

**Keynote speech by Siim Kallas,
Vice-President of the European Commission responsible for
Mobility and Transport**

5th European Cruise Council Conference

Brussels, 15 June 2011

Ladies and Gentlemen,

It is a great pleasure to have been invited to speak at today's conference. The European Union has a long standing maritime tradition. Ports and communities in all our seas – from the Baltic and North Atlantic, to the Mediterranean and the Black Sea – have a proud sense of hospitality for sea-passengers and the increasing number of guests travelling on cruise ships. The European cruise industry sets an example for our maritime sector; a very good environmental record; sophisticated, state of the art ships that are safe and secure; and equipped with competent crews.

I believe that it is due to your commitment to quality and sustainability that the cruise industry has enjoyed economic prosperity also during the recent challenging past, succeeding to attract new passengers, promote new destinations and contribute to the economic recovery of many coastal regions.

Quality, competitiveness and sustainability of maritime transport are a general concern for the European Commission. The EU is a key player in developing and upholding high standards not only in Europe, but on a global level together with our international partners.

Environment

Ladies and Gentlemen, shipping is recognised to be one of the most environmentally friendly modes of transport. But resting on this comfortable position is not a future-safe option. Customers, passengers, the general public want to know more about carbon footprint and environmental impact of transport. Transport's oil dependency calls for finding alternatives. We have to further improve shipping's environmental footprint while maintaining competitiveness.

As regards the **sulphur content of bunker fuels**, the Commission will propose this summer an adjustment to global requirements adopted by IMO in 2008. In parallel we look at minimising compliance costs for the shipping industry. We have established a close dialogue with industry to that regard and some of you might have attended the stakeholder workshop on 1st of June here in Brussels.

A second area of concern is **greenhouse gas emissions** from ships. This requires a global solution. Beyond technical and operational measures, IMO is also mandated to explore market based measures to further reduce emissions from shipping. The European Commission actively works with EU Member States, industry, the IMO and our international partners to develop effective compromise solutions – in a trustful partnership with global partners. If agreement at global level is not possible in the short to medium term, I consider it essential to engage with partner countries and regions across the world to make effective progress in carbon reduction, possibly by expanding technical and operational measures, but also to keep shipping on top of technical, environmental and economic development.

I welcome the fact that the European Cruise Council is actively participating in the ongoing stakeholder consultations.

Maritime Safety

The cruise ship industry operates with an excellent safety record. We want this to continue and the cruise market to develop further in European waters. Nevertheless, there is an underlying general unease at the constantly increasing capacity of cruise ships,

For that reason, we need to pay attention to maintaining top safety levels and in close cooperation with partner countries and the IMO we continue to review the relevant rules and regulations.

This will comprise a thorough evaluation of current legislation and considering what other safety issues should be covered at EU level; amongst them being passenger ships on intra-EU voyages, measures for cruise ships in Polar Regions and aspects of the US Cruise Security and Safety Act. Our analysis will be presented and discussed during a public consultation by the end of 2011.

Some these issues may be best pursued through IMO, particularly those concerning cruise ships in polar waters, evacuation and rescue systems especially for large passenger ships and prevention of on board criminal acts. Regarding damage stability arrangements for larger ships a research project in which the cruise industry is represented will be completed by September 2012.

Human element - Social Agenda for maritime transport

Staff is at the core of any action aimed at ensuring safety, security and the protection of the marine environment. We need to maintain high quality levels and where necessary improve them. In addition, we are in Europe facing a particular threat to the maritime cluster as European officers are an ageing workforce.

In order to develop a better understanding of the current situation, I established an independent Task Force on Maritime Employment and Competitiveness which will deliver its report and recommendations soon, to feed into concrete proposals later this year.

We want to align training and qualification of seafarers with international standards. We want to upgrade the level of competencies of crews for safe and secure navigation at sea but also to adapt training to new skills required today and tomorrow.

We also need to enforce international standards on living and working conditions of seafarers which determine the attractiveness of the profession and affect performance, and therefore safety at sea.

We finally want to address issues such as the entry to the profession, the career development in a lifelong perspective, the correct legal and administrative treatment of seafarers and how to improve the image of seafaring in the general public opinion.

Passenger rights

Ladies and Gentlemen, the European Commission pays great attention to the needs of passengers. I am pleased that as from December 2012 new passenger rights for waterborne transport will be in force, covering cancellation or delay, non-discrimination, reduced mobility and information. While the Regulation recognises the specificities of the cruise sector, I want to stress the importance of solid passenger rights for the attractiveness and effectiveness of transport in general – have we not all been at one moment faced with a late cancellation or difficult re-routing, needing assistance?

Piracy

There is one issue that literally haunts us. Piracy poses a serious and intolerable threat against the life of crews and passengers on board ships. It also endangers safety and security of navigation, the sustainability of maritime transport and global trade. As we talk, 445 seafarers, fishermen and passengers are kept hostage as a result of piracy off the coast of Somalia and 22 ships are currently held for ransom.

The EU maritime transport policy covers maritime security and the fight against piracy. Most of the piracy attacks up to now concerned freight ships. Nevertheless, cruise ships are high value targets as the recent attacks against cruise ships demonstrate. Although the cruise industry has a long standing tradition in providing a high degree of security, the challenge posed by these adaptive and aggressive criminals requires a strong and proactive activity by all stakeholders concerned, public and private. Administrations, shipowners, ship operators, shipmasters and crews should ensure that all self-defence measures are effectively implemented. A thorough implementation of the Best Management Practices is crucial in to offering the highest level of security to cruises' customers.

Cruise ships are also potential targets for terrorist attacks and remain a priority security concern and my services will launch a study to examine the specific threat posed by Improvised Explosive Devices (IED) on board passenger ships and Ro-Ro ferries.

Ports and infrastructure

We look favourably at the development of port facilities and the adaptation of infrastructures to the needs of modern cruise-ships and shipping in general. **TEN-T funding will continue** to support **projects** such as addressing environmental issues, **pilot actions** and **studies** introducing new technologies and innovative infrastructure. This can include facilities supporting for instance the deployment of LNG, scrubber technologies or the use of shore-side electricity.

My intention regarding ports is also to look at increased performance of ports and in particular to review port restrictions on provision of services, enhance transparency on port funding and to ensure that access to port land is kept open.

Conclusion

Ladies and Gentlemen, the challenges and opportunities faced by the cruise sector coincide with the European agenda and the Transport White Paper's objectives of less congestion, fewer emissions, more employment, growth, safety and security. Your activities benefit from constant innovation. The fact that more than 90% of all cruise ships are built in Europe is a proof of the innovative powers of European industry.

We want the cruise sector to continue to grow sustainably, provide quality jobs and of course an unforgettable experience for cruise passengers.