



European Community Shipowners' Associations

TRANS EUROPEAN TRANSPORT NETWORK 2020 – TEN-T

Initial remarks

INTRODUCTION

ECSA is the trade Association representing the shipping industry from the European Union and Norway. European shipowners control about 40 % of the world merchant fleet and are active both in intra European transport and international transport as well as in global cross trades between the different countries.

European shipowners are also very active in maritime intermodal transport using the different transport modes with maritime transport as a basis. The importance of the maritime sector on intermodal transport is confirmed by 14 million TEU moves per annum in Europe and 75 million worldwide.

Having studied the report of the High Level Group on the Trans European Transport Network as published end of June 2003, ECSA has noted that the report has very much taken into consideration the recommendations as made in the White Paper on European Transport Policy issued in 2001.

As mentioned in the comments to the White Paper, ECSA very much appreciates the philosophy of shifting transport from congested road transport to alternative modes such as rail, inland waterways and short sea shipping. ECSA is heavily involved in the promotion of short sea shipping services in close co-operation with the EU Institutions. The comments of the European shipping industry are based on a constructive approach of further promoting the use of short sea shipping and intermodal transport.

MOTORWAYS OF THE SEA

As mentioned above ECSA has over the years been very active in the promotion of short sea shipping which started in 1992 in the context of the Maritime Industries Forum.

ECSA is pleased to note that the practical work done in this respect has resulted in an increase of short sea shipping at the same pace as road transport with a share versus other modes of more than 40 % of intra European transport. This progress is mainly due to:

- High investments by shipowners in vessels, equipment and intermodal logistic systems
- Improvements in efficiency taking into account the overall supply chain.

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- The ongoing work on bottlenecks particularly on documentary procedures and port services.
- The establishment and the practical work of short sea promotion centres all over Europe.
- The co-operation between industry and the EU Institutions particularly with the National Focal Points on short sea shipping and the Commission services.

The promotion of “Motorways of the Sea” as mentioned in the White paper and taken on board in the report of the High Level Group in the report on TEN-T can contribute to the ongoing efforts of shifting cargoes from road to sea.

During a Workshop on “Motorways of the sea” organised by the Commission in January 2003 many participants expressed the view that in a way all efficient short sea services could be considered as Motorways of the Sea as a commercial marketing argument for promoting short sea shipping. Moreover it was stressed that:

- Motorways of the Sea should develop on a commercial basis by giving short sea shipping an attractive and competitive place in the overall supply chain. The ongoing work, particularly on bottlenecks in documentary procedures and nodal points (ports) should be enhanced in this respect.
- As expressed repeatedly by the industry in the ongoing discussions on promoting short sea shipping, promotion efforts should not concentrate on short sea shipping in isolation, but rather on improving the logistic chain.
- A Motor Ways of the Sea approach should not result in drawing lines on maps outlining different port links and consequently excluding others.
- The overall purpose of Motor Ways of the Sea should be to connect different regions in Europe and around and promote at the same time intermodal transport with shipping as the main leg. In practice there should be an interchange between industrial areas.
- A Motorway of the Sea in an intermodal context means that de facto all players should be instrumental in creating a competitive and efficient opportunity for short sea shipping in the overall chain particularly operators (shipowners), ports and port services, authorities (infrastructure), other transport modes (e.g. liberalised rail networks), etc. The need for an enhanced co-operation between all these parties is self evident.

ECSA appreciates that short sea shipping has been included in the priority projects of the report of the High Level Group and particularly that the Group has followed the philosophy of determining motorways of the sea as services linking the main industrial areas (page 33). On the specific questions and suggestions made in the report on short sea shipping, and on Motorways of the Sea in particular, we would wish to make the under mentioned comments with the aim to contribute to the accepted policy of alleviating road congestion by promoting alternative modes.

Perception of short sea shipping Motorways of the Sea

On different places in the report of the High Level Group a wrong perception of short sea shipping services is given such as on :

- page 28 point 2 : suggesting “to start up” Motorways of the Sea. As mentioned above, services being able to carry the name of Motorways of the Sea do already exist today.
- page 41 point 6.2.1 – 3 : “*These lines do not develop spontaneously*”. As mentioned above, excellent short sea services have developed over the years and their service pattern is continuously increasing.
- page 43 point 6.3-3 : the comparison between rail and short sea is irrelevant since the share of rail has decreased whereas short sea shipping has increased by more than 8 % since 1992.

We fear that such a wrong perception will not do any good to the ongoing efforts to improve the image of short sea shipping services.

Public funding to short sea shipping

Being heavily involved in the promotion of short sea shipping it is evident that ECSA supports initiatives which contribute to this aim.

However, in the various discussions on support measures to promote alternative transport modes (e.g. Marco Polo), ECSA has continuously advocated a very cautious approach. In this context it was stressed that support measures should not lead to distortion of competition with existing services within the same mode and between different non-road transport modes.

ECSA is aware that this is a sensitive and complex issue. However in an effort to assist the Commission services in avoiding problems in this context ECSA made, during the consultation process on Marco Polo, some suggestions on transparent criteria and procedures to avoid a distortion of competition, such as :

- Projects eligible for support should clearly take cargo away from road transport and not from non-road modes.
- It is essential that there is a clear picture on the market involved particularly since short sea services are mostly covering/serving the same market from different ports.
- Information on a specific project should be made public during the application process through publication in the Official Journal. The information as published in the Journal should be clear and complete allowing a proper analysis of possible distorting effects.
- Taking this into account it is key that a project can be stopped immediately if well founded objections on a distortion of competition are received following publication in the Journal. It would also be helpful if applicants are warned for such a possibility during the process.
- In cases of doubt a monitoring should take place allowing the aid to be stopped if a distortion of competition occurred.
- In general a regular monitoring of the projects and their results should be made and be available to the industry parties.

ECSA hopes that such a process can also be followed for Motorways of the Sea.

Whilst the shipping industry supports the promotion of RoRo short sea services it does not understand the outspoken preference of the High Level Group for RoRo

services in the context of the Motorways of the Sea. This ignores reality, both in services existing at present and in services under development. Container services and bulk shipments should receive the same attention.

On page 43 point 6.2.2 – 11 it is mentioned that priority projects are not deemed to compete with the Marco Polo Programme. This raises an interesting but serious point about the different support programmes that are now available to promote short sea shipping such as Marco Polo, National promotion programmes, bilaterally suggested programmes, Regional programmes, TEN-T, etc.

In line with the comments made above transparency on the different funding possibilities is essential. Indeed, it should be avoided that there is a competition between the different funding possibilities and/or that there is a cumulating of same.

Selection of ports

ECSA agrees with the view expressed by the High Level Group that it will be most difficult to choose ports for being part of a Motorway of the Sea (page 42 – point 6.2.2. –7). In fact, as expressed above, ECSA strongly questions the suggestions to select ports thereby excluding others. A mapping of selected ports under the concept of Motorways of the Sea would have a counterproductive effect on the promotion exercise. Individual ports situated at either end of the 4 Motorways of the Sea identified by the High Level Group could of course bring up or be involved in specific TEN-T projects as is the case today.

ECSA has also serious concerns about the option brought forward under point 6.2.2-6/7 on page 42 on **public tenders for ports and services** in the Motorway of the Sea concept. Transferring Motorways of the Sea into a public service context is strongly opposed by industry. Public services should remain the exception. Reintroducing the concept in the context of Motorways of the sea would have the same disastrous effect as experienced on rail transport during the last decennia.

Moreover it is generally recognised that too interventionist policies would be to the detriment of the free market approach and the established transport policy on which European trade and services are based.

Identify Main Axes

Efforts to identify main axes are supported (point 6.4). However, to be able to do this it is necessary to have appropriate information/statistics on cargo flows throughout Europe. The ongoing efforts to get such data through Eurostat should be speeded up. It is impossible establish a proper European Transport Policy without having the necessary data on cargo flows and on the potential market for each mode, available.

CONCLUSION

The European shipping industry appreciates the attention given to maritime transport in the context of the Trans European Transport Network 2020. As already brought forward in its comments to the White Paper on Transport policy of 2001, ECSA feels

that the promotion of alternative transport modes should not ignore existing services and the efforts already undertaken to further promote the shift to these modes.

The ongoing promotion programme of short sea shipping should be supported in a practical way and by preference through neutral projects to the benefit of all involved such as :

- The ongoing work on the elimination of bottlenecks particularly on documentary procedures e.g. on customs procedures, which should be as simple as for transport by road.
- Improving the efficiency of key nodal points in the supply chain particularly in ports. The liberalisation of port services as suggested in the proposed Directive on market access to port services is a key element in this respect.
- Improving the hinterland connections of ports including the necessary infrastructure and enhancing the efficiency of rail transport. This is a key element in European transport policy particularly in the promotion of intermodal transport. As main intermodal operator, maritime container transport has contributed very much in creating hinterland rail links and will continue to do so. The liberalisation process of rail transport should be speeded up in this respect.
- Use of Catalyst programmes to support the above objectives.
- Support the activities of the Short Sea Promotion Centres established now all over Europe.
- Other actions under Marco Polo such as start up aid should be dealt with utmost caution in order to avoid a distortion with existing commercial services.

ECSA seriously questions the suggestions to “create” Motorways of the Sea through a mapping exercise selecting specific ports and services and excluding others. Introducing a public service concept in the context of Motor Ways of the Sea should be avoided by all means. The granting of a public service status or even a semi public service status should remain extremely exceptional and subject to specific conditions. Experience shows that also in transport a free market approach is the best basis for developing excellent transport services. Most of the success stories in transport confirm this.

Having given these initial comments ECSA looks forward to a constructive exchange of views with the EU Institutions and other parties involved on the Trans European Transport Network 2020.

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