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Statement by MNRPF - Agreement reached between P&O Ferries (POF) and the Trustee

At the September 2022 Employer Webinar the Trustee made the following statement:

The Trustee has received a number of approaches from some Participating Employers (PE's), the Maritime Pensions Forum and both Nominating Bodies. In essence all of these approaches express the same concern, that a failure of POF would have a very damaging knock-on impact on all remaining PE's. The question then posed is what is the Trustee doing to mitigate this risk?

So far, other than saying that the Trustee is very aware of these concerns, is looking at every option and in so doing leaving no stone unturned, we have not said anything more - being very conscious of the constraints that the non-disclosure agreement (NDA) imposes and the wider duty of confidentiality that the Trustee owes to all PE's.

However, and with the agreement of POF the Trustee can say:

The Trustee has an ongoing dialogue with POF, which has increased considerably since the March announcement of difficulties that POF faces. Over recent months, the Trustee has met regularly with senior representatives of POF, and its shareholder DP World. These discussions have been open, frank and constructive and are ongoing. It is too early to predict a final outcome to these discussions. However, and with the agreement of POF and its shareholder, I can say that the focus is on if and how security can be made available that bridges the gap between the level of debt currently secured and the total sum owed to the MNRPF.

P&O Ferries have also provided details of its business (turnaround) plan showing a profitable and cash generative underlying business post-turnaround, together with the support of DP World to deliver that turnaround.

Whatever agreement is finally struck the details will remain confidential. The Trustee will however, as far as possible, provide updates to all PE's so that they can understand what impact (if any) this will have on them

The Trustee is pleased to say that, after intense and complex negotiations, agreement between the Trustee and POF was finally concluded on 04 May 2023. Whilst, for the reasons set out previously, the detail of the agreement must remain confidential the Trustee can say that its objectives have been materially achieved.

The Trustee believes that this is a very positive step and that is in the best interests of members and all other MNRPF stakeholders. As 2023 is a valuation year the agreement will be fully taken into account when considering the funding status of the Fund.

Doug Ross
On behalf of the Trustees of the MNRPF

15 May 2023