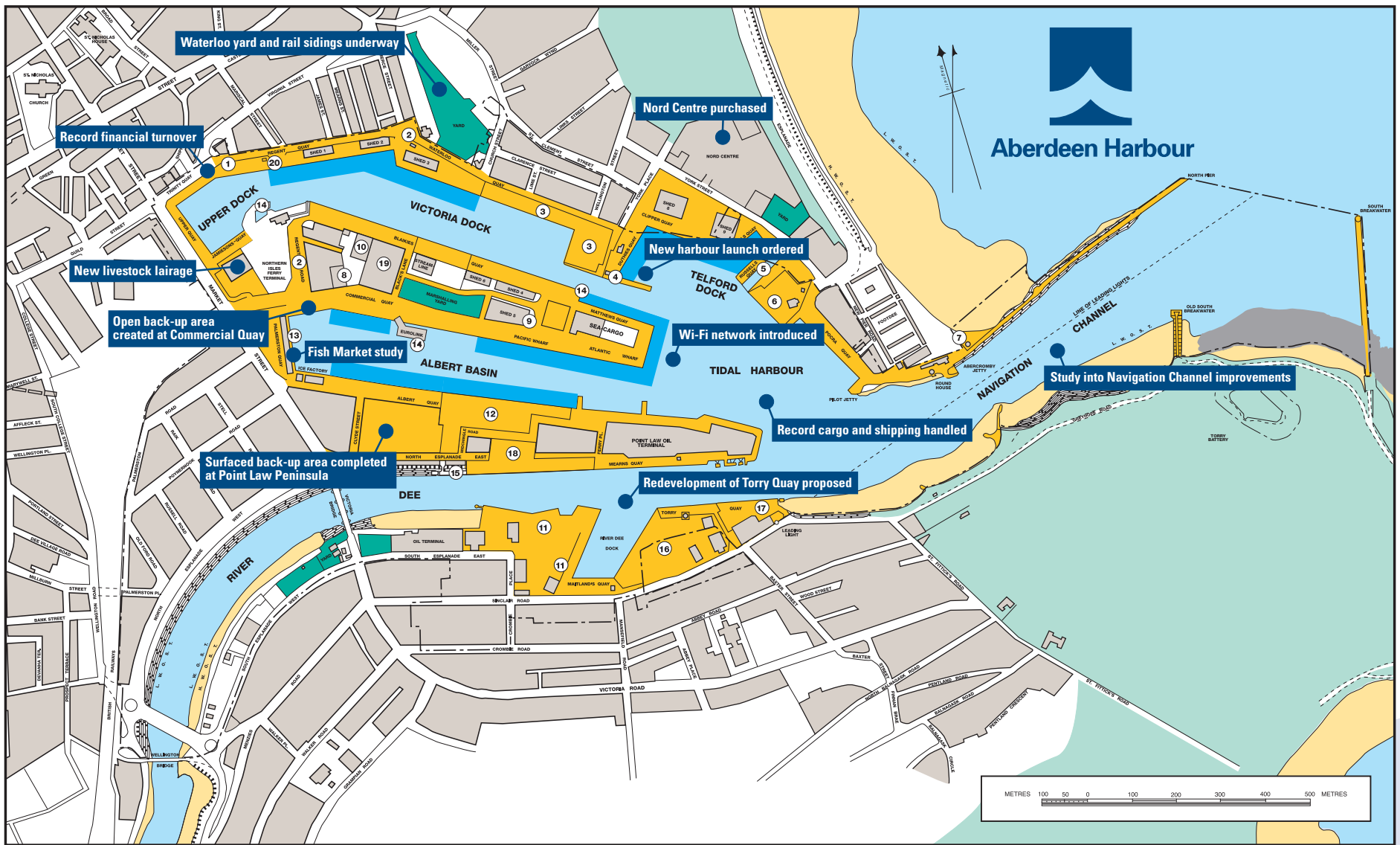




Aberdeen Harbour

2007

Review



KEY

- | | | | | |
|--------------------|-----------------------------|----------------------------|------------------------------|-------------------------------|
| ① Harbour Office | ⑥ SBS Logistics/Pocra Base | ⑫ ASCO Base | ⑱ Shell Base | ■ Harbour Roads and Quaysides |
| ② Weighbridges | ⑦ Marine Operations Centre | ⑬ BP Exploration Base | ⑲ Total E&P UK Base | ■ Yards |
| ③ SBS Logistics | ⑧ Multi-Storey Car Park | ⑭ Fish Market | ⑳ Mearns Quay Base | ■ Deep Water Berths |
| ④ Lifeboat Station | ⑨ Grain Export Terminal | ⑮ RO-RO Ferry Ramps | ㉑ Maritime Coastguard Agency | --- Harbour Boundary |
| ⑤ Dry Dock | ⑩ Harbour Maintenance Dept. | ⑯ Petrofac Training Centre | ㉒ Security Gatehouse | |

Map of port area, highlighting features of activity in 2007

It was again demonstrated in 2007 that teamwork is at the core of the successful operation and development of Aberdeen Harbour, with the combined efforts of Board staff contributing to another record performance by the port and to completing and progressing further major projects, as well as the efficient daily administration and management of a key asset in the area's economy.

The team approach also extends to our many port users, both directly in their own activities and in working relationships with the Board. In a significant move, the private sector took the lead in the Port Safety Liaison Group, in succession to the Board which remain supportive.

The Board and port users, along with many third parties, continued to work together to resolve shared concerns confronting the port, including improving access by road, the availability of support land, the declining fishing industry and the proposed symbolic wind farm in Aberdeen Bay.

We also shared a common interest in projects, completed, underway and planned, to create more space for operations, diversify activity and ensure the port's long-term future. Our commitment was reinforced by research identifying the port's huge input to the economy.

These developments, at various stages in 2007, made it another very important year in the evolution of the port to meet the changing requirements of users.

Colin Parker
Chief Executive

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key facts 2007

Imports and exports	5.13 million tonnes*
Vessel arrivals	8,481
Tonnage of shipping	24.02 million gross tonnes*
Busiest week for shipping	582,055 gross tonnes*
Number of passengers	137,330
Turnover	£20.9 million*
Profit before tax	£9.5 million*



*new record

management

As an independent statutory authority created by Act of Parliament, Aberdeen Harbour Board are responsible for the administration, maintenance and development of the port. The constitution, embodied in the Aberdeen Harbour Confirmation Act 1960, was updated and modernised by Orders in 1987, 1990 and 2002. The Board have nine non-executive and three executive members, providing a wide range of relevant experience in taking major decisions and shaping strategic planning and future direction. A Trust Port - one of the busiest in the country - all profits are reinvested in its development and maintenance.

BOARD MEMBER ATTENDANCE 2007

	Board Meetings	Remuneration Committee	Audit Committee
Non Executive Members:			
Mr D R Paton (Chairman)	9 of 11	2 of 2	N/A
Mr K K A Allan (Vice-chairman)	11 of 11	2 of 2	7 of 7
Mr A D J Amooore	10 of 11	N/A	7 of 7
Councillor Y Allan	7 of 11	N/A	5 of 7
Mr R W Byth (Jan to Mar)	1 of 2	0 of 2	2 of 2
Mr M Goodlad	11 of 11	N/A	N/A
Capt J J Procter	10 of 11	2 of 2	N/A
Mr B Turnbull	10 of 11	N/A	N/A
Mrs A D Scott	10 of 11	N/A	7 of 7
Executive Members:			
Mr C Parker (Chief Executive)	11 of 11	2 of 2	N/A
Mr E K Reilly (Engineering Director)	11 of 11	N/A	N/A
Capt J R Shaw (Ops Director and HM)	11 of 11	N/A	N/A

Audit Committee

Mr A D J Amooore (Committee Chairman); Mr K K A Allan (Vice-chairman) (Ex officio); Councillor Y Allan; Mrs A D Scott; Mr R W Byth (Jan to Mar)

The duties of the Audit Committee, which met on seven occasions in 2007, are to carry out internal and external audits of management controls; review external and internal audit strategy/plan and the appointment, performance and fees of external and internal auditors; review management accounts and financial statements on a six monthly basis and the annual accounts before submission to the Board; review monthly lists of accounts for payment; review and monitor the performance of the Board's long term investments, and monitor and compare the Board's corporate governance performance against benchmarks recommended in the Trust Port Guide to Good Governance.

BOARD MEMBERS

David R. Paton OBE



A Chartered Surveyor, David R. Paton OBE has been a member of Aberdeen Harbour Board since 1984 and Chairman since 1994. He was re-appointed Chairman for 2007.

He is the past President of Aberdeen Chamber of Commerce, past Chairman & President of Scottish Council for Development and Industry, past Chairman of Scottish Chambers of Commerce and past Board Member of British Chambers of Commerce. His involvement with numerous voluntary organisations includes Aberdeen Foyer, Macmillan Cancer Relief, Scottish Civic Trust, National Trust for Scotland, Order of St. John, Prince's Scottish Youth Business Trust, Peacock Visual Arts, Tivoli Trust and Grampian Houston Association and several building preservation trusts.

Keith K. A. Allan



A graduate in physics from the University of Aberdeen, Keith Allan served with the United Kingdom Atomic Energy Authority for three years before joining Shell International in 1965. He worked in nine countries worldwide before retiring from Shell (UK) Exploration and Production in Aberdeen as Director of Technical Services.

He has since served as a non-executive Director of Wood Group Engineering from 1996-99 and is currently a Board member of NATCO Group, a New York Stock Exchange publicly quoted company, and Chairman of Solstad Offshore UK. He first became a Board member in 1991 and has been Vice Chairman since 1997. He was re-appointed Vice Chairman for 2007.

Clr Yvonne Allan



Yvonne Allan has been a member of the Board since 1997 when she was appointed by Aberdeen City Council. Since 1986, she has been Councillor for Torry – a community close to the industries and workings of the port. Her ward increased in May, 2007, to include Ferryhill, taking in more of the commercial area of the harbour. She has been the convener of the Council's Resources Management

Committee, Environmental and Consumer Protection Committee and Community Development Committee.

A keen environmentalist, Yvonne is the past Chair of the National Society for Clean Air (Scotland) and a member of Waterwatch Scotland and its North-east Vice Convener.

Alan D. J. Amooore



Alan Amooore is a member of the Institute of Chartered Accountants of Scotland and was in professional practice for over 30 years, latterly with international firm, KPMG. From 1994-99 he was Managing Partner of the firm's Aberdeen office. Alan has considerable experience of working with and advising commercial organisations, mainly in North-east Scotland.

He is convener of the Audit Committee of the University of Aberdeen and a member of the University's Court; Hon Treasurer of Voluntary Service Aberdeen, and is involved with a number of other business and charitable organisations.

Remuneration Committee

Mr D R Paton (Chairman) (ex officio); Mr K K A Allan (Vice-chairman) (ex officio)
Mr C Parker (Chief Executive); Capt J J Procter; Mr R W Byth (Jan to Mar)

The principal duties of the Remuneration Committee, which met on two occasions in 2007, are to consider matters relating to staff wages and salaries. The Committee also considers in detail items or issues delegated or remitted by the Board and reports back with recommendations or details of actions taken.

Robert W. Byth MBE



Robert Byth was a Board member from 1994 until his retirement in early 2007 due to ill health. An Aberdeen University graduate in law and a solicitor by profession, he was a partner in Ledingham Chalmers, Solicitors, Aberdeen, where he specialised in Commercial Law.

In 1996, he became Director/Group Solicitor of the Balmoral Group of Companies, headquartered in Aberdeen, but with extensive interests in the oil and gas sector throughout the world. On retiring from the position, continued as Group Legal Consultant to the company. Formerly a Governor of the Robert Gordon University, he was a past president of Aberdeen Chamber of Commerce and served until 2005 on the Board of Scottish Enterprise Grampian of which he was Vice Chairman. He was also a Board member of the Rowett Research Institute and Chairman of the Institute's Audit Committee.

Michael Goodlad



Michael Goodlad, a property developer and accountant, became a Board member in 2007. A former Finance Director of Cornerstone Community Care, his experience includes local government, the fishing sector and securing funding for Aberdeen University. Formerly an accountant for

the then family-owned Northern Isles Shipping, Lerwick, he is a member of the Chartered Institute of Public Finance and Accountancy.

Captain Jeremy J. Procter



Jeremy Procter, a master mariner, served with BP Shipping, BP International and BP Exploration, including moving exploration rigs, Marine Superintendent at Rotterdam Refinery and managing UK supply and standby vessel operations. While Marine & Offsites Superintendent at

Sullom Voe Oil Terminal, he was appointed as Industry Representative on Zetland Harbour Advisory Board. He later served as a marine consultant to PEQUIVEN, the Venezuelan petro-chemical subsidiary of PDVSA.

In 1994, he set up a marine consultancy, specialising in international oil industry marine and port services. A past chairman of the North of Scotland branch of the Nautical Institute, he is membership secretary of the Aberdeen, Highland & Islands branch of the Energy Institute and a member of the Honourable Company of Master Mariners. He has been a member of the Harbour Board since 2003.

Anne Scott



Anne Scott is a solicitor by profession, involved initially in maritime law. She later specialised in taxation legislation and is currently a Consultant. With wide experience of human resources and industrial relations, she sits on various Tribunals across Scotland and has been a Harbour Board

member since 2006

Anne has been a non-executive director of a number of local companies, a past Governor and Vice Chairman of Governors of The Robert Gordon University, and was a member of the Board of Aberdeen Royal Hospitals NHS Trust (and its successor). Anne is also a Trustee of the Roland Sutton Academic Radiology Trust and Patron of the Urology Cancer Charity.

Brian Turnbull



Brian Turnbull, Director of Marine Services, BP Exploration, joined the Board in 2007. A master mariner, he served at sea between 1971-85 and as marine loadmaster at the Nigg oil terminal, adding responsibility for production and administration, between 1985-90. He then worked at the

Wych Farm oilfield, Dorset, as Pollution Officer, Emergency Response Coordinator and then Head of Safety before returning to Aberdeen in 1997, with responsibility for logistics contracts for BP's UK, Norwegian and Dutch bases. His present role covers all marine assurance activity for BP in the North Sea

He was a founder, and is the current Chairman, of the international Marine Safety Forum, and is member of the Nautical Institute.

Colin Parker



Colin Parker was appointed Chief Executive in 2006. Mr Parker, a former Merchant Navy officer, joined the Board in 1987 as a Navigation Control Officer, becoming Assistant Harbour Master in 1990. Harbour Master from 1994, he was also made Operations Director and a Board member in 2003. He was Chairman of the British Ports Association's Scottish Ports Committee from

2002-2006 and in 2006 was appointed to the Board of Aberdeen and Grampian Chamber of Commerce.

Ken Reilly



Ken Reilly gained wide experience in engineering consultancy at home and abroad before joining Aberdeen Harbour Board in 1980 as Engineering Assistant. He became Engineering Director in 1990 and has been responsible for many of the major infrastructure changes and improvements in the harbour.

Ken is also responsible for the Board's environmental work and is a member of the British Ports Association Environmental Working Group and Engineering and Dredging Groups. He is a member of the Institution of Civil Engineers and the American Society of Civil Engineers and an Affiliate of the Institute of Environmental Management & Assessment.

Captain Ray Shaw



Following 15 years' international experience with the Merchant Navy on a variety of vessels, Captain Ray Shaw gained his Master Mariner's certificate in 1993. Joining Aberdeen Harbour Board as a Navigation Control Officer the following year, he was promoted Assistant Harbour Master in 2000. He was

appointed Operations Director and Harbour Master and Board member in 2006.

Captain Shaw, who holds a Diploma in Port Management and qualified as a Vessel Traffic Services Supervisor in 2005, is a member of the UK Harbour Masters' Association and the Nautical Institute. Captain Shaw also sits on the British Ports Association Marine & Pilotage Working Group.



Raymond Bisset OBE

Following advertised vacancies, two new Board members were appointed and one re-appointed, effective January, 2008, for three years. Joining the Board are retired Councillor Raymond Bisset, who served in local politics for 33 years, latterly as Provost of Aberdeenshire, and on the boards of numerous external organisations, and Stephane Mauduit, a former Master Mariner and Chief Engineer with worldwide shipping experience who joined Total E&P UK Limited in 2001 and is now its Logistics and Marine Manager for North Sea operations.

The vacancies occurred following Keith Allan and Jeremy Procter completing a three-year term of office and the sad and untimely death of Bob Byth, remembered as a long serving and valued Board member.

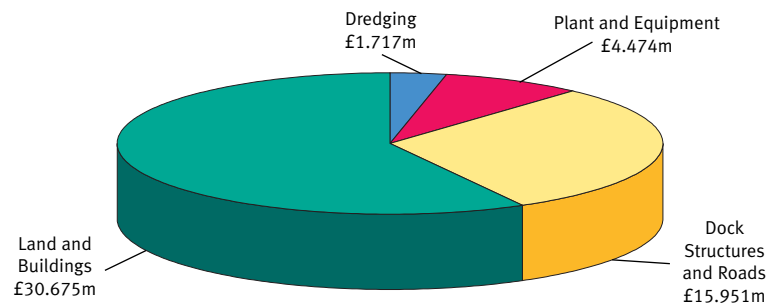


Stephane Mauduit



The upgraded Albert Quay West and, beyond, Point Law Peninsula where a new yard was completed in 2007.

Capital and Maintenance Expenditure 2003 to 2007



development

The development of Aberdeen Harbour continued apace in 2007 in a process which has already seen the Board reinvest more than £200 million in recent decades.

Current capital investment addresses requirements identified by both the Board and port users, in particular through expanding capacity to handle more activity and encourage further diversification of traffic, and by improving access to and within the port.

In a harbour landlocked by urban areas, one of the challenges is to maximise existing assets through redevelopment, including creation of extensive, new back-up yards to support quayside operations and the strengthening and deepening of quays.

A project, completed at Point Law Peninsula in 2007 at a cost of £2.5 million, involved recycling thousands of tonnes of demolished buildings for use at a new 20,000 square metre surfaced yard serving Albert Quay West among others. Plans to improve security and access at Point Law Peninsula were underway.

On-site work started at Waterloo Quay on a £4 million+ project to convert a former rail yard into a 16,000 square metres' back-up area to be available in 2008 for marshalling cargoes, storage and port-related rail freight.

The Waterloo Yard is also the location of a £500,000 project to add two more rail sidings linked to the national network. In addition to the increasing traffic on the current two sidings, there is strong interest in the offshore industry in using the new connections. Expanding sea-to-rail freight as an efficient and environmentally-friendly alternative to road transport is a key objective of the Board.

Open quay space for a range of users, including fishing vessels, has been created at Commercial Quay following the removal of a redundant section of the fish market.



The diversity of activity within the port is reflected in the variety of developments underway or proposed at any one time to meet the requirements of users.

The year saw the Board progressing a feasibility study into the deepening of the port entrance and the widening of the main channel which would enhance the ability to accommodate larger vessels, attract new business and improve vessel handling during occasional poor weather.

In another strategic acquisition, the Board expanded their property portfolio with the addition of the long-term leasehold for the 8.25 acre Nord Centre, adjacent to Telford Dock, with a view to offering customers and other businesses a harbour location ensuring the site's continued use in support of the port's activities and providing future opportunities for development.

Third-party development continues to make an important contribution to port operations. In 2007, for example, NorthLink Ferries completed a new livestock lairage at Jamiesons Quay, with the support of the Scottish Government.

NorthLink also upgraded their ferries, *Hjalmland* and *Hrossey*, with additional cabins giving increased passenger capacity on the Orkney and Shetland services, while for the second time in six months, Streamline Shipping introduced a larger cargo vessel on the same routes.

In a joint initiative with the Board, Dick Fleming Communications installed a dedicated wireless internet for use by vessels in port, with Aberdeen believed to be the first commercial port in the UK to have such a facility.

The Board placed a contract valued at almost £800,000 for a new 15.25 metre steel, twin screw pilot launch, the second in recent years. For delivery in 2008, it will have a multi-purpose role and add to the capability to handle increasing traffic.



< NorthLink's new livestock lairage. >



The strategically-located Nord Centre was added to the Board's property portfolio.

Testing the port's wi-fi network – Craig Forsyth, a Director of Dick Fleming Communications (right) and Captain Ray Shaw, the Board's Operations Director and Harbour Master.





The proposed lay-out (right) for a redeveloped Torry Quay and (bottom right) the quays today.



A feasibility study into a proposed major project bringing further increases in efficiency, cost effectiveness and safety of operations through the redevelopment of the port's Torry Quay – used mainly by the oil industry - reached an advanced stage in 2007.

With several quays around a century old and requiring replacement as well as extension to accommodate modern vessels, the scheme would include realignment and reconstruction along the River Dee to create six new, deepwater berths, with quays strengthened for the latest cranes. River Dee Dock would be filled in to provide an extended back-up area.

The new lay-out of quays would also provide greater flexibility and safety for vessel movements on the river, improve the efficiency of operations and facilitate more cost-saving sharing opportunities for port users. The availability of fully serviced berths would also reduce vessel movements, turnaround time and costs.

Presentations to and consultations with stakeholders, relevant authorities and the local community were underway during the year.

With an environmental impact study, planning permission and Board decision pending at year-end, it is intended that the phased work begin in 2008, with completion over three years.



policy

A cornerstone of Aberdeen Harbour Board's strategic policy is to develop the port's role as an integral component in the area's transport infrastructure serving the best interests of all, including port users, trade and industry, Board employees, and non-beneficiary stakeholders with an indirect interest.

The Board's objective is to generate sufficient revenue to pay administration and maintenance costs, finance capital expenditure and accumulate reserves as prudent. Where possible, traffic and business will be broadened and expanded to ensure the port's future financial strength.

It is the Board's policy that:

- The port continues to operate 24-hours a day, 365 days a year, with all vessel movements controlled and quays and facilities operated and improved to cater for the changing requirements of existing and potential users.
- Through the provision of modern port facilities and a commitment to staff training, the highest quality of service is provided to meet the needs of harbour users.
- Safe and healthy working conditions, equipment and systems are provided and maintained in accordance with the Board's safety management plan.
- Harbour operations are carried out in a way to minimise adverse environmental impact, with continuous environmental improvements a key objective.
- Security levels are optimised to meet operational and legislative requirements and in accordance with instruction from the Department for Transport.



It is also the Board's policy to continue to review their land holdings, identifying, where appropriate, opportunities to purchase land and buildings to further enhance and develop the operation, trade and business of the port.

Constant efforts are also made to attract, sustain and resecure traffic and to broaden the cargo base, with marketing also targeted to ensure future viability and promote the port's strategic importance.

Enhancement of the image of the Board and port is also a key priority and every effort is made by the Board and officials to ensure that the Port of Aberdeen maintains its current Trust Port status.

success factors

The Harbour Board's strategic plan identifies critical success factors, which influence decisions and actions taken in the operation and development of the port. These include:

Having adequate space and access
Having facilities and services that meet demand
Demonstrating flexibility in thinking and services and adapting to changing circumstances
Having good market information
Retaining a rail freight connection
Raising the profile of shipping as an option for removing freight off the road
Controlling costs
Minimising negative environmental impact

Projects identified in the Board's five-year expenditure plan aim to address these strategic issues.



traffic forecasts

The prospects for Aberdeen Harbour in the medium term remain positive, with European trends encouraging short sea shipping and, in particular, rail freight identified as future opportunities.

Having achieved another weekly record for the gross tonnage of shipping during 2007, the Board's development plans continue to take into account the peak demand for berthing and quay space. With record crude oil prices driving the North Sea oil industry to recover reserves otherwise considered uneconomic and resulting in high levels of activity at the port, the portent of rising production costs and companies' responses is causing uncertainty in predicting future traffic levels at Aberdeen, although a significant decline in activity is not expected in the medium term.

While cargo tonnages remain buoyant on services to Orkney and Shetland, various factors mean passenger numbers are under pressure, although additional cabins introduced on the ferries in 2007 will offer enhanced facilities for passengers on these routes. The opening of a new livestock lairage at Aberdeen in 2007 and the introduction of new onboard containers in 2008 will significantly improve facilities for animal shipments.

A range of influences, including offshore oil and gas support activity, will continue to determine levels of commercial exports and imports, although opportunities will be taken to broadening the port's commodity base.

Ensuring competitiveness is essential in encouraging activity and the decision to hold main charges in 2007 at 2006 rates – the ninth time in 10 years with no change – is in line with strategy.



expenditure

The Harbour Board's five-year capital expenditure plan, at £57 million, reflects the commitment to sustain and develop activity by creating facilities which will serve the port through and beyond the oil era.

The budget directly supports the core strategy to continue the modernisation and expansion of world class facilities, providing additional accommodation for increased and diversified operations.

Initial planning moved forward in 2007 for the redevelopment of the port's Torry Quay on the River Dee, with the project expected to require the largest spend in the harbour's recent history.

Major expenditure also involves the ongoing redevelopment of Point Law peninsula and, elsewhere, further strengthening and deepening of quays; additional transit cargo storage, and resurfacing of the Waterloo yard including the installation of two more rail sidings – all as part of expanding capacity.

The budget also includes the deepening of the port entrance and the widening of the main channel in recognition of the larger vessels using the port. A feasibility study is underway.

Expenditure on equipment will include a new pilot boat, for delivery in 2008, and later a new survey craft. Spend will also be required on a range of maintenance works.

The Board will continue to invest in property to meet the port's operational requirements, with the portfolio bringing financial return, improved port management and future development potential.



best practice - safety

The high priority placed by the Board on safety in all aspects of port operations was reflected in no reportable incidents involving Board employees during 2007.

However, there was a wide range of actions undertaken during the year, including reinforcing the administration and utilisation of the Board's Health and Safety Management System and Reporting Procedures which helped ensure that all significant and hazardous near miss or safety concerns were investigated thoroughly, thus preventing a recurrence of incidents.

With the Fire Scotland Act 2005 now fully in force, the Board reviewed their Fire Risk Assessments for all operating locations during the year and also updated procedures for staff fire safety training.

Revitalisation of Health and Safety included preparation of revised documentation and the updating of inspection procedures. With a growing property portfolio, further emphasis has focused on ensuring a robust management system is now utilised when acquiring property to ensure vital communications when construction and engineering changes occur.



Derek Johnstone, Chairman of the Port Safety Liaison Group (left) and Jamie Christie, the Board's Assistant Engineering Director.

During the year, the membership of the Port Safety Liaison Group, chaired by Derek Johnstone of SBS Logistics, grew to 12 port users. Initiatives included setting up a common data-base of all accidents within the harbour and formation of a workgroup dedicated to non-permanent employee safety. Links with the Marine Safety and Safety Alert data Information Exchange forums continue through members.

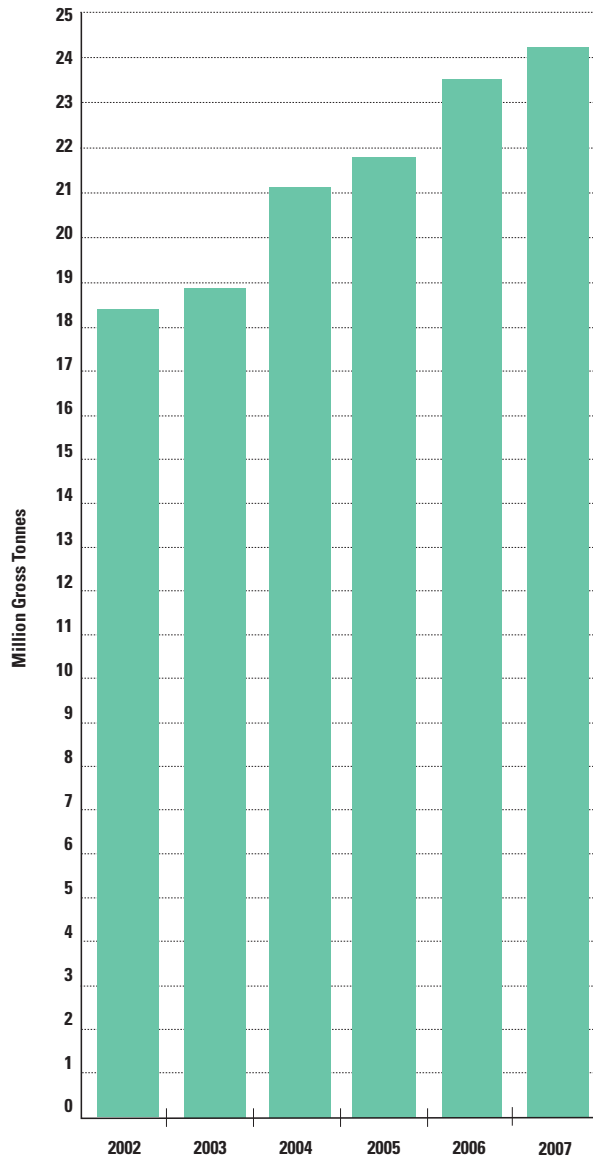
The Board also received favourable comments from the Health and Safety Executive regarding their management controls over diving operations within the port.



Crane driver, George Buchan, chargehand, Glen McIntyre (left) and labourer, Gordon Dalgarno, prepare a diver for maintenance work.



tonnage of vessels



Aberdeen Harbour’s ability to handle more traffic was again demonstrated in 2007 which also provided further evidence in support of the Board’s continuing strategy to create room for more.

The port handled a record 5.13 million tonnes of imports and exports, having first passed 5 million tonnes in 2006. Oil-related shipments and commercial cargo again reached virtually matching totals, with another busy year across all the main sectors underpinning performance.

While there was a small increase to 8,481 in vessel arrivals, the marked trend for larger ships to call was ongoing, adding up to 24.02 million gross tonnes, a record for the ninth year in succession.

A new port record for the highest tonnage of shipping in a single week was set at 582,055 gross tonnes.

As a global gateway, the harbour enjoys shipping connections with around 35 countries, including in West Africa and the Caspian Sea region for which, among others, it continues to be a hub port for oilfield exports. For example, three shipping lines operate regular services to West Africa and there are also ad hoc services.

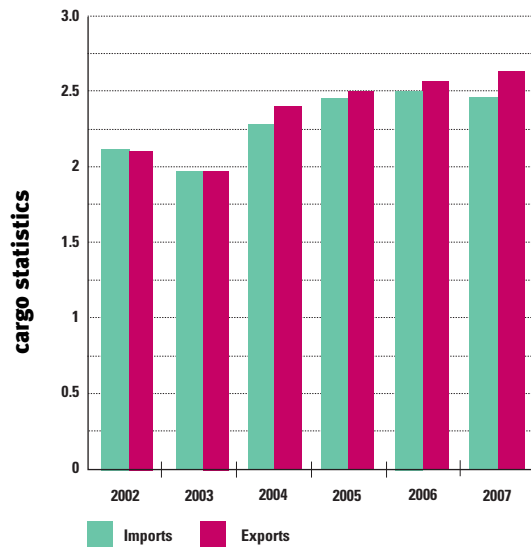
Unloading another cargo of pulp.



An arriving oil vessel about to pass the Marine Operations Centre.

operations

- Angola
- Belgium
- Cameroon
- China
- Congo
- Denmark
- Egypt
- Equatorial Guinea
- Finland
- France
- Gabon
- Georgia
- Germany
- Ghana
- Greece
- India
- Irish Republic
- Ivory Coast
- Japan
- Libya
- Malta
- Mauritania
- Mexico
- Morocco
- Netherlands
- Nigeria
- Norway
- Poland
- Portugal
- Russia
- Singapore
- Spain
- Sweden
- Togo
- Trinidad
- Tunisia
- U.S.A



Almost 5,700 oil-related vessels used the port in 2007.

The scale of the port's operations was identified in an Economic Impact Assessment commissioned by the Board and published in 2007. Consultants, Ove Arup & Partners, calculated the impact on Aberdeen City and Shire at £420 million in 2006 and estimated that the harbour helps sustain almost 11,000 full-time equivalent jobs.

Diversity of traffic is one of the strengths and the port continued to serve a wide range of industries in 2007. Imports of wood pulp increased substantially and there was a rise in deliveries of calcium carbonate slurry and steel tubulars. There was growth in the export of logs to various European countries, fishfeed to Orkney, Shetland and Norway, and scrap metal to a number of Continental destinations.

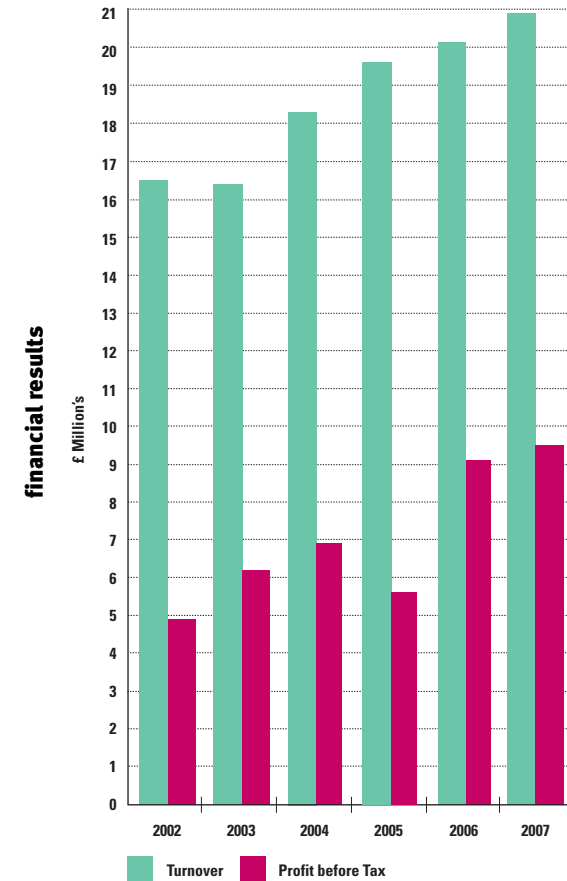
Passenger figures held up well at 137,330 despite the two NorthLink ferries being temporarily out of service on the Orkney and Shetland routes for upgrading and increased competition from subsidised air fares.

The number of shellfish boats rose by over 50% to 623, with landings up a third, while landings of industrial fish increased slightly. However, direct landings of white fish reduced by almost 50% on 2006, underlining the findings of an independent review of fish market operations. This trend in declining white fish landings is not expected to be reversed in the short term.

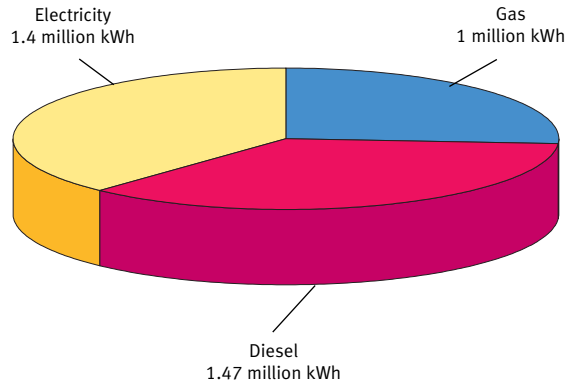
This uncertainty over future landings led to a Board decision not to construct a new £3.5 million temperature-controlled auction building and distribution facility at Palmerston Quay, but to retain the existing fish market building, subject to landings being sustained.



A training session with Assistant Harbour Master, Danny Stroud (centre) and Marine Support Staff, Colin Lindsay (left) and Rory Forbes.



Energy Consumption



best practice - environment

Environmental actions during 2007 included a biodiversity survey of the Tory foreshore, installing improved insulation to the harbour offices and active membership of local environmental groups, such as the River Dee Catchment Management Partnership which launched an action plan to improve habitat quality in the River Dee Special Area of Conservation, with a number of tasks for the Board to carry out.

The Board's Port Environmental Review System (PERS) was inspected and recertified by the ECOports Foundation, repeating the achievement of 2003 when the harbour was the first port in Scotland and the fourth in Europe to receive a PERS certificate.

The harbour's long standing environmental research programme with the University of Aberdeen continues. The most significant linkage to date, a three-year Knowledge Transfer Partnership which saw a full-time Environmental Advisor assigned to the port, was completed and received an 'outstanding' grade. A key result of the project is the permanent adoption of the Environmental Advisor position within the Board, with the appointment of Patrick Jordan.

In another record year for activity at the port, direct energy consumption by the Board's operations increased 7% to 3.89 million kilowatt hours, with emission of 1,174 tonnes of the greenhouse gas, carbon dioxide, (up 2%).

The primary cause was a 30% increase in gas consumption, attributable to the opening of the Marine Operations Centre - eight times larger than the previous Control Centre and accommodating busy training facilities. Diesel consumption rose 14%, due mainly to increases in pilot cutters shuttling crews to vessels in Aberdeen Bay - a practice now discontinued. Electricity use fell 10%, with promising trials of voltage-reducing equipment leading to reductions of over 30% on some circuits.

Harbour personnel continued to investigate reports of oil pollution. There were 13 incidents caused by third parties in 2007, two more than in 2006. It was not possible to trace the source of two of the incidents although on one of these occasions the Board activated a significant clean-up operation to remove around 270 litres of oil from Torry Beach.



Jennifer Lewis undertakes a bio-diversity survey on a post-graduate work placement.



David Whitehead, Director of the British Ports Association and a board member of the Ecoports Foundation (left) presents a new PERS certificate to Patrick Jordan, the Board's Environmental Advisor.

A rig surveys the bed of the main channel.



teamwork

The Board had 110 employees in 2007 and again implemented a programme of training in new skills and refresher courses across the range of activities.

Kirsty Benedetti was appointed as Health & Safety Assistant. As well as having practical experience, she holds a BA degree in risk management and a diploma in Health and Safety Management.

Two staff members – Colin MacRonald and Kenneth Davidson – received 25-year service awards.

John Martin retired as pilot cutter coxswain after 47 years' working at the port, 19 of them with the Board which took over the Aberdeen Pilot Boat Company in 1988.

Jamie Christie, the Board's Assistant Engineering Director, was the only UK speaker when he delivered the keynote speech at a symposium in Australia on the serious problem of microbiologically influenced corrosion. Jamie is also the current President of the Aberdeen Association of Civil Engineers.

The Board continued to support popular leisure activities involving staff, including golf, bowling and angling.



Dock Control Officer, Andy Watson (left) and Crane Operator, Andy Neville.



Fire training with Kirsty Benedetti, Health & Safety Assistant - (left-right) Ian Jessiman, Board Secretary; Norman Howitt, Mechanical and Electrical Manager; Graeme Wood, Facilities Manager; and Brian Andrew, Assistant Harbour Master.



Port Marine Superintendent, Colin MacRonald (left) and Pilot, Derek Clunas (right), with the Master of a visiting ship.





Professor Roland Paxton (left), organiser of the Telford 250 celebrations in Scotland, with Jamie Christie, President of the Aberdeen Association of Civil Engineers and the Board's Assistant Engineering Director.

The Board's relationship with the wider business and local communities continued to be an important area of activity.

The Board called for a radical rethink of how the local fishing industry operates and urged all involved to work together to find a solution to the difficulties.

Commenting on the North East Scotland Transport Partnership's consultation document, the Board said they would have preferred a more proactive approach by the organisation, rather than it merely being supportive of ongoing projects.

The Governor of the Bank of the England, Mervyn King, was among those on port familiarisation visits which included the new Marine Operations Centre, the recipient of another design award – this time from the Saltire Society.



Rededication of the war memorial at Pocra Quay.

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Members and guests of the Institution of Civil Engineers from the UK and overseas visited in celebration of the 250th anniversary of the birth of famous engineer, Thomas Telford who made a major contribution to the port's development. The former Navigation Control Centre – the Roundhouse – was included in the city's *Doors Open Day* programme and proved a popular attraction.

The Board was again a sponsor of the Aberdeen International Youth Festival and the Chamber of Commerce's *Northern Star Business Awards* and, for the first time, provided funding to help pupils in the City and Shire visit HM Theatre and the Maritime Museum.

At the request of a member of the public, the Board relocated a war memorial commemorating dock workers from its site at Blaikies Quay to a new location at Pocra Quay, giving improved access.

Governor of the Bank of England, Mervyn King (centre), with Board Chief Executive, Colin Parker (left) and Vessel Traffic Services Officer, Iain Robertson.





Representatives of the North East Scotland Transport Partnership on a port tour with Board executives.



The Scottish Minister for Transport, Infrastructure and Climate Change, Stewart Stevenson (centre) at the Marine Operations Centre, with Board Chairman, David Paton (left), Chief Executive, Colin Parker, and (seated) George Stephen, a member of the Marine Support Staff.



The eco-friendly powerboat, Earthrace, fuelled by biodiesel, called on a world voyage.



NATO warships from six countries berthed at the port.



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