



Irish Maritime
Development Office

UNITISED TRAFFIC REPORT Q4 2022

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UNITISED TRAFFIC REPORT – Q4 2022

ABOUT THE IMDO

The Irish Maritime Development Office (IMDO) is Ireland's dedicated development, promotional and marketing agency for the shipping and shipping services sector. The IMDO is the Irish government agency which provides support to national and international maritime businesses in Ireland. It is the aim of the IMDO to be the focal point for maritime business in Ireland. The IMDO provides government and industry with a range of information and reporting across the sector and works with international businesses to help them set up or expand in Ireland.

Along with quarterly economic analysis and academic research, the IMDO produces an annual statistical bulletin on the Irish shipping market; The Irish Maritime Transport Economist. This is Ireland's most comprehensive source of national maritime traffic data. Past editions of the Irish Maritime Transport Economist are available from the IMDO [website](#).

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NOTES

1. **UK Landbridge:** The UK Landbridge is a term used to describe a route to market that connects Irish importers and exporters to international markets via the UK road and ports network. It is a strategically important means of access to the single market that has been favoured by traders in high value or time sensitive goods because it offers significantly faster transit times than alternative routes. The reintroduction of customs controls as a consequence of Brexit increases transit times and places additional costs on Irish businesses that undermines their competitiveness in accessing international markets.
2. **RoRo (Roll-on Roll-off):** RoRo involves vessels designed to carry wheeled cargo, such as cars, trucks, semi-trailer trucks, trailers, etc., that can be driven on and off the ship on their own wheels, or using a platform vehicle, such as a self-propelled modular transporter.
3. **LoLo (Lift-on Lift-off):** LoLo involves a specific ship that engages in the transportation of containerized freight, that is loaded and unloaded by ship-to-shore cranes.
4. **TEU:** The twenty-foot equivalent unit (often TEU or teu) is a unit of cargo often used to describe the capacity of container ships and container terminals.
5. **RoPax:** The sector that uses vessels capable of carrying passengers, passenger vehicles, and RoRo freight
6. **Ireland / ROI:** Republic of Ireland
7. **NI:** Northern Ireland
8. **GB:** Great Britain
9. **ROI – EU:** RoRo services operating between Dublin, Cork or Rosslare Europort, and a mainland European Port that is inside the European Union
10. **ROI – GB:** RoRo services operating between Dublin, Cork or Rosslare Europort, and a port in Great Britain.
11. For **Data requests**, please contact the IMDO team.

UNITISED TRAFFIC GROWTH IN Q4 2022 (Vs Q4 2021)



ROI RORO: -3%

NI RORO: -7%



ROI LOLO: -8%

NI LOLO: -13%



ROI Tourist Passengers: +24%

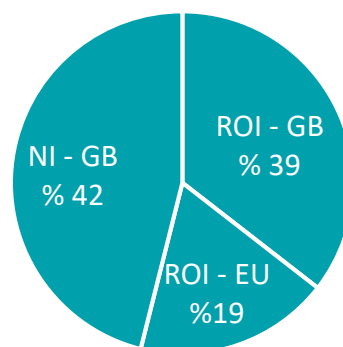
NI Tourist Passengers: -4%



ROI – EU RoRo: -3%

ROI – GB RoRo: -3%

All Island RoRo Share



Executive Summary

The fourth quarter of 2022 was defined by a slowdown in unitised traffic on the island of Ireland, as global inflationary pressures finally began to affect the volume of merchandise goods handled at ports. RoRo and LoLo traffic in Ireland and Northern Ireland declined on an annual basis, pausing momentum that had been built in the first half of 2022.

RoRo

RoRo traffic at Republic of Ireland ports declined by 3% year on year in the fourth quarter of 2022. Due to the disruptive effects of COVID-19 and Brexit throughout 2020 and 2021, 2019 is an effective benchmark to compare 2022 volumes. Q4 2022 recorded just over 295,000 RoRo units, an almost identical total to that handled in Q4 2019. Despite its close comparison with 2019 levels, the volume of RoRo traffic recorded in Q4 2022 represents a relatively underwhelming performance for the sector. Even with the spikes in traffic volumes throughout the COVID-19 and Brexit period, a growing RoRo sector in Ireland would expect to average approximately 300,000 – 305,000 units per quarter. In the first half of 2022, such volumes were evident and signs were positive. In the latter half of 2022 however, the negative economic headwinds, predominantly inflation, began to show, and the sector failed to surpass 300,000 units in both Q3 and Q4.

However, despite the recent slowdown in traffic volumes, the gains made in the first half of the year were enough to ensure 2022 was still a record year for RoRo traffic in Ireland. RoRo traffic surpassed 1.2 million units for the first time, above the previous peak of 1.19m units reached in 2019.

Prior to Brexit, the RoRo sector was comprised of roughly 1 million units on ROI – GB routes, and 200,000 on direct EU routes. In 2022, it is comprised of roughly 800,000 ROI – GB units, and 400,000 direct EU units. The shift has been driven by post-Brexit trading arrangements. Post-Brexit, traffic on ROI – GB routes has declined significantly, while traffic on ROI – EU routes has doubled. In short, this has been driven by the following three main factors; the decline in the use of the UK Landbridge, a decline in Northern Irish importers and exporters using ROI – GB routes as a means of accessing southern UK markets, and the relocation of some large retail warehouses from central UK to mainland Europe.

In the two years that have now passed since the new Brexit arrangements came into effect, this shift has remained remarkably consistent. From the early months of 2021, ROI – EU traffic has consistently represented one in every three RoRo units in Irish ports, with little deviation throughout. Similarly, traffic on ROI – GB routes has consistently been 20% below its 2019 benchmark, with little sign of a swift return to those volumes. RoRo traffic on both GB and EU routes fell by 3% in Q4 2022, a reflection of the global economic environment, rather than any shift in post-Brexit market composition.

In all, surpassing 1.2 million units is an important milestone for the RoRo sector, as it would likely have been achieved before 2022 had the negative effects of the first wave of COVID-19 in 2020, or the Brexit stockpiling effects in early 2021, not occurred. 2022 therefore represents a return to the momentum built up in the rapid period of growth in Irish maritime traffic recorded between 2014 and 2019. In addition, it once again highlights the resilience of this sector of the Irish economy to exhibit a reliability throughout difficult economic periods.

LoLo

In the fourth quarter of 2022, LoLo traffic at Irish ports declined by 8% on an annual basis. This equates to a loss of 22,501 TEU's. At 265,506 TEU's, this is the lowest quarterly LoLo total for Irish ports since Q2 2020, during the first wave of the COVID-19 pandemic.

Prior to Brexit, LoLo traffic in Ireland peaked in 2019, recording 1.06m TEU's in that year, and averaging approximately 265,000 TEUs per quarter. In 2021, this average rose to 294,000 TEUs a quarter. In the first three quarters of 2022,

further gains were made, as LoLo traffic averaged roughly 297,000 TEUs per quarter. The drivers of these increases in 2021 and 2022 are the same as those that drove a surge in ROI – EU RoRo traffic; a decline in the use of the UK Landbridge and the relocation of some large retail warehouses from central UK to mainland Europe. Approximately 85% of LoLo traffic from Irish ports is to / from ports in Belgium and The Netherlands, particularly large European transport hubs such as Rotterdam or Antwerp. LoLo traffic has therefore been well placed to benefit from increased demand for direct access to such ports.

The decline in Q4 2022 to levels similar to those recorded in 2019 interrupts the post-Brexit momentum built up since the first quarter of 2021. The cause of this decline is most likely due to the inflationary pressures in large global economies with whom Ireland frequently uses LoLo vessels to trade with. In Section 2, Figure 3 illustrates how the level of inflation in 2022 for goods only, a more relevant measure for the unitised trade sector, has outpaced headline inflation for all items, which include services. In addition, Figure 4 shows a steep decline in international freight rates for containerships vessels. This illustrates that the demand for capacity has fallen as inflation has taken hold, and that this is not a phenomenon isolated to the Irish economy.

1. Roll – on / Roll – off (RoRo) Market

Table 1 details the volume of RoRo traffic on the island of Ireland in the fourth quarter of 2020, 2021 and 2022.

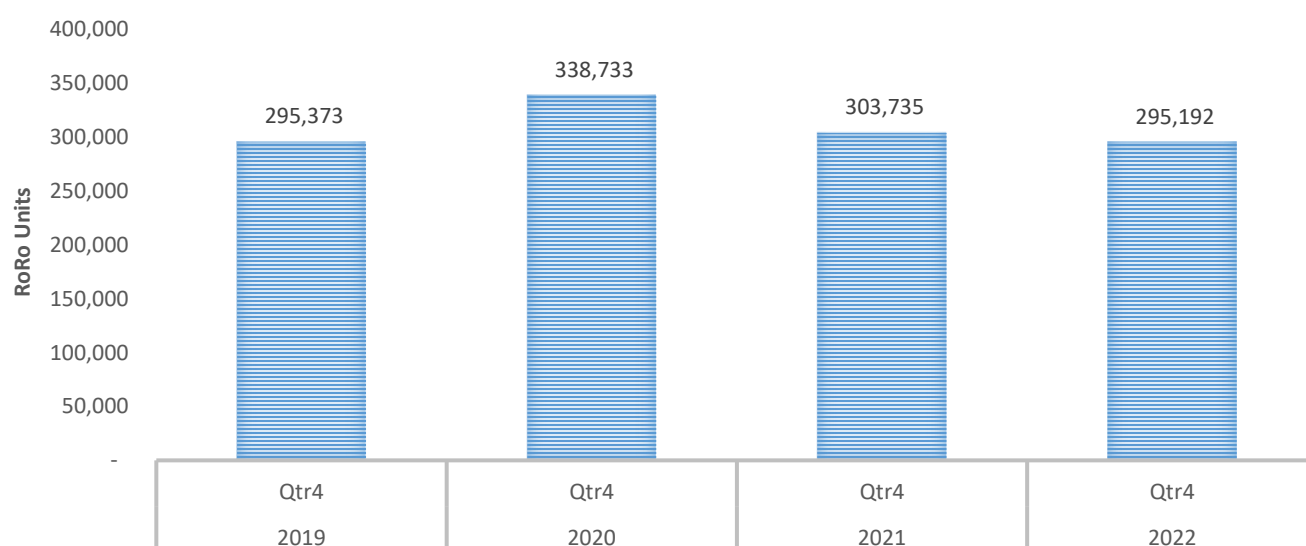
	Q4 2020	Q4 2021	Q4 2022	Growth Vs 2021	Diff Vs 2021
	RoRo Units	RoRo Units	RoRo Units	(%)	RoRo Units
Cork	199	2,696	1,269	-53%	-1,427
Dublin	303,961	254,863	247,726	-3%	-7,137
Rosslare	34,573	46,176	46,197	0%	21
ROI	338,733	303,735	295,192	-3%	-8,543
NI	232,146	231,080	214,913	-7%	-16,167
All - Island	570,879	534,815	510,105	-5%	-24,710

Source: IMDO

RoRo traffic at Republic of Ireland ports declined by 3% year on year in the fourth quarter of 2022. When compared to 2020, the decline is 13%. However, Q4 2020 represents an outlier, as it encompassed a large pre-Brexit stockpile, wherein a record quarterly total of RoRo traffic was handled. In addition to the effects of Brexit, both Q4 2020 and Q4 2021 involved COVID-19 related restrictions which limited consumer's ability to spend in the service economy. Finished, merchandise goods, such as those transported by the RoRo sector, benefitted from this redirection of incomes.¹

2019 is an effective benchmark therefore to compare 2022 volumes. In Q4 2019, 295,373 RoRo units were handled. Q4 2022 is almost identical to this total. In Figure 1 below, fourth quarter RoRo traffic is presented for the years 2019 to 2022.

Figure 1: Q4 RoRo Traffic, Republic of Ireland, 2019 – 2022



Source: IMDO

¹ For more information on the impact of COVID-19 restrictions on maritime traffic, see the [Irish Maritime Transport Economist, Vol 19.](#)

Despite its close comparison with 2019 levels, the volume of RoRo traffic recorded in Q4 2022 represents a relatively underwhelming performance for the sector. Even with the spikes in traffic volumes throughout the COVID-19 and Brexit period, the long term trajectory of RoRo traffic, based on the IMDO's iShip index, predicts a quarterly volume of between 300,000 and 305,000 RoRo units. In the first half of 2022, such volumes were recorded in the first and second quarters. In the latter half of 2022 however, the negative economic headwinds, predominantly inflation, began to show.

Inflation, forecasted by the CSO, is estimated to have reached 7.7% as of January 2023². In addition, personal consumption was downgraded compared to early 2022 by the Central Bank of Ireland in its latest quarterly report. These indicators are closely linked to the performance of the unitised freight sector, i.e. RoRo and LoLo, at Irish ports. As with Q3 2022, failure to surpass 300,000 units in Q4 therefore represents an underperformance for this sector of maritime traffic.

Overall, in 2022 Irish RoRo traffic surpassed 1.2 million units for the first time. As highlighted above, the first half of 2022 recorded stronger volumes, with the latter half being affected by negative indicators such as inflation, which was underpinned by increases in global energy prices.

However, surpassing 1.2 million units is an important milestone for the sector, as it would likely have been achieved before 2022 had the negative effects of the first wave of COVID-19 in 2020, or the Brexit disruption in early 2021, not occurred. 2022 therefore represents a return to the momentum built up in the rapid period of growth in Irish maritime traffic recorded between 2014 and 2019. In addition, it once again highlights the resilience of this sector of the Irish economy.

Port and shipping operators faced swift and significant increases in fuel prices in 2022, driver shortages, as well as changes to the global trading environment with new sanctions on Russian trade. Approximately one in three tonnes of all Irish maritime trade is handled by the RoRo sector. The persistent achievement of roughly 300,000 units each quarter, through difficult economic headwinds, is an encouraging sign for Irish international trade.

Looking ahead, the outlook for inflation in 2023 is more positive. The latest macroeconomic forecast by the EU Commission shows Irish inflation falling from 8.1% to 4.4% in 2023, and 2.1% in 2024.³ As well as this, Irish consumer sentiment has begun 2023 on a more positive note, according to the Irish League of Credit Unions.⁴ As highlighted in this report;

"January sentiment reading at a 7 month high, signaling nervous but not entirely negative Irish consumer"

Irish League of Credit Unions January 2023 Consumer Sentiment Index, 26/01/23

More analysis on the performance of the RoRo sector in 2022 will be available in the IMDO's annual report, released in the second quarter of 2023.

Dublin Port

As shown in Table 1, in Q4 2022, RoRo traffic at Dublin Port fell by 3%, or 7,137 RoRo units. When compared to Q4 2020, during the unprecedentedly large pre-Brexit stockpile, the decline is 19%. And when compared to 2019, Q4 2022 volumes declined by 6%.

As highlighted in previous IMDO reporting, January 2021, or the beginning of the post-Brexit trading environment, marked a significant turning point for RoRo traffic at Dublin Port. Two years on, the post-Brexit trends that emerged in those early months have persisted. In the eight quarters post-Brexit, Dublin Port has been at most, 7% behind its 2019

² [Flash Estimate for the Harmonised Index of Consumer Prices January 2023](#)

³ [Economic forecast for Ireland](#), European Commission, 13/02/23

⁴ [January 2023 Consumer Sentiment Index](#)

volumes, and at best, 1% behind⁵. On average, Dublin Port is 5% below the quarterly volumes achieved throughout 2019. In volume terms, 2019 recorded an average quarterly total of 265,000 RoRo units, while 2022 has recorded a quarterly average of 251,000. The difference has consistently been driven by two factors.

First, a reduction in the use of the UK Landbridge⁶ drove a surge in demand for direct services to mainland European ports and a significant decline on GB services. Post-Brexit, Dublin Port has recorded significant increases in its own direct EU RoRo traffic, but some of this traffic also transferred to direct RoRo services from Rosslare Europort and the Port of Cork. In addition, some of this traffic has moved towards LoLo services via Dublin, Cork and / or Waterford, the vast majority of which are direct to mainland European shipping hubs. This increase in intermodal competition has also negatively affected Dublin RoRo traffic.

Second, Northern Irish importers and exporters reduced their use of Dublin Port as a means of access to markets in Southern England and Wales, choosing instead to switch to Northern Irish RoRo services, thus avoiding the need to enter and exit the EU customs territory. More information on both factors is available in the IMDO's annual report.⁷

As a result of these changes, Dublin Port now accounts for 84% of RoRo traffic in the Republic of Ireland, versus 89% in 2019. And in Q4 2022, the decline of 7,17 units represents 84% of the overall decline in Irish RoRo traffic. Looking ahead to 2023, growth in Dublin RoRo traffic will involve quarterly volumes moving back towards the 265,000 units recorded on average throughout 2019. Operators at Dublin will also continue to seek to retrieve traffic lost to Northern Irish routes, to other Irish ports and also to LoLo routes. This emphasizes the significant increase in industry competition that has occurred post-Brexit.

Overall, in 2022 Dublin Port recorded just over one million RoRo units. This represents a 4% increase on 2021, wherein the effects of the pre-Brexit stockpile suppressed volumes in the first half of that year. When compared to 2019, Dublin Port traffic remains 5% below that benchmark.

Rosslare Europort

Growth in RoRo traffic was flat in Rosslare Europort in the fourth quarter of 2022, with an almost identical volume handled in Q4 2021 and 2022. When compared to Q4 2019, volumes have grown by 58%.

Like Dublin Port, January 2021, or the beginning of the post-Brexit era, marked a significant step-change for RoRo traffic at Rosslare. In 2019, a quarterly volume of roughly 31,000 could be expected from Rosslare Europort. In the eight quarters since Brexit, an average of 46,000 units per quarter can now be relied upon. Post-Brexit RoRo traffic has consistently ranged between 44,000 and 48,000 units each quarter, meaning volumes at the port are, on average, 54% higher than those recorded in 2019.

The reasons behind this shift have been documented in detail in recent IMDO reporting. In summary, direct EU traffic, i.e. RoRo traffic on routes direct from Irish ports to mainland European ports, doubled in 2021, adding 185,000 units, a trend that has continued into 2022. Rosslare Europort captured half of this new direct demand, adding over 90,000 units in the process, and far outstripping its previous share of direct EU RoRo traffic of roughly 13% held in the years leading up to Brexit. Rosslare now represents approximately one third of all ROI – EU RoRo traffic.

⁵ Q1 2021 is excluded as this encompassed the effects of the large pre-Brexit stockpile recorded in Q4 2020. Q1 2021 volumes are unreliable as a result.

⁶ See Notes for a description of the UK Landbridge

⁷ [Irish Maritime Transport Economist, Vol 19.](#)

Rosslare Europort is also the only port on the island of Ireland to not have recorded a decline in Q4 2022. This was underscored by the announcement in the third quarter of 2022 that a Cork – Zeebrugge service operated by Grimaldi would move to Rosslare Europort. Finnlines, a Finnish shipping company that is part of the Grimaldi Group, now operates the service from Rosslare. This is reflective of the competitive post-Brexit environment, where operators continue to adapt to changing customer demands.

For the year in total, Rosslare Europort recorded 188,000 RoRo units, a 3% rise on 2021 that was helped by an another new direct service to mainland Europe, which have risen significantly for the port in the last two years. RoRo volumes are 54% above those of 2019. In all, Rosslare is holding onto the gains made in the post-Brexit era, with large shipping operators exhibiting confidence in the port. Rosslare accounted for 16% of Irish RoRo traffic in 2022.

Port of Cork

Like Rosslare Europort, Brexit has also had a large and positive effect on RoRo traffic at Cork. 2019 was a peak year for Cork RoRo traffic, with 1,400 units averaged each quarter. In the eight quarters post-Brexit, this average has risen to 2,020 units each quarter, with 2022 being especially buoyant in terms of RoRo volume. However, as evident in Table 1, Q4 2022 recorded 1,269 units, significantly below this post-Brexit average. This follows a volume of 1,825 units in Q3 2022.

As highlighted above, this was heavily impacted upon by the announcement that a Cork – Zeebrugge service operated by Grimaldi would move to Rosslare Europort. Despite this decision, 2022 has been a record year for RoRo traffic in Cork, with over 9,000 units handled this year, a 34% increase on 2021.

Northern Ireland

Table 2 also details the volume of RoRo traffic carried on NI – GB routes, which include the ports of Belfast, Larne and Warrenpoint.

In the fourth quarter of 2022, RoRo traffic at Northern Ireland ports declined by 7% when compared to Q4 2021. When compared to Q4 2020, the decline is also 7%, and when compared to 2019, volumes are up 1%.

Post-Brexit, RoRo volumes in Northern Ireland rose significantly as many Northern Irish importers and exporters transferred traffic to the three Northern Ireland ports as a means of accessing Southern UK markets⁸. The use of Irish ports by Northern Irish traders as a route to UK markets can be referred to as the ‘Irish Landbridge.’ A reduction in the use of the Irish Landbridge represents a loss of traffic to Irish ports.

In 2019, Northern Irish RoRo traffic averaged roughly 213,000 units per quarter. In the first eighteen months post-Brexit, this average rose to roughly 230,000 units per quarter. However, in Q3 2022, 218,592 units were recorded, and in Q4, 214,913 units were recorded. This Q4 2022 total is the lowest for Northern Irish ports in the post-Brexit era.

The economic headwinds outlined in Section 1, particularly the rise in inflation, may be the driving factor behind such declines. However, as previously highlighted by the IMDO, post-Brexit competition in the RoRo market on the island of Ireland has increased significantly. In particular, Dublin Port, which has historically been the predominant ‘Irish Landbridge’ port, has likely sought to regain some of this lost traffic to Northern Ireland ports. Indeed, Dublin Port’s share of GB traffic for the island of Ireland reached 45% in Q4 2022, its highest point of the post-Brexit era. Dublin Port held a 48% share of this traffic in 2019.

⁸ See [Irish Maritime Transport Economist, Vol 19](#) for more detail on this issue.

(i) GB RoRo Traffic

Table 2 details the volume of RoRo units carried on ROI – GB and NI – GB services in the fourth quarter of 2020, 2021 and 2022.

Table 2: ROI – GB RoRo Units, Accompanied & Unaccompanied, Q4 2020 – Q4 2021

		Dublin - GB	Rosslare - GB	ROI - GB	NI - GB
Total Q4 2022	Q4 2020	254,958	28,235	283,193	232,146
	Q4 2021	189,267	16,101	205,368	231,080
	Q4 2022	186,081	13,807	199,888	214,913
	Growth Vs 2021 (%)	-2%	-14%	-3%	-7%
	Growth Vs 2020 (%)	-27%	-51%	-29%	-7%

Source: IMDO

In Q4 2022, RoRo traffic on routes between the Republic of Ireland and Great Britain, ROI – GB, declined by 3%. When compared to Q4 2020, during the large pre-Brexit stockpile, the decline is 29%. And when compared to Q4 2019, the decline is 19%.

At Rosslare Europort, RoRo traffic on GB routes has continued to decline in 2022. In 2019, just over 100,000 units were handled on Rosslare – GB routes, compared to 64,000 in 2021, and 62,000 in 2022. Rosslare – GB traffic in 2022 is therefore 39% below 2019 levels. That decline, attributable to Brexit, is steeper than at Dublin Port. In 2019, Dublin – GB routes handled approximately 900,000 RoRo units, compared to 741,000 in 2022, a decline of 17%. Dublin Port now accounts for 92% of ROI – GB traffic, compared to 90% in 2019.

As discussed in detail in previous IMDO reporting, in order to fully understand the performance of ROI – GB RoRo traffic in 2022, it is important to consider pre-Brexit and post-Brexit trends. Post-Brexit, ROI – GB is significantly lower, due to the following three main factors; the decline in the use of the UK Landbridge, a decline in Northern Irish importers and exporters using ROI – GB routes as a means of accessing southern UK markets, and the relocation of some large retail warehouses from central UK to mainland Europe⁹.

In the eight quarters post-Brexit, the decline in ROI – GB traffic has been remarkably consistent. RoRo traffic on ROI – GB routes has consistently been 20% below 2019 levels¹⁰, with average quarterly volumes falling from approximately 250,000 in that year, to approximately 200,000 in 2021 and 2022. As shown in Table 2, Q4 2022 recorded 199,888 units on ROI – GB routes, in line with this post-Brexit pattern.

In Figure 2 below, pre-Brexit 2019 ROI - GB volumes are compared to post-Brexit volumes from 2021 and 2022. Figure 2 illustrates the consistency in ROI – GB traffic in the post-Brexit era. There has been no significant momentum in either direction for ROI – GB traffic in the past twelve months.

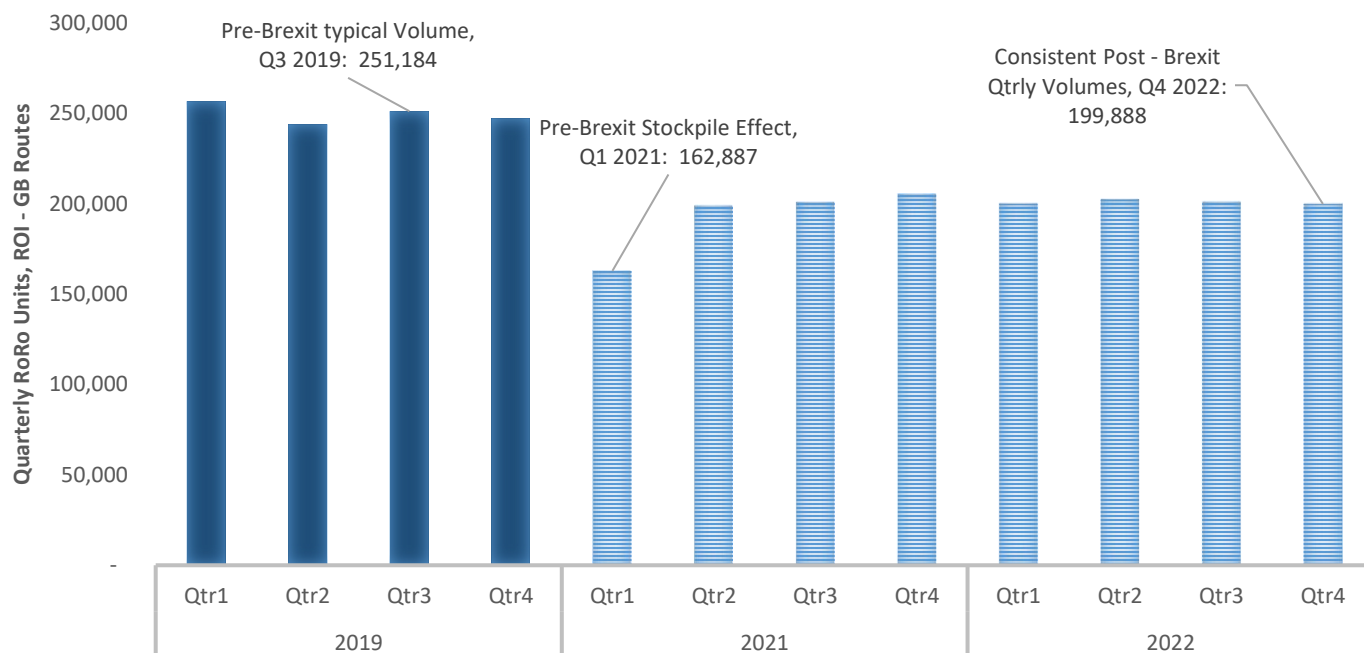
For 2022 overall, ROI – GB traffic was 5% greater than 2021, but remains 20% below 2019 levels. Some growth in 2022 was expected, as the first period of 2021 encompassed the negative effects of a large pre-Brexit stockpile, and so

⁹ For more analysis on post-Brexit trends on ROI – GB routes, see [Irish Maritime Transport Economist, Vol 19](#).

¹⁰ Q1 2021 is excluded as this encompassed the effects of the large pre-Brexit stockpile recorded in Q4 2020. Q1 2021 volumes are unreliable as a result

volumes were unusually low. Since Q1 2021 however, ROI – GB volumes have stabilized, and this is illustrated in Figure 2.

Figure 2: ROI – GB Quarterly RoRo Traffic, 2019 Vs 2021/2022



Source: IMDO

(ii) EU RoRo Traffic

Table 3 details the volume of RoRo units carried on direct ROI – EU services in the fourth quarter of 2020, 2021 and 2022.

Table 3: ROI – EU RoRo Units, Accompanied & Unaccompanied, Q4 2020 – Q4 2022

		Cork - EU	Dublin - EU	Rosslare - EU	ROI - EU
Total Q4 2022	Q4 2020	199	49,003	6,338	55,540
	Q4 2021	2,696	65,596	30,075	98,367
	Q4 2022	1,269	61,645	32,391	95,305
	Growth Vs 2021 (%)	-53%	-6%	8%	-3%
	Growth Vs 2020 (%)	538%	26%	411%	72%

Source: IMDO

In Q4 2022, ROI – EU traffic fell by 3% to 95,305 units. This is the lowest quarterly total for direct routes of the post-Brexit era.¹¹ Traffic on Dublin – EU routes fell by 6%, equivalent to 3,951 units, Rosslare – EU traffic grew by 8%, and Cork – EU traffic fell by 53%.

Traffic on Rosslare – EU and Cork – EU routes were impacted by the announcement in the third quarter of 2022 that a Cork – Zeebrugge service operated by Grimaldi would move to Rosslare Europort. Finnlines, a Finnish shipping company that is part of the Grimaldi Group, now operates the service from Rosslare. On 16th February 2023, Finnlines announced that a second vessel will be added to this route, further increasing capacity on direct, ROI – EU RoRo services¹². This is emblematic of the staying power of post-Brexit trend towards direct ROI – EU RoRo routes. There are not 81 weekly RoRo services on direct ROI – EU RoRo routes to/from Irish ports.

For 2022 overall, ROI – EU traffic grew by 3% to reach another record high of 397,000 units. Both Dublin and Rosslare increased RoRo traffic on these routes in 2022. In the first two years of Brexit, RoRo traffic on direct routes to mainland European ports has averaged roughly 99,000 units each quarter. This is compared to an average of 47,000 units per quarter recorded in 2019. The remarkable rise in post-Brexit volumes on direct RoRo routes has been driven by the same factors that caused sharp declines in ROI – GB RoRo traffic; a reduction in UK Landbridge traffic and the relocation of some large retail warehouses from central UK to mainland Europe. Both of these factors are motivated by the desire to bypass the administrative cost associated with customs requirements at UK ports.

The first half of 2022 recorded roughly 10,000 more units on ROI – EU routes compared to the second half. It is likely that this tailing off in EU RoRo traffic is reflective of the inflationary forces and downgrading of domestic demand that was detailed in Section 1. Despite this, ROI – EU traffic continues to represent one third of all RoRo traffic in the Republic of Ireland.

¹¹ Q3 2022 ROI – EU volumes were revised upwards, compared to those previously reported in the Q3 2022 Unitised Traffic Report. This can be a common occurrence as invoices from ports on the island of Ireland are updated in each quarter.

¹² [Second vessel to be added to Rosslare-Zeebrugge route, RTE](#)

2. Lift – on / Lift – off (LoLo) Market

Table 4 details the volume of LoLo TEUs handled on the island of Ireland between Q4 2020 and Q4 2022.

	Q4 2020	Q4 2021	Q4 2022	Growth Vs 2021
	TEUs	TEUs	TEUs	(%)
Cork	65,335	69,918	65,989	-6%
Dublin	205,610	205,376	188,286	-8%
Waterford	11,004	12,713	11,232	-12%
ROI	281,949	288,007	265,506	-8%
NI	62,860	63,237	54,826	-13%
All - Island	344,809	351,244	320,331	-9%

Source: IMDO

In the fourth quarter of 2022, LoLo traffic at Irish ports declined by 8% on an annual basis. This equates to a loss of 22,501 TEU's. At 265,506 TEU's, this is the lowest quarterly LoLo total for Irish ports since Q2 2020, during the first wave of the COVID-19 pandemic.

Prior to Brexit, LoLo traffic in Ireland peaked in 2019, recording 1.06m TEU's in that year, and averaging approximately 265,000 TEUs per quarter. In 2021, this average rose to 294,000 TEUs a quarter. In the first three quarters of 2022, further gains were made, as LoLo traffic averaged roughly 297,000 TEUs per quarter.

The drivers of these increases in 2021 and 2022 are highlighted in the IMDO's annual report¹³. In short, Brexit has had a large and positive effect on LoLo traffic at Irish ports¹⁴. The same factors that drove a surge in ROI – EU RoRo traffic also drove increases in LoLo traffic. This is underpinned by the motivation of Irish importers and exporters who require access to mainland European markets to avoid the administrative burden of customs declarations at UK ports, instead choosing to avail of services that import / export products directly to European transport hubs such as Rotterdam or Antwerp. Approximately 85% of LoLo traffic from Irish ports is to / from ports in Belgium and The Netherlands, meaning LoLo traffic has been well placed to benefit from increased demand for direct access to such ports.

The decline in Q4 2022 to a total of 265,506 TEU's, or, to levels similar to those recorded in 2019, has interrupted the post-Brexit momentum built up since the first quarter of 2021. The cause of this drop is most likely driven by the global increase in the general price levels for merchandise goods, i.e. the inflationary problems in large global economies with whom Ireland frequently uses LoLo vessels to trade with.

In 2022, the average annual rate of inflation, as measured by the HICP, was 8.1% in Ireland. Across the Euro Area, it was 8.4%. In the UK and US, inflation averaged 8% and 8.7% respectively.¹⁵ However, when the focus is only on merchandise goods, meaning the service economy is excluded, inflation in 2022 was even higher. Figure 3 below shows the HICP annual rate of change for each month in 2022 for Euro Area countries.

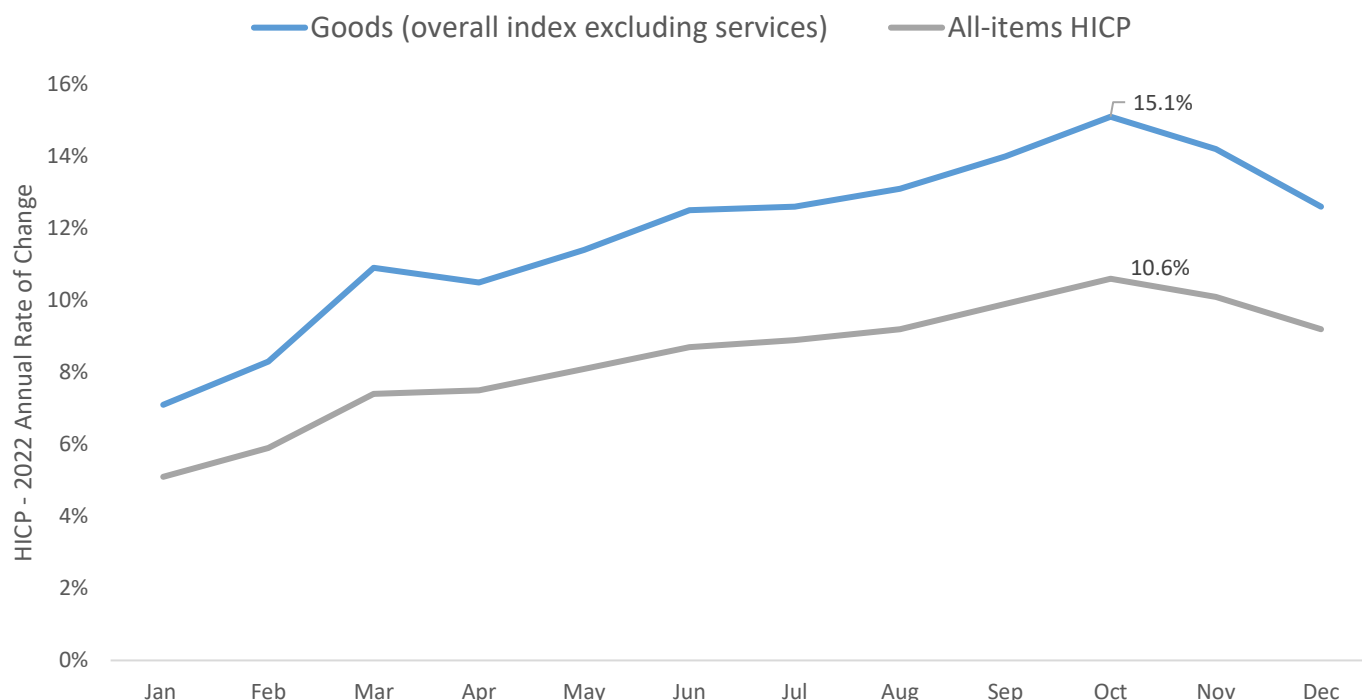
¹³ See [Irish Maritime Transport Economist, Vol 19](#)

¹⁴ In addition to the Brexit effects, COVID-19 restrictions on economic activity also drove large increases in LoLo traffic volumes, as incomes were diverted away from the service economy and towards merchandise goods. More detail on this is provided in the [Irish Maritime Transport Economist, Vol 19](#)

¹⁵ Source: Eurostat ([PRC HICP MANR](#)), [ONS CPIH ANNUAL RATE 00: ALL ITEMS 2015=100](#)

Figure 3 compares inflation across all items measured by the HICP, versus goods only. The general price level for physical goods is more relevant to shipping companies, such as RoRo and LoLo operators, who facilitate the trade of such goods. Figure 3 illustrates that inflation in goods ran significantly higher than for all items in 2022.

Figure 3: Harmonized Index of Consumer Prices - monthly data, annual rate of change



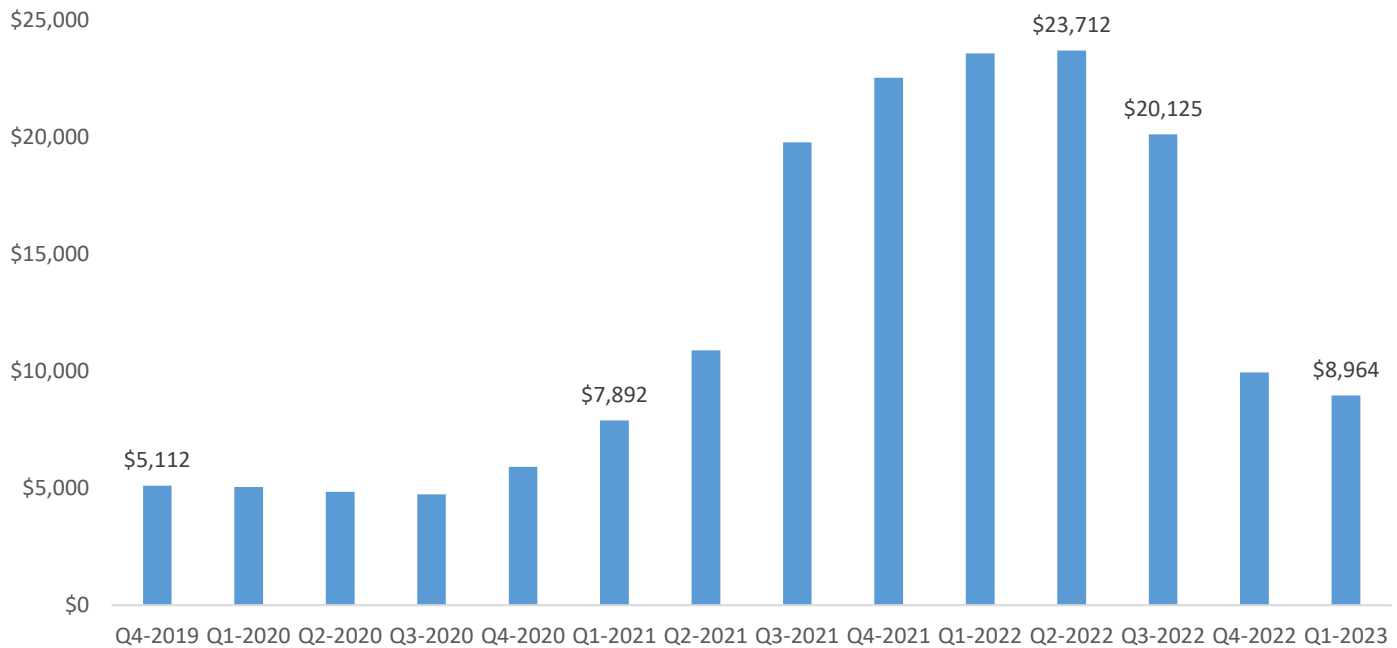
Source: Eurostat

In the IMDO's Unitised Traffic report for Q3 2022, an analysis on international shipping freight rates for LoLo vessels was provided. Irish LoLo operators generally employ what are known as 'feeder' vessels to transport their goods. These are containerhips roughly in the range of 1000 TEU's, that feed Irish goods to and from large trading hubs such as Rotterdam or Antwerp. In Figure 4, the quarterly timecharter rate for a 725 TEU feeder containerhip, a vessel common to Irish ports, is illustrated.

There are two key points to highlight from Figure 4. Firstly, there was a 200% increase in timecharter rates between the first quarters of 2021 and 2022. This was driven by port congestion, constrained supply of new vessels, and a surge in demand for shipping capacity in international markets, and was labelled as the 'perfect storm' for global importers and exporters.¹⁶ Secondly, beginning in the fourth quarter of 2022, these shipping rates have fallen dramatically. Figure 4 shows a 51% decline between Q3 and Q4 2022. Shipping rates are driven largely by the demand for traded goods, meaning the decline in late 2022 is largely a result of a fall in demand for trade¹⁷. Global inflationary pressures are behind such declines in international trade, and this is not isolated to the Irish economy. Large increases in the general price of goods has affected global trade, and this is evident across many large economies in the latter half of 2022.

¹⁶ For more detail on the surge in LoLo shipping rates, see [Irish Maritime Transport Economist, Vol 19](#)

¹⁷ The loosening of supply chain bottlenecks has also driven declines in containerhip timecharter rates. More detail on this will be provided in the IMDO's annual report, due in the second quarter of 2023.

Figure 4: Feeder Containership (725 TEU) Timecharter Rate, Q4 2019 – Q1 2023


Source: Clarkson's Research

In Dublin Port, LoLo traffic fell by 8%, to its lowest quarterly level since Q2 2020. Dublin represented 71% of all LoLo traffic in 2022, just slightly below the 72% share held in 2020 and 2021. In Cork, volumes fell by 6% to their lowest level since Q1 2021. Cork held a 24% market share of Irish LoLo traffic in 2022, the same as that held in 2020 and 2021. Lastly, LoLo volumes at Waterford fell by 12% in Q4 2022. In 2022, Waterford's share of LoLo traffic was 4.3%.

Overall, LoLo traffic at Irish ports declined in 2022 by 2%, from 1.17m TEUs in 2021, to 1.16m TEUs in 2022. This marks the first annual decline in LoLo traffic since 2013. For much of 2022, LoLo traffic volumes were on track to surpass 1.2m TEUs for the first time. However, although LoLo volumes are slightly below 2021 levels, they remain 9% above 2019 levels, meaning operators have held onto much of the post-Brexit gains.

In Northern Ireland, LoLo traffic in Q4 2022 fell by 13% to their lowest point since Q3 2020. On an annual basis, LoLo traffic in Northern Irish ports (Belfast & Warrenpoint), fell by 10% in 2022, to 233,000 TEUs. When 2020 is excluded, due to the adverse effects of COVID-19, this is the lowest annual level of LoLo traffic at Northern Irish ports since 2012.

3. Passenger Market

Table 5 details the volume of passengers that travelled through Irish and Northern Irish ports between Q4 2019 and Q4 2022¹⁸. Q4 2022 numbers are compared to Q4 2019, as this provides a pre-pandemic benchmark against which the recovery in maritime passenger traffic can be measured.

Table 5: All - Island Passenger Numbers, Q4 2019 – Q4 2022

	Q4 2019	Q4 2020	Q4 2021	Q4 2022	Growth Vs 2019	Diff
Cork	12,157	2,802	5,832	9,610	-21%	-2,547
Dublin	301,576	89,576	229,578	289,630	-4%	-11,946
Rosslare	90,486	24,213	83,195	97,192	7%	6,706
ROI	404,219	116,591	318,605	396,432	-2%	-7,787
NI	386,238	153,458	424,980	407,293	5%	21,055
All Island	790,457	270,049	743,585	803,725	2%	13,268

Source: IMDO

In the fourth quarter of 2022, passenger numbers in the Republic of Ireland trailed 2019 figures by just 2%, or 7,787 passengers. This is the largest Q4 total recorded since the outbreak of COVID-19 in Ireland, and is also the closest that this market has come to matching 2019 levels. In Northern Ireland, passenger numbers were 5% above Q4 2019 levels.

For 2022 overall, passenger numbers in Republic of Ireland ports were just 12% below 2019 levels, equivalent to roughly 300,000 passengers. However, volumes continued to improve as 2022 progressed, gradually closing the gap on this pre-Covid benchmark.

This is welcome news for an industry that faced immense challenges during the pandemic. The resilience and adaptability shown by the RoRo market in facing this loss of revenue and still maintaining full schedule offerings is a remarkable achievement, and ensured uninterrupted Irish trade flows during that period.

¹⁸ In order separate the volume of tourist passengers from commercial passengers (such as drivers, crew etc.), some estimates are included in Table 5. These figures may be subject to revision in later IMDO reports