



**EUROPEAN COMMISSION**

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Vice-President and Commissioner for Transport

**How does the Commission regard the cruise industry?**

*Check Against Delivery  
Seul le texte prononcé fait foi  
Es gilt das gesprochene Wort*

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Ladies and Gentlemen,

Thank you for inviting me to the European Cruise Council Conference this year again. Last year I addressed you on a range of on-going initiatives in the broader maritime field and also touched upon the contribution and importance of the cruise sector to the economy and the maritime cluster.

Since then we all know what happened end-January and how that has changed the scene.

There are on-going efforts by both regulatory bodies and industry to meet the challenges. I am therefore pleased to offer the Commission's view on the Cruise Industry. In particular on how regulators and industry can continue to move forward towards the common goal of continuous safety and quality improvements. Allow me to give you an update since the Commission set out its three-pronged approach to EU Transport Ministers end-March and at the Stakeholder Conference I hosted in Brussels in April this year.

The three-pronged approach for the passenger ship safety review is to:

- continue to ensure the enforcement and implementation of existing rules and draw any lessons from best practices;
- update and/or amend existing EU legislation and (co)-sponsor submissions for international standards setting at the IMO; and,
- promote voluntary commitments by industry.

I should firstly underline that the existing European rules and regulations are among the strictest in the world. The correct **enforcement and implementation** of these rules is a key factor in promoting safety.

The logic of this approach is that we have to ensure that the rules already in place are effective in preventing an accident from happening in the first place.

It is of utmost importance that the safety framework which we have developed over the years is actually put into practice, monitored and adjusted as necessary. This is true both for the administrations and for operators in the industry. We are continuing working with the European Maritime Safety Agency (EMSA), within their current tasks,

looking at various aspects related to the passenger ship sector. This includes the EU regime for the registration of persons on board passenger ships. The first three visits by EMSA, checking this regime in Member States will have taken place before the summer.

Recently, as I am sure you are aware, the EU Member States and the Commission within the Port State Control Memorandum, decided on a harmonised verification programme on operational controls, preparedness and drills on board passenger ships.

With the assistance of EMSA, the Commission and Member States will prepare and follow-up this harmonised verification programme. This may provide elements for consideration in a future extension of the current mandatory survey regime for ro-pax vessels to cover also cruise ships.

This leads me to the second point, the preparation of **legislative actions** and in particular the whole damage stability discussion.

While the work we have undertaken mainly relates to the ro-pax ferry sector, we are carefully following the on-going EU research projects and their developments, for other types of passenger ships.

Cruise ships are, of course, part of our policy review, including the work we have been doing on stability issues since 2010.

It is however premature to speculate about whether we will need to legislate also for cruise vessels. Research is, as I said, still underway, with preliminary results due this autumn. We will also want to see the outcome of the Costa Concordia investigation conducted by the Italian authorities.

But the lessons we have learned from ferries could also, perhaps, feed into our thinking. EU citizens boarding a passenger ship anywhere in the world should be assured that its operations are safe and secure.

There are issues of a more operational nature that may need to be further reviewed or developed. In fact, we see issues such as the Safe Return to Port measures and operation of watertight doors as part of the stability approach.

As we have just experienced, although rare in this sector, accidents do happen and when they do, all the means and technology we have available today must work. One of the more important is the concept of the vessel itself being its own best lifeboat, by simply staying afloat in a damaged condition. By aligning EU rules with the latest international changes in this respect in SOLAS, we intend to take on board those new measures that enhance a Safe Return to Port.

At the same time we are considering, together with EU Member States and other interested parties, how to further develop some aspects of these rules and accompanying guidelines. This was also identified as an area for further action at the last Maritime Safety Committee of the IMO.

In addition, the issue of watertight doors or actually their operation is fundamental. It goes without saying that they need to be closed. All the efforts we are making to control damage stability risk otherwise to be rendered useless. We can keep enhancing such rules in this respect, but we risk ultimately that it won't make much difference.

We need also to ensure that everything from A to Z regarding evacuation is well thought through, functioning properly and organised by suitably trained crew.

We are working on the monitoring aspect, and the use of LRIT and Satellite-AIS to provide an enhanced, more detailed picture in the case of maritime casualties, given the modern technological possibilities.

Last but not least I am encouraged by the response of ECC/CLIA in the aftermath of the Costa Concordia accident and by progress to date in the Industry's Operational Safety Review.

The voluntary commitments already undertaken are concrete first results and were also endorsed at the recent MSC meeting in IMO. They are however first results and I believe there are more issues to be tackled. This is also what I understand the Industry involved in the review is addressing.

First, Cruise ships coming on to the market today can carry up to 6,000 people and cost almost a billion Euros. That entails a lot of responsibility for all involved, in finding the

right balance between commercial interest and safety, and in particular for the Master and Officers.

In terms of selection, training and operational practices, I think the focus on the human element will have to become more prominent. This could include elements of psychological assessment when recruiting.

Why shouldn't error management be developed and implemented as a vital part of a proper safety management system for the shipping industry?

In terms of this aspect, the shipping industry and particularly the cruise industry may find inspiration from practices in the aviation sector.

What you should be striving for is a culture of 'total quality commitment', from the executives to the surveyors in the field – through teamwork, training, openness and professionalism.

Second, for any voluntary commitments to work, just like legislation, they need to be properly implemented and monitored. In this context I would like to see a self-assessment quality audit scheme eventually using independent auditors, on a more permanent basis. I understand the Industry is working on such a scheme. It could also become an integral part of continuous improvements in the industry and in striving for the highest industry standards.

Transparency here plays a very important role.

Allow me to end my contribution on how the Commission views the Cruise industry by looking at the positive and important contribution it has made, and continues to make, to the European economy.

The figures speak for themselves; the Cruise industry continues to grow and the total contribution to the European economy is at record high. Europe is the fastest growing market for cruise ships and the number of Europeans choosing a cruise holiday has trebled since 2001 to close to 6 million in 2011.

Cruise ships are predominantly built in Europe which is proof of the innovative know-how of European industry in producing a technically demanding, quality-driven class of ship. There are over 20 new cruise ships scheduled for delivery in the coming five year period.

In these very difficult times, such figures are quite extraordinary. I believe the whole EU maritime cluster benefits from such developments, as it contributes to areas which are in need of stimulus or in finding new prospects for sustainable investment and business. Perhaps there is still untapped potential here.

Having said that, in the public's mind, there is still some uneasiness with the size of the cruise ships now entering the market. While economy of scale may work well for the balance sheet, all aspects of maritime safety, including passenger safety and security must be an integral part of the same balance and investment.

At the end of the day, we want the cruise sector to be able to continue to grow and develop sustainably - supported by the best safety framework. By continuing our cooperative approach, together we can make this possible.

Thank you for your attention.