Vancouver returns to full operations and fluidity as quickly as possible.
- The recovery continues across the Port of Vancouver, with individual port terminals and cargo types recovering at differing speeds, and we expect all operations to return to normal in the fall.

Work Bank and S&P Global's Container Performance Index Rating

- The World Bank and S&P Global's container performance index rated the Port of Vancouver 347 out of 348 container ports for 2022. The port was ranked similarly low for 2021, at 368 from 370.
- The World Bank 2022 Global Container Port Index report measures a container ship's "average port hours per port call" in an attempt to compare the performance and productivity of ports around the world. The report compares different port models across different operating locations and regulatory regimes throughout the world. The Port of Vancouver has a common-user model and handles the most diversified import and export cargo mix in North America—something that can be challenging to capture in a ranking system. The ranking is only for the Port of Vancouver's container sector.
- The port authority is responsible for enabling trade through the Port of Vancouver and can speak to overall port operations. Terminals are run by independent operators who are responsible for discussing their own operations.
- We were disappointed to see the Port of Vancouver's ranking in the World Bank 2022 Global Container Port Index report. We are looking into the ranking, including the report's methodology and sample data used, to better understand the results and are talking to shipping lines and industry partners to ensure they are getting the service they need from the Port of Vancouver.
- We are now seeing congestion ease in the container sector and would expect to see our rank improve in 2023 onwards; however, the last few years have reinforced the need to continue to invest in port infrastructure and technology to accommodate Canada's growing trade and keep supply chains moving efficiently.
- Similar to other west coast ports, strong consumer demand in 2021 and 2022 caused a surge of imports through trans-pacific trade routes including at the Port of Vancouver, which resulted in congestion. Container trade through the Port of Vancouver in 2022 was also affected by;
 - Supply chain congestion in Ontario and Quebec throughout the year
 - Overhang from extreme flooding in late 2021 in the early part of the year

Port Authority-Led Projects and Initiatives Updates

Port Forward Initiative update

- Background
 - Port Forward is a scenario planning initiative bringing together senior leaders from across the Greater Vancouver Gateway to explore possible futures. The initiative aims to draw on diverse perspectives to build a collective understanding of key drivers of change affecting all involved and the implication of these changes for the future.
 - The participants taking part in this initiative are made up of senior leaders across the gateway, along with the port authority's own senior leadership, as well as emerging youth, community members, environmental NGO's, port customers, and all levels of government including Indigenous leaders.
- Scenario planning
 - A scenario is a story about what could happen – an internally-consistent hypothesis about the future that is relevant, challenging, plausible, and clear. A scenario is not a story about what will happen (a forecast or prediction), nor a story about what should happen (a vision, proposal, or plan). Scenarios can be useful to generate and test strategic options in a dynamic and unpredictable environment.
- To date
 - The Port Forward scenarios initiative completed the engagement phase with the premiere of the final video and report launched to the Futures group and guests on September 11 and with internal staff on September 12.
 - Feedback from the workshops indicated that a vast majority of participants believed the Port Forward initiative was successful in helping envision possible futures for the gateway and the importance of strengthened relationships and collaboration.
- Next
 - The video and report are in the process of being added to the Port of Vancouver website.
 - Going forward, we will use the scenarios to support conversations around corporate strategic planning and help us think about our current reality.

Connect+

West Coast Supply Chain Visibility System Project

Also known as the Supply Chain Visibility Program

In 2018, the port authority began a pilot project to measure supply chain performance in the western Canadian bulk sector (coal, grain, potash). We led an industry working group that agreed to share operating data, with which we created a dashboard that provided near-real-time information on the supply chain handoffs from origin all the way to the port. The dashboard was available to participants, the port authority and Transport Canada, and allowed all a level of transparency they had never had beyond their own role in the supply chain. Also working with industry, we developed a set of key performance indicators (KPIs) that allowed us to measure and report out on the efficiency of various stages in the cargo's journey. The work is helping to identify opportunities for improvements that will lead to greater capacity.

The West Coast Supply Chain Visibility System Project will build on that work with the ongoing goals to support transparency and better use of the entire western Canadian supply chain network, beyond bulk cargo.

The port authority will work with industry stakeholders from railways, major shipping companies, marine terminals and the Prince Rupert Port Authority to develop a series of digital tools that can be used to better understand and use the supply chain network leading to and from the ports.

Development is expected to take three to five years. Once complete, the supply chain visibility system will allow users from railways, major shippers, and terminals to see a full picture of their operations, and use the data to help them improve fluidity, compare themselves to others in the industry, and address resiliency. This system will also allow the port authorities to better understand where bottlenecks in the supply chain are, which will support better planning for infrastructure development in the future. The port authority received \$6 million in funding through the National Trade Corridors Fund for this project.

The project includes:

- Developing a near-real-time dashboard to measure end-to-end supply chain performance for all cargo moving across western Canada to the Port of Vancouver and the Port of Prince Rupert
- Developing a governance model to support future supply chain visibility program development

Objectives:

- Maximize available network capacity and increase supply chain resiliency
- Improve operating efficiencies across the western Canadian supply chain system
- Optimize use of marine and inland terminals and transload facilities
- Improve operations information sharing and planning between participants
- Improve or eliminate operation bottlenecks
- Enhance planning and modeling to support future supply chain infrastructure improvements

Status:

- The project underwent a naming and branding exercise through a graphic design agency. The name was launched externally in July 2023: Connect+: Optimizing supply chains through innovation and collaboration.
 - Connect+ encompasses several collaborative initiatives focused on optimizing the planning and coordination of goods movement at the Port of Vancouver, including AVTM and the Supply Chain Visibility Program, among others.
- The port authority is currently laying the foundation to move the project forward. This includes:
 - Forming the governance structure
 - Building the program’s data management platform:
 - Program team is in the process of populating the data management platform
 - Interviewing industry stakeholders to explore future program priorities
- Assessing existing data streams

Active Vessel Traffic Management (AVTM) Program

portvancouver.com/avtm

- The Vancouver Fraser Port Authority is leading the strategic and operational planning of ship traffic (commercial ships with limited maneuverability) through the Port of Vancouver with the development of the AVTM Program
- We are working with Transport Canada, Canadian Coast Guard, Pacific Pilotage Authority, and industry, and engaging Indigenous groups, municipalities, community stakeholders, and the public to explore a range of opportunities to increase port efficiency and better manage the effects of commercial ship traffic bound for the Port of Vancouver on local communities and the environment

A five-pillar program:

- The AVTM program includes five integrated elements that the port authority will deliver in stages to support the evolution of ship traffic management:
 - **Centralized scheduling system:** Building a centralized, standardized tool for digitalized port call management to prioritize and sequence ships accessing the port that will improve transparency, efficiency, and reliability for all port users
 - **Anchorage management:** Developing an anchorage management framework to reduce anchorage usage and transits, and launched a code of conduct to reduce community effects
 - **Supply chain collaboration and incentives:** Encouraging collaboration to support efficiency within the Port of Vancouver by incentivizing supply chain sustainability performance
 - **Port call optimization:** Improving the predictability of ship arrival times through the development of the centralized scheduling system, which will support better planning and scheduling of port resources (e.g., tugboats, marine pilots, labour, service suppliers), minimizing potential disruptions and supporting the resilience of the supply chain

- **Port community system:** Establishing a neutral and open digital platform enabling secure information exchange between supply chain stakeholders to enhance port efficiency, productivity, and competitiveness
- More information about ship traffic management can be found on our website: portvancouver.com/avtm

Status update:

- The rollout of the centralized scheduling system—an online dashboard that will enable us to better sequence the traffic of commercial ships in and out of the Port of Vancouver for improved port efficiency—is set to begin in early October in the Second Narrows Traffic Control Zone
- The six-month pilot trial of an arrival and departure window for ships anchoring around the Southern Gulf Islands was launched on July 1. Through this pilot, we ask ship operators to prioritize arriving at or departing from the 33 Southern Gulf Islands anchorages we assign under the Interim Protocol between 7 a.m. and 11:00 p.m. to further reduce noise disruptions from anchoring operations taking place in the region. A dozen nighttime arrivals at these anchorages have been avoided since the pilot started.
- Proposed jurisdiction change: the project team is awaiting the federal government's decision to expand the port authority's navigational jurisdiction to include commercial anchorages in the Salish Sea. A decision is expected by late 2023 or early 2024.
- A [quarterly newsletter update](#), highlighting the progress made over the spring and early summer was released in June.
- The [anchorage code of conduct](#), which outlines the practices we ask ships anchoring at the Port of Vancouver and around the Southern Gulf Islands to follow to minimize their overall impact on coastal communities and the environment, took effect on February 15. More than 1,200 ships have agreed to the code to date.
- A Request for Proposals was conducted this winter to help the port authority learn about potential service providers for an on-water service to monitor ships anchored around the Southern Gulf Islands. A review of the submissions received is ongoing.
- The port authority commissioned an assessment study of alternate mooring solutions to increase anchorage capacity at the Port of Vancouver and potentially ease the pressure on anchorages in the Southern Gulf Islands. An evaluation of the operational and economic feasibility for a dolphin mooring system as well as early indigenous engagement with Tsleil-Waututh Nation on potential mooring sites in the Vancouver harbour are currently underway.
- A review of our current approach to assigning and managing anchorages at the Port of Vancouver is underway and we are engaging with industry stakeholders to define the principles of a modernized anchorage management protocol and vessel arrival framework.
- Three phases of engagement with Indigenous groups, government, and community stakeholders, and the public have been completed to date.

Rolling Truck Age Program

- In September 2022, we advised implementation of the Rolling Truck Age Program would be deferred until April 3, 2023, to allow for truck owner-operators to source program-compliant trucks. However, in light of the current economic landscape and continued pandemic-related issues, we will again defer implementation of the program for no less than nine months. You can read more about this decision, and our work on the Rolling Truck Age Program, [here](#).

Tenant-Led/Funded Projects

Kiewit Ledcor TMEP Partnership | Temporary Construction Staging, Parking and Barge Loading – PER No. 17-122

Construction complete and demobilization has commenced – Category C

- Demobilization and the removal of site improvements including the in-water trestle commenced September 2023, and is anticipated to take around two months to complete.
- The project has had two amendments since it was approved in 2018. The most recent amendment issued in December 2022 extended the expiry date of the original project permit to March 15, 2024, due to delays for the approved expansion at the Westridge Marine Terminal.
- The project permit was issued on May 22, 2018, approving the construction of a temporary staging parking and barge loading facility at 2115 Commissioner Street Vancouver. This site is being used to support the Westridge Marine Terminal Expansion. The permit scope includes the construction of the facility, as well as the eventual decommissioning including removal of all improvements.

Sterling Shipyard Remediation and Infill Project – PER No. 20-191

Permit under review – Category C

- During the project and environmental review process, the Applicant amended the project scope to include on-site kelp seeding as part of habitat offsetting measures, therefore a new notice intent was posted to the Canadian Impact Assessment Registry with an opportunity for public comment between March 28 and April 26, 2023. No comments were received during this period.
- The Applicant also proposes to carry out offsite habitat offsetting. The port authority will review offsite habitat offsetting as a separate project.
- The project includes remediation and redevelopment activities in subtidal, intertidal and upland areas of a former shipyard at 2089 to 2095 Commissioner Street in Vancouver. Contaminated sediment in the project area will be removed and replaced with clean fill. The remediated area will be infilled to raise the grade and reclaim 4,500 square meters of additional land for future industrial use. Should the proposed project be approved, construction is expected to take approximately 10 months to complete.
- Public engagement: As part of the PER process, the public engagement period ran October 25 to November 29, 2021. The public engagement summary and consideration report is available on our [website](#) and on the applicant's [website](#). The port authority will consider all feedback received from the public, stakeholders and Indigenous groups as part of the [Project and Environmental Review](#) of the proposed project.

Canadian Pacific Kansas City (CPKC) | Commissioner Street Rail Expansion – PER No. 21-042

Under construction – Category C

- [On April 14, 2023](#) Canadian Pacific (CP) and Kansas City Southern (KCS) combined into CPKC.
- CPKC has been authorized to continue works outside standard hours on an as-needed basis from September 9, 2023 to October 1, 2023, to ensure timely completion of the project amidst time restrictions and track shutdowns. The port authority is actively reviewing this request. If approved, notification would be issued. A notification about this pending work was issued to the community.
 - Activities in the committee's area of interest include track crossing warning system installation (see Area B in below figure), waterline relocation work (see Area C in below figure) and fiber optic cable installation work (see westside Area D in below figure).
 - Equipment may include excavators, rollers, graders, backhoe, pavers and dump trucks.



- The project has received several subsequent authorizations for construction activities to occur outside standard hours on specific days and times. The requests were made due to scheduling conflicts with other projects in the area and for works that are not anticipated to generate significant noise or light effects to nearby residents. Construction notifications were issued to the nearby community and/or posted [online](#).
- The project permit was issued on May 13, 2022, approving the expansion of CPKC's existing rail infrastructure (i.e., adding two new tracks) within the port authority lands along Commissioner Street in Vancouver, between the Commissioner Street overpass (McGill Street) and Victoria Drive. Approximately 40% of the project is within the port authority's jurisdiction. Project details are available on the [CPCK](#) and [port authority](#) websites.

GCT Canada | New security kiosk and supervisor facility – PER No. 23-040

Under construction – Category B

- The project permit was issued on June 26, 2023, approving the installation of a new security kiosk and a supervisor facility at Vanterm, located at 1300 Stewart Street in Vancouver. This includes installing a second floor, of approximately 40 square metres, to an existing modular building to accommodate an increase in staff; and installing a new security gate kiosk, of approximately 4.3 square metres, to use as an outgate for trucks to prevent congestion in the yard during rail switching.

Centennial Expansion Partners | Seabed scour protection maintenance – Centerm berth 6 – PER No. 23-126

Permit under review – Category B

- Centennial Expansion Partners proposes to remove high spots in the seabed riprap armament (scour protection) throughout Berth 6 at the Centerm Terminal, 851 Centennial Road, Vancouver, BC. A marine spud derrick equipped with a clamshell bucket and material barge would be used to remove individual large pieces of riprap that protrude above the design elevation of -15.5 metres chart datum, posing a navigation hazard.
- Public Engagement: a notice of intent was posted to the Canadian Impact Assessment Registry with an opportunity for public comment between September 5 and October 4, 2023.

For more information about these and other projects happening in the Port of Vancouver:

- [Port authority-led infrastructure projects](#)
- Other projects in the port - [Status of permit applications](#)