European Barge Union seminar – "Greening the corridors" Brussels, 10 April 2013

The future of Europe's waterways: steering a course ahead

Ladies and gentlemen,

I find it hard to imagine Europe's transport system without its inland waterways, criss-crossing our continent from sea to sea and connecting so many countries.

From today's business and trade point of view, however, they are a long way from achieving their full potential.

At the moment, road and rail look set to outstrip waterways in terms of growth. That means a slow dwindling decline of a high-quality means of transport.

There are several problem areas. Take 'greening the fleet' – the theme of this seminar.

Much of today's road haulage uses cleaner and more modern engines than inland waterway transport. A lot of the fleet is also now quite old. In fact, it is no longer *that* green.

Waterways do not ship so much freight these days and there is a good deal of overcapacity. Market share has gradually fallen in the last 10 years.

I believe, however, that we can do something about the situation.

Unlike road hauliers, barge operators have few incentives to reduce the external costs that are passed on for someone else to pay.

There are too many old inefficient engines which are not replaced or modernised.

Several other factors prevent waterways from realising their full potential: incompatibilities between national regulations and administrations, even differences in the opening times of canal locks.

Perhaps the biggest obstacle is infrastructure. Bottlenecks, important missing links such as the Seine-Scheldt connection, crumbling riverside facilities.

The situation is made worse by the wide disparities between the Western and Eastern parts of the European Union in equipment, facilities, productivity, maintenance and management.

The quality of infrastructure, especially connections to seaports, is vital.

This will determine whether waterways can become competitive and attractive enough for their market share to rise from its current unimpressive level of around 4% of overall freight transport use.

At the moment, each EU country sets its own qualification requirements for crew members. These vary a great deal. Given that no European minimum standards exist, it is hardly surprising that there are shortcomings in the mutual recognition of professional qualifications.

We are now looking at how to develop qualification standards, creating a system to build confidence between Member States, and between companies and crew members.

Despite the persistent nature of these problems, the first NAIADES programme has achieved a good deal to improve the situation. But on its own, it could not reverse waterways' downward trend in market share.

After the programme runs out this year, we will need to keep working to raise inland waterways' performance.

As we know, NAIADES II is coming – and this successor programme needs to step up the ambition.

Above all, it will focus on <u>quality</u> – of infrastructure, environmental performance, social aspects and of the entire transport logistics chain.

But Member States and the sector itself have a role to play – perhaps by helping to develop a long-term plan for research, development and innovation.

On infrastructure, we need to develop a network of accessible and efficient inland ports that have sufficient capacity and proper links to seaports.

Waterways must be integrated into a resource-efficient Trans-European Transport Network, and into the corridors that will span other types of transport, like road and rail.

Every piece of the jigsaw matters.

What is important now is to prepare and submit inland waterways projects for these future corridors, to take advantage of the funding available under the Connecting Europe Facility.

This will also promote private investment in inland waterways and ports.

On the inland fleet, I am pleased to see EU companies breaking new ground by building inland bunker and container vessels powered by clean fuels. Last month in the Netherlands, for example, Shell launched the first tank barge to be fully powered by liquefied natural gas.

This is a real leap forward for the inland waterways industry, the starting point for gradually replacing oil fuel by clean alternative technologies.

And it fits very well with the Commission's proposed strategy for using clean fuels in transport. This long-term plan envisages a move to LNG as one of the most realistic options for reducing the carbon footprint of this type of travel.

However, several legal and technical obstacles for LNG use still need to be overcome. Work has to complete on technical standards for LNG storage, bunkering and use as a fuel. EU and international rules must be adapted to the mainstreaming of LNG use. It goes without saying this is a top priority for us.

Inland navigation also needs infrastructure-related investment in research and new technologies.

For instance, clean vessels will require infrastructure that bring clean fuels to those vessels.

According to our strategy all TEN-T core inland ports will have a publicly accessible LNG refuelling point by 2025 at the latest.

It also promotes the use of shore-side electricity in inland ports.

I have mentioned several ways for the inland waterways sector to improve its quality and efficiency.

We can also improve the efficiency of the organisational set-up, making the best use of European skills and expertise to benefit our waterways industry.

The sector is governed by a variety of national, international and EU bodies that often use the same limited pool of national experts to deal with similar issues.

While we cannot change the institutional landscape as such, we <u>do</u> want to avoid parallel initiatives that run the risk of producing overlaps and conflicts.

This is why I applaud the progress made so far on strengthening our partnership with the Central Commission for the Navigation of the Rhine, the CCNR. It will be a unique opportunity to promote and support inland waterways, by tackling many of the problems that I have mentioned today.

The CCNR plays a key role for navigation of the Rhine, and of European inland waterways in general. The Rhine is very much a working river and major trading artery for all of Europe. It accounts for over 70% of our waterways traffic.

We plan to make better use of the CCNR's expertise on technical requirements for barges, on analysing the inland waterway market and on jobs and skills.

The idea will be to make the rules more coherent, reduce red tape and avoid duplicating work. And crucially, to remove barriers that prevent the increased use of European waterways.

We will aim to develop technical standards, with a focus on greening the fleet - moving towards general rules on LNG and reducing emissions for new and existing vessels.

We will also develop qualification standards for crews and boat masters.

Ladies and gentlemen,

I am happy to be working together with you for inland waterways to overcome these barriers and fragmentation, so that they can work at their fullest quality and potential.

Thank you for your attention.