



Business Update

September 2023 year-to-date

	Total Cargo	Auto	Coal	Grain	Potash	Foreign Breakbulk	Container TEUs	Cruise
YTD								
Compared to 2022	6%	31%	1%	78%	-18%	-24%	-17%	56%

- Increases over 2022 are seen for coal (+1%), autos (+31%), grain (+78%), sulphur (+11%), and petroleum (+2%).
- Declines in potash (-18%), foreign breakbulk (-24%), container TEUs (-12%), chemicals (-3%), canola oil (-3%), and wood pellets (-21%).

General Updates

President and CEO Transition

- The Vancouver Fraser Port Authority’s board of directors announced it has appointed Peter Xotta as president and chief executive officer, effective Monday, December 4, 2023. This appointment follows a comprehensive and competitive global executive search process facilitated by Korn Ferry.
- “I am pleased that the Port of Vancouver—and all Canadians—will benefit from Peter’s leadership as president and CEO of the port authority that oversees Canada’s largest port,” said Cathy McLay, chair of the port authority board. “As an experienced transportation executive with a track record of collaboration and success, Peter will continue to advance Canada’s position as a global trading partner while honouring Indigenous peoples, protecting the environment and supporting local communities.”
- Peter most recently served as vice president, operations and supply chain for the port authority, where he was responsible for land and marine operations, health, safety and security, and port and supply chain optimization activities.
- “It is my honour to lead an incredibly talented and dedicated team at the port authority,” said Peter. “I have had the privilege of being part of our team’s work in growing Canada’s trade, facilitating the safe movement of goods through the port, while protecting the environment, and bringing benefits to neighbouring communities. I look forward to continued collaboration with all levels of government, Indigenous groups, customers, tenants, transportation partners, labour, and communities as we prepare for continued growth in Canadian trade.”
- Throughout his career, Peter has successfully led diverse portfolios including business development and strategic projects. Peter was heavily involved in the port authority’s work with local partners to secure funding for infrastructure projects to improve the goods movement to and from the port to support Canada’s competitiveness in international trade. He also led the organization’s port and supply chain optimization, including Active Vessel Traffic Management Program and other supply chain visibility initiatives. Peter has a master of business administration degree from Simon Fraser University’s Segal Graduate School of Business and has served as a mentor in the program. He is the vice chair of the Burnaby Hospital Foundation. He also sits on the board of the Greater Vancouver Board of Trade, the Freight Management Association of Canada, and the Clear Seas Centre for Responsible Marine Shipping. He is the former chair of Canada Place Corporation, a wholly owned subsidiary of the Vancouver Fraser Port Authority.

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: A Record-Breaking Cruise Season

- The Port of Vancouver welcomed an estimated 1.25 million passengers in 2023, a new record and a 54% increase compared to 2022. This includes 15 of Canada Place's 20 busiest days ever for cruise passengers, all occurring in the past six months.
- There were 332 cruise ship calls between April and October 2023, a new record for the Canada Place cruise terminal and an increase of 9% compared to 307 visits in 2022. The last cruise ship of the season, Holland America Line's Koningsdam, departed Canada Place on October 24, 2023
- This season's first cruise ship at the Port of Vancouver was the Sapphire Princess
- Overall, the average cruise ship passenger occupancy rate for 2023 was 95%, compared to 69% in 2022. Pre-pandemic occupancy rates typically ranged between 93% and 99%, including 98% in 2019.
- In 2023, nearly 75% of cruise calls were shore power enabled, compared to 70% in 2022 and 50% in 2019. Demand for shore power has steadily increased since 2009, when the Port of Vancouver became the first port in Canada and the third in the world to introduce shore power for cruise. Shore power enables ships to shut down their diesel-powered auxiliary engines and plug into land-based electrical power. At the Port of Vancouver, this has helped reduce port-related greenhouse gas emissions by more than 38,000 tonnes since 2009.
- Six inaugural vessels docked at Canada Place in 2023, including the Norwegian Encore, Brilliance of the Seas, Silver Whisper, Hanseatic Nature, Fridtjof Nansen and Seabourn Venture

Christmas at Canada Place

- The Vancouver Fraser Port Authority invites the community to experience Christmas at Canada Place.
- The annual Christmas at Canada Place event, presented by the Vancouver Fraser Port Authority, takes place from December 1 to January 2.
- Experience the nostalgic tradition of the Woodward's Windows, the North Point light display including "Chrimoose," our 15-foot-tall moose light sculpture, the iconic Sails of Light, and Avenue of Trees.
- December 1, 2023 to January 2, 2024, Canadian Trail (west promenade) and North Point of Canada Place, Hours of Operation: 8:00 a.m. to 10:00 p.m. daily (including Christmas Eve, Christmas Day, Boxing Day, New Years Eve & New Years Day); Cost: Free
- For additional information, please visit www.canadaplace.ca/christmas

Investing in Innovation and Technology to Support Trade Growth

- The Vancouver Fraser Port Authority is partnering with the Government of Canada and Province of B.C. through the Integrated Marketplace program to collaborate on innovation and technology to enhance the reliability and efficiency of trade through the Port of Vancouver—improving trade competitiveness for Canadian businesses and access to the everyday goods Canadians rely on.
- Delivered by Innovate BC, the Integrated Marketplace has received \$9.9 million from the Pacific Economic Development Agency of Canada (PacifiCan) and \$11.5 million from the provincial government which will support establishing the Port of Vancouver as a testbed where digital initiatives can be

developed that will help ensure existing and future infrastructure gets used to its full potential. The federal and provincial government funding comes through Innovate BC's Integrated Marketplace Initiative—which is supporting sustainable economic growth and innovation across B.C. including at the ports of Vancouver and Prince Rupert, and Vancouver International Airport.

- The Port of Vancouver testbed will initially focus on developing digital tools that integrate into existing physical infrastructure to expand capacity and reliability of trade through the Port of Vancouver:
 - Creating tools to better anticipate demands on the busy marine-rail corridor by the North Shore rail bridge
 - Leveraging data and predictive analytics to provide longer-horizon cargo forecasts to the gateway, to support planning
 - Using data capture tools to deliver near real-time visibility into how containers are moving through the port system, to support efficiency
- The new tools will be part of the [port authority's Connect+ program](#), which brings together all of the digitalization and optimization initiatives led by the port authority to increase capacity and build stronger supply chains at the Port of Vancouver.

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.
- **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 [final video and final report have been 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:
- 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

Status update:

- The centralized scheduling system—an online dashboard enabling the port authority to optimally sequence the traffic of commercial ships in and out of the Port of Vancouver for improved fluidity and port efficiency—was rolled out on October 17, 2023.
- During this initial phase of the rollout, the system is being used to coordinate the transits of cargo ships, tugs and barges heading to or from the marine terminals located east of the Second Narrows Rail Bridge. The system will be expanded to other high-traffic zones in the port authority’s navigational jurisdiction in later phases of the Program.
- 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 the port authority assigns under the Interim Protocol for the Use of Southern B.C. Anchorages between 7 a.m. and 11:00 p.m. to further reduce noise disruptions from anchoring operations taking place in the region. More than 15 nighttime arrivals at these anchorages have been avoided since the pilot started.
- Proposed jurisdiction change: Transport Canada-led Indigenous engagement is ongoing. A decision from the federal government—as to whether the port authority’s navigational jurisdiction should be expanded to include anchorages around the Southern Gulf Islands—is expected by mid-2024.
- A [quarterly newsletter update](#), highlighting the launch of the centralized scheduling system and the progress made over the summer, was released in October.
- 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 1,800 ships have agreed to the code to-date.
- 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, 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

Demobilization ongoing – Category C

- Demobilization and the removal of site improvements including the in-water trestle commenced September 2023, and the in-water portion is complete.
- The land side removals are ongoing, and anticipated to be complete by end of year
- The site may be leased to another party, who would not require a permit to continue to use the site for storage purposes. Should this occur, equipment may continue to be stored on the upland portion of the site in 2024. Lease discussions are currently underway.

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

Permit issued – Category C

- A permit for this project was issued on November 1, 2023.
- The project includes remediation and redevelopment activities in subtidal, intertidal and upland areas of a former shipyard at 2089 to 2095 Commissioner Street. 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. Construction is expected to take approximately 10 months to complete. A construction start date has not yet been confirmed.

Seabed scour protection maintenance – Centerm berth 6 – PER No. 23-126

Permit issued – Category B

- Centennial Expansion Partners has been issued a permit on October 13, 2023, to remove high spots in the seabed riprap armament (scour protection) throughout Berth 6 at the Centerm Terminal, 851 Centennial Road. A marine spud derrick equipped with a clamshell bucket and material barge will 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. A construction start date has not yet been confirmed.

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](#)