

Topic Area: Transportation Policy

The Shape of Things to Come: Private Investment in Maritime Port Infrastructure

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I. Introduction

The worldwide economic downturn has had multiple impacts upon the competitive viability of major global ports. They must compete with other infrastructure entities for funding from federal governments while planning for less or no funding availability from municipal and state coffers. They must attract capital to invest in ever more costly state of the art operations to attract the newest generation of container and bulk/specialty vessels. They must work with a plethora of competing rail and trucking interests for intermodal operations and vie for global maritime logistics hub status that will provide a reason for distribution centers and third party logistics providers to locate employment and revenue generating operations nearby. Finally, they must make long-lasting multi-billion dollar investment decisions within a turbulent maritime and macroeconomic environment.

The effective management and use of maritime port real estate in the United States has spurred the recent entry of private investment management firms to administer major port and terminal operations. Despite the current economic uncertainty, investors are attracted by the long term nature of maritime terminal cash flows where risk is considered to be low and the potential for future returns on investments is high. Transportation and infrastructure funding in the United States represents one of the few untapped areas where “patient equity” can be provided with expertise as other markets slow down. While privatization of public port facilities is not new and has been an ongoing concept for decades, the extent of recent privatization efforts and the introduction of private equity firms, real estate management firms, pension funds and international banking and logistics consortiums within the United States suggests a change in the direction of future infrastructure ownership (Parker, 2009; Ybarra, 2009).

Opponents of privatization have argued that the sheer scale of maritime infrastructure projects involving major public works and benefits would take significant economic functions outside of governmental oversight. Long term decisions on growth and development of ports would be made by private organizations and individuals that may not be in the best interests of the citizens of the state or locality. Companies with port and terminal interests in other ports may make decisions to send ships to other ports or de-emphasize a particular venue for business reasons.

The purpose of this paper will be to examine current efforts to privatize maritime port infrastructure and the implications of such efforts on ports, and to suggest a resource development framework for understanding the future impact of these new developments. A major factor in private equity decisions regarding U.S. ports at present is the potential

for increased trade, particularly on the East and Gulf coasts, through the expansion of the Panama Canal which is slated for completion in 2014. Ports located in this area may see a surge in international freight traffic that had previously moved by rail from the West Coast of the U.S. Additional changes in the location of distribution centers and a more aggressive courting of private investors by maritime ports with few other sources of revenue for major infrastructure development have spurred the increase of port privatization activities.

II. Background

While maritime ports have existed since the beginning of civilized society, little interest was generated in the economics of maritime transport until after World War II. The American Association of Port Authorities (AAPA) was created in 1912 to assist in the development of public port administrations that were then in private hands and primarily controlled by railroad corporations who limited access to harbor areas (Heaver, 2006). Public access and knowledge of port activities throughout the United States until the 1970s and the advent of containerization was limited due to competitive factors, secrecy, customs and traditions that bound the maritime industry (Thorburn, 1960; Levinson, 2006). Increased competition among ports for containership traffic in the late 1970s required ever greater amounts of financial investment in new berths and cranes and dredging of ship channels by government run port agencies (Slack, 1993). Numerous changes within the field of logistics and the introduction of supply chain management principles over the last two decades have transformed the role of ports as well as the shippers and carriers who use them (Heaver, 2002; Midoro, Musso, & Parola, 2005; Clott & Wilson, 1999). A major factor in the recent evolution of ports has been the movement from public responsibility for ports to public-private partnerships (PPP's) (Ybarra, 2009; Cullinane & Song, 2002; Sherman, 1998).

Ongoing privatization efforts have varied widely among countries and ports with diverse governance structures (Brooks, 2004). Ports generally have been classified in three distinct types: 1) *Landlord ports* where a public port authority provides the infrastructure (quays, roads and terminal access) while the superstructure (terminals and cranes) are owned by carriers or logistics providers. Landlord ports are the norm on the West Coast of the United States. 2) *Tool ports* that are leased port facilities where the public port authority provides the infrastructure and superstructure and develops a competitive tendering process for private operators to utilize the port. Ports on the Gulf and East Coast of the U.S. tend to follow this model. 3) *Service ports* that are comprehensive ports where the port authority owns all infrastructure and superstructure and provides all services within the port including labor. The port of Singapore would be an example of this model (Cass, 1998).

The movement from public to private investment in U.S. ports has been due to a number of factors identified by researchers. They include greater specialization of terminals (Bird, 1971); competitive strategies to adjust to changing environments (Sherman, 1998); improving operational efficiencies (Robinson, 2002), and financial relief that enables governments to avoid undertaking capital expenditures (Sherman, 1998). Unlike

highways that usually have dedicated government funds, maritime ports do not directly benefit from federal monies. Port governance is largely in the hands of the 50 U.S. states and numerous local or regional municipalities (Fawcett, 2006). Maritime ports have thus historically relied on bonds and a mix of federal, state, and local appropriations to support infrastructure improvements (Ybarra, 2009). Port surcharges on carriers, shippers or importers for infrastructure needs often run the risk of alienating the customer base needed to make the port profitable, such as the container surcharges assessed by the ports of Long Beach and Los Angeles thru the Clean Truck program in 2009.

Maritime ports exist primarily to serve the interests of the original producers of goods exported and ultimate consumers of goods imported and indirectly affect multiple interests that are impacted by the transport of goods. Part of the problem faced by ports and other transport infrastructure is that they are viewed as both public services for the general economy, thus subject to government control, and as businesses that must operate within an intensely competitive marketplace (Musso, Ferrari & Benacchio, 2006). Once built, additional infrastructure costs require considerable amounts of time to be accomplished and may or may not result in expected profit and expected benefits to the governmental locality. Shippers and other port users may go elsewhere for more cost-effective or efficient competition leaving the “public good” put into place for private operators to be lost investment that private sector operators, unlike taxpayers, cannot be forced to subsidize (Musso, et.al.2006; deMatons, 1998). The need for massive amounts of new investment that can keep the port competitive now requires private financial market funding with requirements for profitability and return on investment that may or may not serve the public good in quite the same way as a governmental entity is required to do.

III. Maritime Private Investment in Less Developed Economies

The movement toward privatization of public ports took place in smaller, less developed economies around the world in the mid 1990's due to the pressure on governments lacking deep capital markets of their own to accept the need for private sector investment. An early and notable developed country exception to this was the United Kingdom under Prime Minister Thatcher that began major port and railway port privatization efforts in the early 1980's. The desire on the part of government operators was for assistance to reconstruct and modernize aging or inadequate port facilities that were considered anachronisms in the quest to globalize their economies. While keen to gain infrastructure investment, governments also wished to retain the ability to control property rights, planning and efficiency that would ensure competition and oversight (Tang & Bennett, 1998). Bid processes, financial advising and sophisticated monitoring of port investments were sought to ensure that the best possible terms were extracted from the preferred operators. For private investors, the attractive growth potential of new economic markets spurred competition for financing infrastructure developments. Private investors however, also imposed conditions giving them the right to recover their investments in a way which taxpayers could not do (Gavangh, 1998).

Among the most ambitious efforts at infrastructure financing thru public private partnerships has been the \$2.3 billion dollar loan provided to the Panama Canal Authority (ACP) as part of the \$5.25 billion project to modernize and expand the Panama Canal. The project marks the first expansion effort and only financing since construction of the Canal in 1914. The financing was arranged by the Inter-American Development Bank (IDB), the International Finance Corporation (IFC), the European Investment Bank (EIB), the Japan Bank for International Commerce (JBIC), and the Andean Finance Corporation (CAF). The remainder of the cost will be covered by cash flow generated by the canal operations (Schexnayder, 2008). Banking and finance institutions in New York, Washington, Tokyo, Hong Kong and London were involved in the financial arrangements. Without significant private sector financing, the government of Panama and the Canal Authority would have found it next to impossible to modernize the canal infrastructure. The ports of Balboa and Colon on each end of the Canal are privately operated by Hutchison Port Holdings (HPH), a Hong Kong based global ports operator.

IV. Private Investment in Non-maritime Infrastructure

Public private partnerships have occurred in all manner of global infrastructure development throughout the last two decades. Telephone systems, toll highways, power plants, mass transit systems and waste disposal systems were built with private financing in Eastern Europe, Southeast Asia, China, South America and other locales. Since virtually all of the private infrastructure investment occurred outside of the United States until recently, the management expertise and familiarity with private infrastructure investment existed overseas when initial privatization efforts began to take place in the United States. The Chicago Skyway, a highway built in the early 1960's connecting the Indiana Toll Road (Interstate 80) to the Kennedy Expressway (Interstate 94) through the city of Chicago was leased for 99 years to the Australian owned Macquarie Infrastructure Group and Spanish owned Grupo Ferrovial SA's Cintra Concesiones de Infraestructuras de Transporte SA (Cintra) for \$1.83 billion in 2005 and was the first of several highway privatizations. In 2006, Indiana became the first U.S. state to privatize a major highway when they leased the Indiana toll road built in the 1950's for 75 years to Cintra and Macquarie for \$3.8 billion. Virginia's Pocahontas Parkway was sold to the Australian based Transurban Finance Co. Pty. Ltd. and efforts were underway to lease the Illinois Toll highway, the New Jersey Turnpike and the Pennsylvania Turnpike. Tight credit markets due to the slowdown in global economic activity have stalled some infrastructure privatization efforts. A proposed deal to sell the Chicago's Midway Airport was canceled in April 2009 due to tight credit markets and more attractive options to financiers such as the sale of London's Gatwick Airport. Had the sale gone thru, Midway Airport would have been the first major U.S. airport to be privatized.

V. U.S. Maritime Port Privatization

The evolving use of public private partnerships at U.S. ports is a modification of traditional port business practices as the industry evolves from public operations to shifting responsibilities to the private sector. Changing business models suggest more intensive development of port real estate and port terminal areas is expected through new

forms of investment. Maintenance, repair and strategic responsibilities will be the responsibility of the private operator who it is presumed can bring a long term view on the asset. The most high profile privatization effort until recently was the 2005-2006 effort by Dubai Ports World (DPW) to assume the leases of multiple ports on the East and Gulf Coast of the United States as part of the sale of the Peninsular and Oriental Steam Navigation Company (P&O), a British firm that had managed the U.S. port operations. Approvals were granted by the Committee on Foreign Investment in the United States (CIFUS) to overcome governmental regulatory hurdles when a firestorm of controversy arose over security risks associated with the management of major U.S. port operations by a company headquartered in the United Arab Emirates. After subsequent news stories spotlighted the concerns, congressional pressure from Democrats and Republicans blocked the deal from final approval in Congress. High profile lobbying by former President Bill Clinton, former Senator Robert Dole and the support of then President George W. Bush failed to persuade Congress to approve the sale. In March, 2006 DPW sold P&O's American operations to the American International Group infrastructure investment division Ports America for an undisclosed sum. Other recent privatization efforts have been the following:

Port of Oakland

In March, 2009 Ports America Group announced that Ports America Outer Harbor LLC ('Ports America Oakland') was selected by the Port of Oakland to upgrade and operate five container berths in the Port of Oakland through a 50-year concession and lease agreement. Ports America Oakland is a partnership between Ports America, an equity owned by the New Jersey based AIG Highstar Capital and Terminal Investments Limited ('Terminal Investments'), an affiliate of Mediterranean Shipping Company based in Geneva, Switzerland. An upfront payment of \$60 million in addition to annual rental fees and other structured incentives were part of the final package. Ports America is planning a highly automated container facility with investments of approximately \$500 million in port upgrades over the 50 year timeframe of the deal. Ports America will take possession of the site in 2010 when current leases on the berths expire.

Virginia Ports Authority

In early March, 2009 the Virginia Ports Authority, a state entity operating four cargo terminals in Newport News, Norfolk and Portsmouth received an unsolicited 60 year concession proposal from the Chicago-based industrial real estate developer CenterPoint Properties. A major investor in CenterPoint is the California Public Employees Retirement System (Calpers), the largest pension fund in the United States. CenterPoint valued its bid to operate the terminals at \$3.5 billion in current dollars and up to \$8.9 billion over the life of the project. While the state would own the port, CenterPoint would run it per the bid proposal. An upfront payment of \$500 million would be provided to the Virginia Port Authority in addition to concession payments and \$1 billion in capital expenditures.

Prior to the deadline for competing offers at the end of July 2009, two bids were received from the Washington D.C. based equity firm The Carlyle Group and Seattle Washington based Carrix Incorporated in partnership with the investment banking firm Goldman Sachs. Carrix is the parent of Seattle based SSA Marine, the largest U.S. owned marine terminal operator with operations in more than 125 ports worldwide. Goldman Sachs has a forty-nine percent stake in the company. The Carlyle Group is one of the world's largest private equity firms with ownership of several companies including the consulting firm of Booz Allen Hamilton. Calpers has a five percent stake in the Carlyle Group.

A unique set of laws passed by the Commonwealth of Virginia known as the Public Private Partnership Transportation Act (PPTA) of 1995 and revised in 2005 provided the mechanism for both solicited and unsolicited bids on infrastructure. Virginia's act was the first in the United States to spell out procedures for bids on all manner of transportation infrastructure within the state (Ybarra, 2004). It precludes the need for additional legislation for any specific project. The competing bids for the Virginia Ports Authority is the first major port project under the statute (Seliga, 2009). An ongoing review of the competing bids is underway at this writing. The competitive nature of the bids for Virginia suggests the thinking by many observers that it may become the premier port for cargo utilizing the expanded Panama Canal due to its deep channels for mega containerships and proximity to rail links serving the Midwest (Dupin, 2009).

Port of Baltimore

In April, 2009 the Maryland Port Authority (MPA) issued a request for proposals for a private investor to lease and operate the Port of Baltimore's Seagirt Marine Terminal for 30 years. The current terminal operator is Ports America which operates 15 container terminals in North America. MPA announced in June, 2009 that Ceres Terminals, Inc. in partnership with Alinda Capital Partners LLC and Ports America Group/Highstar Capital had qualified to submit offers to enter a possible public-private partnership (PPP) agreement with the MPA to operate the Seagirt terminal facility. Ceres is owned by the Japan based NYK shipping line and operates 32 terminals around the world. Alinda Capital headquartered in New York is one of the world's largest investors in pension fund assets for infrastructure. Final bids were due in September, 2009.

Delaware River Port Authority- Port of Philadelphia

Four groups qualified as bidders in November, 2008 were to submit bids on a proposed \$500 million dollar Southport container terminal in Philadelphia as of May, 2009. Due to the global financial crisis and the cost of meeting state-imposed engineering requirements in the bidding process two of the four groups were seeking to delay or void their participation in the bidding. The original bidders were Hamburg Sud North America and Holt Southport Development which operates out of Philadelphia; Delaware River Stevedores in partnership with Ports America and Carrix; TraPac, the terminal operating unit of Japan's Mitsui OSK Line, and Southport Development Partners, which includes DBM Fonds, part of the investment bank ABN Amro (Leach, 2009). At the behest of Governor of Pennsylvania, all of the bidders were asked to stay in the process.

South Carolina Port Authority

There was much discussion within the state on the merits of privatizing the Port of Charleston. The loss of Maersk Lines as a major carrier operating out of Charleston and declining freight volumes has created some impetus for privatization. The current governor and state Senate President have both indicated their support in creating management models that would include private investment. Currently the state is in negotiations with neighboring Georgia to build a bi-state port facility in Jasper County, downriver from the Port of Savannah. (Owens, 2009)

Ontario Teachers Pension Plan

The Toronto based Ontario Teachers' Pension Plan (OTPP) acquired the leases for four container port terminals from Hong Kong-based Orient Overseas (International) Ltd. (OOIL) in November, 2006 for \$2.4 billion. Under terms of the deal, OTPP acquired the New York Container Terminal on Staten Island, the Global Terminal in Bayonne, New Jersey and the Port of Vancouver, Deltaport and Vanterm in British Columbia.

Deutsche Bank RReef Alternative Investments

In 2008, Deutsche Bank RReef Alternative Investments, the investment arm of Deutsche Bank acquired privately held Maher terminals of Berkeley Heights, New Jersey for an undisclosed amount. Maher operates terminals in both Port Elizabeth, New Jersey and Port of Prince Rupert in British Columbia.

Additional U.S. Ports-

The Port of New Orleans is inviting the private sector to participate in a two-billion dollar program of facilities expansion including a new container terminal and a new cruise ship terminal.

The Port of Portland, Ore. is reviewing the qualifications of 10 potential private bidders for its container terminal, the first long-term concession of an existing U.S. seaport facility.

The Port of Corpus Christi is proposing to build new terminal facilities with the help of private capital.

In March, 2009 the Alabama State Port Authority (ASPA) solicited a request for a private partner to invest in the development of the Garrows Bend Intermodal Container facility at Choctaw Point in the port of Mobile

VI. Why the Interest?

Contractions in the global economy over the last year have dramatically affected ports as well as carriers. Current estimates suggest little to no growth in freight volumes before 2012 as world markets work their way back to profitability (Drewery, 2009). The global recession has had an adverse affect on credit markets and the availability of funding for

new projects. Despite the downturn there is much interest by private investors in port infrastructure for several reasons:

- 1) Long term: the global downturn has not diminished the economic importance of global ports. The need for container shipping is unlikely to diminish in the future and institutional investors with long-term time perspectives such as pension funds look at ports to provide safe investments “comparable to those from fixed income and real estate” (Orski, 2008).
- 2) Changes in maritime shipping: the expansion of the Panama Canal and the advent of container mega-ships with 8000-12,000 TEU capacity have the potential to make ports that have deep water port capacity attractive for carriers and well positioned for a surge in business when the global economy grows again. Analysts currently anticipate increased growth of U.S. East Coast and Gulf ports as traditional shipping routes are reconfigured.
- 3) Obstacles to new ports: steep barriers to entry of new “greenfield” ports through environmental concerns and land availability have made existing port facilities more attractive for returns on invested capital. Maritime ports that have adjusted to changing environments and are financially well-positioned will gain a long-lasting competitive advantage.
- 4) Constraints: U.S. Cities, municipalities, states and regional entities are under intense financial strain and shifting away from the status of landlords of established cargo businesses to operating as contractors selling attractive public works to real estate investors. Ports faced with the possibility of losing financial support argue that private assistance is critical if they are to maintain their market share. Upgrading and expanding maritime terminals and equipment are considered necessities to long term survival and the ability to raise taxes to pay for it is politically unpopular.
- 5) Timing: private sector interest and involvement coincides with the passage of the American Recovery and Reinvestment Act targeting large amounts of stimulus funds to infrastructure redevelopment. States and local governments can leverage the stimulus funding by partnering with private interests thru PPP's. (Steele, 2009). The private sector brings expertise and financial resources that cannot be matched through the public sector and maritime ports need to find innovative ways to fund transportation improvements.

VII. Privatization Concerns

Arguments against public private partnerships stem from financial and political points of view as well as from distrust of private business intentions regarding public infrastructure. Major concerns are the following:

- 1) Trade gains at one port will often be made at the expense of another in the region or country. The race for private sector financing thus pits nearby ports against one another and may involve compromising long range port interests at the expense of short term considerations. Public goods such as navigational aids, breakwaters and dredged

entrance channels, environmental safeguards, congestion control and promoting the general efficiency of the port may be short-changed at the expense of profit-making infrastructure (Goss, 2000). Private sector financing may not occur if inadequate distribution links such as rail or highway facilities are not in place.

2) PPP concessions negotiated by government bodies may not be controlled and incentivized to work properly. A loss of control of long term concessions could reduce the locale's ability to adapt the port to changing economic conditions. Quality of service may suffer. Port communities may not benefit if a tax exempt status is given to the private business operating the port. Contracts may not safeguard the overall interests of the port users and the port center.

3) Greater private sector involvement in the container port sector does not irrevocably lead to improved efficiency (Cullinane, Ji & Wang, 2005). Private equity firms over the last two decades profited from business models designed around buying companies through highly leveraged borrowed money, stripping them of assets and then selling pieces of the firm at a profit to the market. Can private equity firms invest in infrastructure with a long term perspective, how long will they stay, and what expertise do they bring to the industry (Knight, 2006)? For example, the Macquarie Infrastructure Group is seeking to sell its interest in the Chicago Skyway which it purchased with Cintra in 2005 to reduce its debt load. The sale of the 99 year lease would pose a challenge for the firm and the city in the current economic environment (Bloomberg, 2009).

4) The stable returns on investment anticipated by private sector investors may not materialize when sectors are subject to rapid technological change or projects are too complex. Maritime port infrastructure constraints within various geographic locales may not be well suited for profit maximization and subject to political outcry such as what took place with the Dubai Ports World privatization effort. Profit maximization of rates or fees may cause a political backlash that requires agreements to be modified or terminated (Schaff, 2006).

VII. Resource Dependency and Maritime Ports

The management theorists Pfeffer and Salancik (1978) developed the resource dependency premise that organizations lacking in essential resources will seek to establish relationships with and be dependent upon others to obtain needed resources. Organizations also attempt to minimize their own dependence or increase the dependence of other organizations on them. When resources are not available, decline occurs; a condition which most organizations may face at some time in their existence (Cameron, Whetten & Kim, 1987). Under pressure of decline there is increased competition for resources and a reduction in organizational flexibility that contributes to problems in implementing coordinated management responses to environmental factors affecting the organization (Cameron & Zammuto, 1983). Pfeffer and Salancik (1978) suggested that organizations cope through offensive or defensive policies to more closely fit the demands placed upon them. Defensive policies often involve cost-cutting, negotiating new contracts or legislative efforts to create a new environment.

In the private sector, organizations are free to eliminate old products, initiate new ones and develop new market strategies at will to position their services or products. In contrast, public and geographically fixed organizations such as maritime ports must provide services within the constraints of their role in the locality. A variety of factors including security issues, rail and highway location, funding source expectations, terminal leasing agreements, etc. conspire to make it difficult but not impossible for ports to develop proactive policies such as port sharing agreements to alter their environment. This study suggests that two primary external constraints for maritime ports in seeking private sector funding are 1) the competitive position of each port within its geographical area and 2) the availability of additional financial resources.

Competitive Position

Privatization can provide economic benefits to the port by eliminating publicly sanctioned monopolies and removing institutional barriers that discourage innovation and isolate public port managements from the global marketplace (Sherman, 1998). A handful of ports on the East Coast will compete for mega-port status with the advent of the Panama Canal expansion and will most likely cater to a shrinking number of major carriers. Port rotations (the sequence in which ports are called) and channel depths will largely dictate which ports receive the majority of container traffic as carriers concentrate on fewer trade routes for economies of scale. The carriers in turn will demand preferential costs for using the port chosen as their major load center while attempting to monopolize the facility to ensure favorable pricing and transit times. Ports that specialize in break-bulk or specific cargoes because of their geographic location will compete fiercely to secure their niche. Private sector funding will go a long way in determining which ports make the necessary innovations to remain vital to international trade.

Financial Resources

Financially strapped governments compete fiercely for private sector funding that can provide an infusion of capital to modernize and improve port operations. Ports may need to create coalitions with other ports and professionalize their governmental oversight such that they can gain consensus on the overall direction of port facility development with private sector financing. Unfortunately, this comes at a moment of great economic stress for many ports confronted with declining revenues in a depressed global economy. Long term contracts that involve decades of time require thoughtful and astute leadership that addresses the need of the city or locale where the port is located in addition to the port itself. A specialized port serving particular industries or locations precisely may pay off just as well as the large megaport in terms of return on investment. Physical constraints and the existence of long-standing port customers will also impact what private sector financing opportunities are available.

It has been suggested that the all encompassing need for large financial resources will require virtually all maritime ports over time to use some type of PPP that will lock in private investment over a long period of time (at least 15 years) and use available

stimulus monies, state and local funding to solve additional infrastructure issues (Steele, 2009). Private sector returns on port infrastructure investment may be less than anticipated and vary considerably more than predicted. Successful ports with PPP's will have a diverse funding and revenue base such that there is not an overdependence upon private sector funding.

VII. Conclusion

Maritime port privatization in some circumstances can stimulate and revitalize port infrastructure development for competitive advantage. This can enable both the port operation and private investors to benefit over many years. The risk to privatization however is that public assets are undervalued, underinvested, or in some way misutilized through poorly structured contractual agreements. Short-sighted, profit motivated fiscal goals of port authorities and localities may get in the way of truly grasping how the private interests will maintain public infrastructures for the common good of the state or locality. Private investors who are far removed from the port properties they own or manage may not treat the "public trust" in the same way that port authorities answerable to voters and local or state governments are required to do. Global private equity firms must meet expectations of adequate return on investment to attract investors. Maritime ports operating in an intensely competitive environment may not be able to guarantee the steady rates on return demanded.

In the end, the movement to private sector ownership of public infrastructure represents a new chapter in U.S. maritime port development. The privatization process for maritime ports is well along in other parts of the world that can provide useful models of what works and what does not. Private investment in U.S. maritime ports is truly the shape of things to come in the shipping industry. It remains to be seen what this will mean for ports in the future.

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