

HWG Newsletter 07/2016

No Energy Transition Without Offshore Wind!

Interview with Uwe Santjer, MdL, Chairman of the SPD in Cuxhaven County



Mr Santjer, by way of constructing berths 4 and 9, the State of Lower Saxony has, through its state owned port company NPorts, invested further in the infrastructure of Cuxhaven. What significance does the financing of port infrastructure by the State have for you? What part do you play in this, also with regard to the scope of your membership of the parliamentary subcommittee "Häfen und Schifffahrt" (ports and shipping)?

The financing of port construction activities from Emden to Stade through the state government is of great importance to economic development in Lower Saxony and beyond that, for Germany.

With regard to financing port infrastructure through the state, the European government aid law provides a tight framework and requires the notification of individual measures. This also showcases the high competency of all involved at NPorts and in the state administration which led to both construction projects attaining the approval of the European Competition Commission.

When it comes to money, the State Parliament has a deciding say. And in relation to the budget of the state-owned port company, the ports and shipping subcommittee (Häfen und Schifffahrt) is involved. Due to our parliamentary work we were, for example, successful in obtaining an increase for the investment budget of the state-owned port company NPorts for 2018 of a further 10 million euros. With this, we create opportunities for the seaports of Lower Saxony.

I am glad that we will dedicate a total of 45.5 million euros on berths 4 and 9.3, as they are the basis of growth in Cuxhaven. My position as port policy speaker of the SPD parliamentary faction is comprised mainly of networking. Here, it is a matter of aligning the interests of the factions, the state government and the port industry.

The new EEG (Federal law on renewable energy) has already precipitated far-reaching protests in Cuxhaven and all of Lower Saxony. Is the new EEG slowing down the positive development of wind energy in Cuxhaven? What options does Cuxhaven have to advance the expansion of wind energy and the establishment of Siemens, with which it is so closely associated?

Offshore wind energy is an international business. The establishment of Siemens AG in Cuxhaven is an integral part of the international supply network of Siemens AG. Given that, I assume that the export market is a significant driver for the production of the multi megawatt wind turbines in

Cuxhaven. And this doesn't just apply to Siemens, but also to Ambau, who have been established in Cuxhaven for many years now, as well as for existing and new subcontractors.

In my view, the new and at the last minute amended EEG is likely to impede the continuous development of offshore wind farms in the North and Baltic Sea. I am told that in particular, developers of offshore farms are "holding their breath". Given this, the significance of the Minister of Economic Affairs Olaf Lies' wish, in conjunction with the city of Cuxhaven, to further develop Cuxhaven into the German Offshore Industry Centre is of great importance. At this point I would like to emphasise the great work of the Cuxhaven Business Development Agency, NPorts and the State Department of Trade and Industry and to thank them. This flagship project helps the region, but also the entire value-added chain of the wind energy sector. "Germany is for Offshore" (*"Deutschland setzt auf Offshore"*) is the key message. Insufficient decisions regarding the EEG in Berlin should motivate us more than ever to strive to influence the Federal Government to develop the EEG in future with offshore receiving greater significance and thus to enable cost-reducing potentials to come into greater effect. We have already succeeded in 2013 with the Cuxhaven Appeal, and we will further advocate this goal. I am convinced that the energy transition will not succeed without offshore wind!

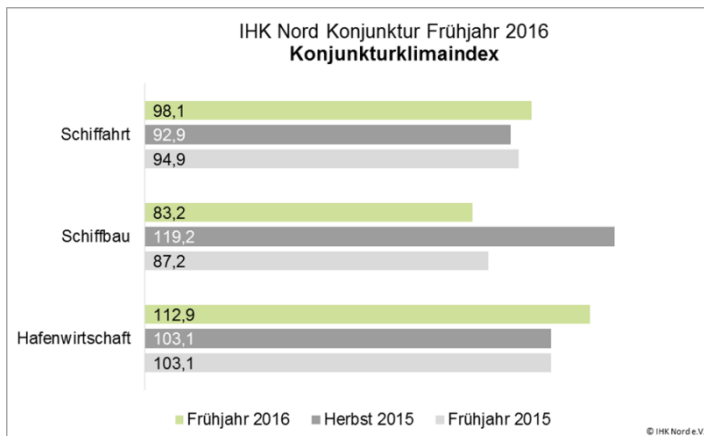
The subject of housing development in the port in Cuxhaven is also currently relevant and plays a part in the development of the city. How can a compromise be made between private and commercial usage of the port?

The commercial nucleus of the port is comprised of the businesses surrounding transshipment, shipbuilding, shipping, fish processing and for several years now offshore wind energy. The livelihood of these businesses is of great significance for Cuxhaven. In areas of high commercial use the development of housing would almost certainly be ruled out.

On the other side, there are parts of the port which were left behind by the commercial development of the traditional maritime industry. This is where tourism stepped in, as also exemplified by investments like the Wind Force 10 Museum. The great restaurants and markets are a real draw for locals and visitors. The expansion of housing developments in the intersecting point between city and port must not endanger the livelihoods of the commercial businesses there. The aim here must be to continue with the good coordination intensively, as has been the case until now.

Mixed Mood in Spring Economic Survey of IHK North

Foreign demand and economic framework conditions are cause for concern of businesses



An economic sentiment survey of the maritime industry conducted by the German Chamber of Commerce (IHK) North shows mixed results. Whilst for port industries and shipping companies, the business climate index saw a slight increase, for shipbuilding the situation was considerably more dulled. "Causes for concern for businesses are in particular foreign demand and general economic

conditions", says Fritz Horst Melsheimer, president of the IHK North and Head of the Chamber of Commerce of Hamburg.

The economic sentiment index of the North German port industry (a value between 0 and 200 percentage points) rose this Spring to 112.9 points, compared to 103.1 points in Autumn of 2015. Melsheimer explains: "Compared to Rotterdam, the two large German ports Hamburg and Bremerhaven saw a gain in market shares of container handling in the first quarter. Nevertheless, results continue to be strained by the Ukraine crisis and stagnating East Asian trades." Now it is the Federal Government's turn to implement the national port concept which was passed at the beginning of the year, namely to proceed with the expansion measures of the Kiel Canal as well as finally commencing the deepening of seaward navigational channels to North and Baltic Sea ports.

Despite the economic barometer of shipowners having perked up slightly to 98.1 points, an end of the shipping crisis is not as yet in sight. "In bulk and container shipping, the charter rates had in part just recently reached historical lows," says Melsheimer. Even the banks which are committed to ship financing and have to set aside greater reserves for risk mitigation are affected by this development. "We expect the charter rates and market value of ships will not sustainably recover in 2016," predicts Melsheimer.

Shipyards recorded a significant decline in economic sentiment from 119.2 points (Autumn 2015) to 83.2 points (Spring 2016). "Although German shipyards remain very successful in speciality shipbuilding in spite of a highly competitive market, the tension in the shipbuilding industry with a decline in incoming orders has also chilled the mood of shipyards here," noted the IHK North president.

Free and Hanseatic City of Hamburg supports the rescue service for the Neuwerk Wadden area

The City of Cuxhaven and the Free and Hanseatic City of Hamburg have signed an agreement on the cost sharing of the rescue service



The new agreement provides for a sharing of the cost by Hamburg, as Cuxhaven covers the rescue service of the entire Wadden area between the mainland and the island of Neuwerk. The route to Neuwerk is located in both the Lower Saxony and Hamburg areas of the World Natural Heritage Site Wadden Sea. An agreement from 1989 had up until now regulated the rescue service between both cities and stipulated that the City of Cuxhaven be responsible for the rescue service of the entire area. In this way the fastest possible

assistance in case of an emergency could be ensured, as a separation of both territorial areas in Wadden and water could not be clearly marked.

To date the agreement included no reimbursement of costs by Hamburg. The costs for the acquisition, maintenance, availability and usage of rescue services as well as the training of rescue personnel fell solely on the City of Cuxhaven. After the commencement of negotiations regarding a sharing of costs in 2015, both cities have now come to an agreement.

“Wadden rescue is an important function, which we have held for decades, around the clock and 365 days per year. The rescue missions are coordinated optimally between all concerned, so that in case of an emergency, everything goes smoothly. We are pleased that we are now going to be receiving a proportionate reimbursement of costs, especially with costs continuously rising,” explains Cuxhaven’s Mayor Dr Ulrich Getsch. “And Hamburg is pleased that Cuxhaven will continue to fulfill this function, as they have for decades as an extremely reliable partner,” added Fire Chief Klaus Maurer, Head of the Hamburg Fire Service. Against the backdrop of the UNESCO World Natural Heritage Site Wadden Sea, some of the vehicles for Wadden rescue services could be given a closer inspection along with members of the professional fire brigade of Cuxhaven, the volunteer fire brigade of Duhnen, the Nordseeheilbad Cuxhaven GmbH (NC) and the German Life Rescue Association DRLG (*Deutsche Lebens-Rettungs-Gesellschaft*).

Cuxhaven-Brunsbüttel ferry development is stable

Rising passenger numbers and a new restaurant at the Steubenhöft raise spirits at Elb-Link Ferry Company



Ten months after starting the ferry service between Cuxhaven and Brunsbüttel, the Elb-Link startup reports positive developments. To date, more than 320,000 people have made use of the new connection across the Elbe river. Company spokesman Bernd Bässmann confirmed that freight traffic, after a difficult start, has in the meanwhile grown to between 80-90 trucks per day. The overall positive

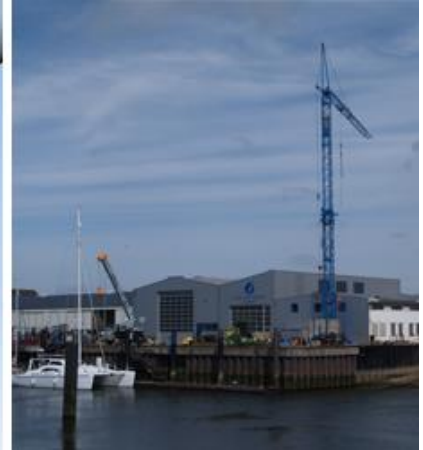
development was, however, attributed mostly to tourism. “Our ships are also a destination for regional summer tourists,” Bässmann said.

At the beginning of the summer vacation, the company developed a program with offers for omnibus travel agencies which was presented in the context of this year’s RDA Workshop in Cologne – which is the largest professional conference in Germany for group and omnibus travel.

In August, furthermore, the Seestern Restaurant opened in Cuxhaven’s Steubenhöft. Due to its unique location and unrestricted view of the Elbe river, it was possible to revive the restaurant after four years of vacancy. Here, 100 guests are able to enjoy great seating and a wide-ranging catering menu.

Since its launch in August 2015, the two double-ended ferries Anne-Marie and Grete provide ten daily frequencies, 365 days a year. To date, 320,000 people, 69,000 vehicles and 12,000 trucks have made use of the connection. The ferries also have 12 truck spaces for the transport of hazardous materials.

The HWG introduces her members: Plambeck Holding GmbH



Profile

Company Name:	Plambeck Holding GmbH
Founding Year:	1979
Industry:	Construction and Environmental Technology, Renewable Energies, Shipyard Operations and Others
Locations:	Cuxhaven, Helgoland, Leipzig, Abu Dhabi

Interview with Managing Director Norbert Plambeck



Question 1 – What attributes would you say describe your company?

We (Plambeck Holding) are a family business with deep roots in Cuxhaven. You can rely on us. We've got endurance, energy and passion for our work – our competent employees will succeed again and again in producing successes and at proving that we are reliable partners. Skill, foresight and creativity are important attributes.

Question 2 – Why are you a member of the HWG?

We really love the Port of Cuxhaven.

As the founder and main shareholder of the first publicly listed wind energy project development company, Plambeck Neue Energien AG

(today: PNE WIND AG), we were pioneers in the development of offshore wind parks. In 2001, we launched the idea of Cuxhaven as an offshore port and developed a concept which was, on the whole, successfully implemented by many members of the Port Association of Cuxhaven.

In 2003, we presented the first offer for the privatization of the Old Fishery Harbour. Presently we are once again involved in the bidding proceedings. The port should remain a working port, but our goal is to also promote tourism, the offshore wind industry and to attractively develop the area around the harbour for all Cuxhaveners and visitors to the city.

Since 2000, we have been operating the shipyard Boots- und Schiffswerft Cuxhaven GmbH and we are delighted to have customers there from both the professional shipping sector and leisure sailing. Rotor blade manufacturers and operators of specialized vessels have contracted with us, as a long-standing business, and have allowed us in this way to do our part for the offshore sector.

Our City-Marina GmbH Cuxhaven has, since 2002, operated more than 100 berths in the Cuxhaven Schleusenpriel and is currently executing a delightful project called "Townhomes in the Yacht Harbour" which has 26 units. It's hardly possible to be closer to the water or, as it may be, to the port. It's ideal either for living or for going on holiday.

These and many other good reasons are why we are members of the Port Association.

Question 3 – What is your personal wish for your company?

We wish for the continuing trust of our customers, employees and partners as well as stable political and economic conditions for the further development of Cuxhaven's economy.

Further information on the company can be found here: www.plambeck.de

This message has been sent to you by the Cuxhaven Port Business Association (Hafenwirtschaftsgemeinschaft Cuxhaven e.V.)

Legal notice

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