

**REPORT OF THE EXCHANGE OF VIEWS BETWEEN PORTS CEOS
AND TRANSPORT COMMISSIONER BULC
19 JANUARY 2015 BRUSSELS**

Commissioner for Transport Violeta Bulc met the leaders of 20 of the largest European ports and port organisations on 19 January 2015. After a short introduction by João Aguiar Machado, DG MOVE, and a presentation of the trans-European network policy by the European coordinator Kurt Bodewig, Commissioner Bulc presented her vision for the transport policy with a focus on creating value for people, stimulating innovation and promoting sustainable models that will generate growth and employment. She expressed her wish to capitalise on the great potential of ports. She underlined the importance of serving business through integrated cross-modal logistics and services. Reduced energy dependence will make a wider deployment of alternative fuels and electrification of transport necessary. Europe must also export its technologies and solutions in the area of transport, and together with this, its social and environmental values. Commissioner Bulc stressed the challenges that ports face cooperating with their cities and the role of innovation and exchange of good practices between transport sectors. Views were then exchanged based on the discussion paper (Annex I) which was distributed to the participants in advance of the meeting and on six questions on: global and general challenges faced by European ports, connectivity to land and maritime transport, innovation in port logistics, investments in ports, energy and climate policy and port cities. Part I of this report presents for each question a summary of the responses, while the detailed points expressed by each participant, based on their interventions and written contributions, can be found in Part II.¹

PART I - SUMMARY

1. Global and general challenges for European ports

- The competitiveness of European ports and their efficient integration into global supply chains demands an adequate response to cope with the increase in ship size and changes in traffic patterns and routes.
- Extra-EU trade is today more important in volume than intra-EU trade - unlike 10 years ago. Investment on the external nodes of the core network (ports, airports) should be prioritised.
- Larger vessels are deployed to the Europe-Asia trade through the Suez canal. The overall efficiency of the network can be improved by developing ports in the Mediterranean and Black Sea, while consolidating the historic gateways of the North.
- The impact of the enlarged Panama canal on trade flows should not be overlooked.
- The future TTIP with the US will create new opportunities for Atlantic ports.
- Europe should pay attention to the charge levied to cross the future enlarged Suez canal which if too high may divert traffic.
- The concentration of shipping through alliances reduces the number of calls on long-distance routes and increases the consolidation of flows.
- Europe should ensure a level playing field between its ports and neighbouring non-EU ports.
- Economic criteria should prevail over political or territorial ones when investment decisions are taken to serve foreign trade and provide highly competitive logistics services.
- The diversity of European ports should be considered when regulating.
- Port governance should be streamlined to allow flexibility and a greater financial autonomy.

2. Port connectivity to land and maritime transport

- Ports competitiveness depends on good hinterland connections. The increasing size of ships implies drastic changes in terms of port infrastructure, operations, logistics and multimodality.
- The trans-European network Transport (TEN-T) policy should provide tools to support modal shift to rail and short-sea shipping, including through support to new services and not only infrastructure.
- Rail hinterland connections are environmental friendly but reflection is needed on how to finance their costs.

¹ Written contributions were received from Rafael Aznar (Valencia), Simon Bird (Bristol/ UKMPG), Christine Cabau (Marseille), Clemence Cheng (Felixstowe/Hutchison), Paolo Costa (Venice), Gitte Lillelund Bech (Danish ports association) and Valeriu Ionescu (Constanza).

- Cooperation between maritime and inland ports along rivers can provide integrated solutions for global logistic chains.
- Differences in customs clearance processes between the North and the South impacts on port and logistics chains efficiency and should be addressed.
- The difference in rail connection quality between the North and the South should also be addressed, for instance in the Iberian Peninsula to cross the Pyrenees.
- The potential of the Danube to be connected to the Black Sea should be better exploited.
- Hub-spoke systems should be promoted.

3. A framework for investments in ports

- Europe needs an efficient TEN-T network and efficient port investments.
- This requires a framework that ensures transparency and fair competition and provides legal security to, and fair competition for, public and private investors.
- Beyond the Ports Regulation, this requires a clear definition of State aid, taking into account the fact that ports are commercial entities as well as having public functions.
- The Ports Regulation should also generalise a greater autonomy of ports, in particular as regards infrastructure charging.
- The next call for proposal under the Connecting Europe Facility (CEF) should better reflect that investment in ports, in particular the core ports, is crucial for the TEN-T network.
- A permanent forum of port authorities could be set up at European level to prepare a European port infrastructure plan.
- A focus on “winning” projects and value for money is needed. Public investment should be allocated according to impact on growth.
- The Juncker investment plan represents an opportunity for ports. Public-private partnerships and innovative financial instruments are encouraged.
- Environmental rules and their application to project development should be streamlined. The different services of the Commission should coordinate better in this respect.
- Concessions as organised in the relevant Directive can attract investments.

4. Innovation in port logistics

- Innovation in intelligent transport systems and cluster models integrating several logistics systems are vital to optimise capacities and develop multimodality and must be promoted.
- Transparent, digitalised and standardised systems are key to improving connectivity and efficiency of transport along the supply chain. Standardisation in the European open transport market is particularly important.
- As concrete example, the ‘truck appointment systems’ used by drivers to enter port areas should be harmonised (data standards).
- Innovation can start locally and for particular applications without waiting for the full system to be deployed.
- A key bottleneck to integrated systems is access to updated and reliable data.
- More awareness of the changing nature of port jobs is needed as a result of innovation and automation and a young workforce needs to be attracted. The role of social dialogue is crucial.

5. Port, energy security and climate policy

- Despite scarcity of resources, ports are committed to promoting new forms of energy, including renewable marine energies, and alternative fuels, such as LNG, which would enable the transport system to become a low carbon industry. Ports can contribute to the development of an adequate network of storage and distribution chain.
- Limitations imposed through the rules on the sulphur emissions in the Sulphur Emission Controlled Areas (SECAs) contribute to the development of new energy forms, but the rules create an imbalance in the fair competition between ports in northern and southern Europe and between the different modes of transport in the SECAs.
- The transition to new forms of energy requires good collaboration between the Commission, ports and their energy and industrial clusters.

- The Commission should launch a joint CEF call covering energy and transport.

6. Port cities

- Whilst ports can play a role in urban logistics and the smart city concept, the passenger business is one of the most sensitive issues in the relationship between ports and cities.
- The relocation of the industry from inland to the coast due to globalisation represents both a challenge and an opportunity for ports and cities.
- Besides principles set by the European strategy for a circular economy, guidelines for port cities could be developed.

PART II – DETAILED INTERVENTIONS

First tour de table

Port of Antwerp

Efficient port investments bring added value for people, and they are carried out with that objective and ambition in mind. This implies choices to be made at all levels of governance (port authorities, national and European levels). The internal logic and specificity of the transport policy should be taken into account in the context of the application of competition and state aids rules; it has to be noted that no procedures regarding the port sector have led to the conclusion that market and competition have been distorted. A pre-condition for determining the efficiency of public investments is transparency. Member States which already have clear and transparent legal frameworks in place for investments should be acknowledged by the European Commission.

Port of Hamburg

In light of the increasing size of vessels, Europe faces a challenge regarding port infrastructure and needs to take action to ensure the competitiveness of European ports and European industry on the global market. In order to cope with the growing flow of goods, good connections, handling capacity, space and multimodality are needed. Multimodality can be optimised by supporting innovation in intelligent systems and Port Community Systems. Innovation could be stimulated by making use of existing technology and introducing standardisation in the European open market. In this regard, a harmonised "truck appointment system" among European ports should be considered facilitating access to port areas by trucks drivers from different EU countries.

Danish Ports

The diverse structure of ports, comprising both large and small ports, should be considered when developing regulations. Europe should ensure a level playing field between EU and neighbouring non-EU ports. Fair competition and a stable legal framework for investment in ports is needed. It implies the Ports Regulation, a clear definition of allowed and not allowed state aid concerning port infrastructure and services, an evaluation of the regulation for security in ports, the integration of the Trans-European Transport Network (TEN-T) program to the REFIT program, and a possible mix of TEN-T calls (e.g. offshore and ports wind infrastructure). A third challenge to look at is incorporating shipping into the internal market, and its contribution to the creation of a level playing field between different modes of transport and stimulation of multimodality.

Port of Barcelona

Efficiency is the key to competitiveness in European industry. Therefore, attention needs to be paid to infrastructure needs, adapting investments to take into account the changing size of vessels. There are high risks associated with these investments however as maritime routes change. Still regarding this efficiency issue, the TEN-T proves an excellent example of good cooperation between ports and the European Commission with the aim of increasing inland connectivity. A level playing field in the management tools

available to ports (e.g. the autonomy of a port to set charges) should be put in place. This will boost competitiveness and generate added value.

Port of Valencia

In light of the current trend in merchant shipping towards concentrating business through alliances, with the ensuing reduction in the number of calls on long-distance routes, economic rather than political and territorial criteria should be considered when strategic maritime and land decisions are taken and policies are designed. This should be reflected in the new TEN-T policy and corridors. In Spain, the Mediterranean and Atlantic rail corridors should be linked by a rail line running from Valencia-Sagunto-Saragossa-Bilbao. The corridor map shows that it is clearly advisable to join the two branches of the Mediterranean corridor to reach the Atlantic corridor, thus reaching the heart of Europe through the Western Pyrenees, as part of an initial timeline for a basic network. TTIP and the likely increase of the charge to cross the future enlarged Suez canal will deviate traffic to Africa and the Atlantic. TTIP could also develop new transatlantic flows. Europe must ensure that the potential of Atlantic ports is exploited and that there is no negative impact on the Mediterranean ports.

Port of Piraeus

A regulatory authority to channel investments and state aid is needed at both national and EU level. Existing particularities between ports in general and between ports in the North and South in particular, should be taken into account. The ports in peripheral countries like Finland, Greece and Spain must compete with ports in neighbouring third countries with different legislation. Open questions about the application of the concession directive remain. The market power of stakeholders is strong and the Commission should apply the directive to create a level playing field. In order to tackle the potential social impact, the role of social dialogue is crucial. Moreover, the EU needs to create a level playing field for investments and ensure transparency.

Port of Civitavecchia, Italian ports association

The port governance should rely on port authorities that are competent to manage a large cluster integrating several logistics systems in order to improve multimodality and host integrated services. Moreover, the different models of governance should be streamlined and new forms of financing encouraged. A permanent forum of Port Authorities at European level with the aim of establishing a European plan for port infrastructure could be envisaged. Financial autonomy of ports is essential and should be ensured. In this context, the European Parliament should amend the agreement of the Council on the Ports Regulation in order to ensure the financial autonomy in the spirit of the initial Commission's proposal.

Port of Venice

Over the last decade intra-EU trade rose by 50%, whereas extra-EU trade rose by almost 90%. In 2013, 55% of the total EU trade was extra-EU trade. Therefore, the European policy must shift from "Europe as a single market" into a "single Europe in a global market". To do this, the European transport policy must:

1. Prioritize investment on external nodes of the core network (ports and airports); the draft corridor work plans should better reflect this fundamental shift.
2. Takes into account that the centre of gravity of the European manufacturing industry is moving from the West to the Centre-East since the manufacturing industry is one the main port markets.
3. Combine the necessity to consolidate historic northern ports with the development of ports in the Mediterranean and Black Sea to increase efficiency of the overall system and reducing cargo transit time on the Far East-Mediterranean route.

Port of Lisbon

Technology is highly important for the development of ports. Competition and efficiency is hard to maintain if the size of ports is not taken into account when considering state aid rules. The integration in metropolitan area is a particular challenge and requires clean shipping and port technologies as well as 'smart cities' traffic

management. The relations with the port dockers are difficult as a result of the recent reform. The corridor is an opportunity to improve rail connectivity to central Spain and short sea shipping routes to the North Sea and the Baltic Sea. State aid rules should depend on the size of ports and be less demanding for smaller ports.

Port of Marseille

In order to improve Europe's competitiveness a greater diversification of gateways needs to be ensured. Different port sizes and solutions for the supply chain allow the different business players to adapt their logistics optimally. Mediterranean gateways can also be extremely competitive in the context of Motorways of the Seas (now open to liaison with third countries). They benefit from good hinterland connections and modal shift is already on the move. The right combination of flows, promoting the "short sea" approach – as opposed to the deep sea concentration of tons approach – will make it possible to boost modal shift (from all-truck to multimodal maritime transportation) on certain identified intra-European or intra-Mediterranean trade routes. Ports can play a role in urban logistics and quick delivery systems which are paramount to the smart city concept. Inland locations have proven to be less competitive than port sites for various industries (chemicals, energy, steel production). The role of ports as industrial and innovation clusters and locations is important and needs to be reinforced. Ports have to deal with energy flows, combine technologies and mutualise services and pave the way of the industrial ecology so that best practices are mutualised and the inland exchange of goods between inflows (raw materials) and outflows (finished goods) is reduced.

Finnish Ports Association

Maritime transportation costs increased due to the Sulphur Regulation. Further increases should be avoided. The European Sustainable Shipping Forum has been a good example of partnerships between the stakeholders and the Commission.

Port of Rotterdam

Stimulation of port development, if any, should be in line with market developments and the density of population. This would lead otherwise to unsustainable public funding of ports. We need furthermore focus on an efficient and sustainable transport system, based on a co-modality approach. [The European Union should support this market based system by safeguarding a level playing field.](#)

Second tour de table

Port of Felixstowe/Hutchison Port Group

Port competitiveness depends on good infrastructure that serves hinterland connections. The trend for ever larger vessels being deployed to the Asia-Europe trade requires deeper access channels, larger cranes and to change the way container terminals operate to deal with greater peaks and trough. This requires a more flexible labour force such that workers are available when they are required. Efforts should be made to raise awareness of the changing nature of the job as well as to attract a young workforce and adapt work practices, notably through the European Social Dialogue. The peaks also put a strain on the hinterland connections. However, efforts should be concentrated on addressing differences in railway connectivity between the North and the South but also customs procedures which should adapt to change in trade flows, especially the growth of cross-border e-commerce. Hub-spoke systems should be promoted as well as digital technology and alternative fuel types that would enable the transport system to move towards a low carbon industry.

Port of Rostock

Hinterland connections need to be adapted to the changing size of ships. While large-scale investments are currently favoured, the cost-benefit ratio of the whole transport chain should be taken into account since shippers and freight forwarders reason in terms of total cost and not that of individual modes. More

competition between different transport modes is needed in order to cope with high handling charges and to make multimodality efficient.

Danish Ports

The environmental component has to be taken into account when talking about connectivity and hinterland connections. To ensure environmentally friendly transport of cargo in Sulphur Emission Control Areas (SECAs) in the northern part of Europe, the land part should also be considered by the deployment of rail despite higher costs compared to road transport (rail connections from and to the ports still need to be deployed in some parts of Europe). A third of all trucks have daily visits to ports and a large part of maritime cargo in the Nordic region consists of trailers (ro-ro). So trucks are not so much a competitor as an important partner. Solutions should be found on how to reduce the costs of using rail. Regarding port cities, the European strategy for a circular economy could be used to ensure environmentally and economically viable management. Existing platforms (ESPO Green Guide, GreenPort, EcoPorts) could be used in that respect. Industrial buffer zones should be organised. Guidelines for port cities could be developed. Innovation in ports is driven by demand and competition; ports can invest and fill out gaps in the value and transport chain to optimise attractiveness for local business and operators.

Port of Riga

From a geopolitical point of view, ports are not only business assets but also strategic state security assets. These specificities require differentiated exceptions to classic competition laws and principles. As regards business and connectivity, competition and state aid rules are important for ports. From a financial point of view, the Juncker investment plan, which aims for economic growth in the internal market, is a great challenge and ports should be fully involved. Connecting ports and logistics with rail and road depends on the needs of each port. Digitalisation, a field where the EU is still lagging behind, is important as it can facilitate the follow-up of cargo and provide connections between different players within the logistics chain. It would be desirable to achieve better collaboration, harmonisation and synchronisation of the port systems, as is already the case for airports. Moreover, the collaborative decision-making process of other industries could inspire the port business as well.

Port of Dublin

In light of the scarcity of capital, it is very important to focus on value for money – a reflection which arises from the years when Dublin benefited from the European Regional Development Fund (ERDF). This could be achieved by selecting "winners" within the TEN-T network with the aim of having the most efficient TEN-T network possible. Those investments with the best return should be identified. The Commission should be active in driving out inefficiency throughout the network, within the ports and within Europe. This could be done by using non-financial, non-policy measures as well as competition law.

Port of Le Havre, French ports association

HAROPA (Le Havre, Rouen, Paris) is a good example of integration between maritime and inland ports. It provides a solution for the management of infrastructure but also promotes ports as gateways and industrial clusters by providing global logistics and solutions for the supply chain, including barges, warehousing, last miles, custom procedures, and information transport systems. This contributes to the development of Paris as a smart city. Attempts are being made to extend this cooperation to smaller ports on the gateway and airports that share similar customers. Regarding investment in infrastructure: besides being commercial entities, ports are also in charge of public policy. Therefore, the rules to secure public investment should be clarified. Member states and ports should collaborate with the Commission on that topic. Moreover, small ports should have fewer transparency constraints. The TEN-T policy should offer tools to support modal shift away from unsustainable road transport by promoting rail, short-sea shipping (like the previous Marco Polo program) and river transport. Regarding environmental issues, simplification of the rules and better coordination between the various DGs (ENV, MOVE) is desirable.

Port of Szczecin

A framework for investment in ports based on the cohesion policy, concessions, the Juncker plan and clear state aid rules is very important for Polish ports. While the cohesion policy allows investments in line with EU priorities (intermodal terminals, facilities for liquefied natural gas (LNG) load on barges, electricity supply for ships), concessions are a useful tool to attract new investors and contribute to achieving a level playing field and fair competition. In order to select projects that will have the biggest impact on growth, innovative financial instruments and clear state aids rules are important (in particular when projects are based on a public-private partnership).

Port of Rotterdam

The focal point for the coming years is the Internet of Things, namely how to digitally connect the major European TEN-T corridors to ensure a seamless transport. The use of capacity is now at stake. For improved cargo traffic performance, a major challenge lies in the development of transparent systems to make publicly available information accurate and up to date. This system is already implemented in the airline industry and railway (passenger) business. The European Commission is invited to take note of this challenge in order to find a suitable solution.

UKMPG

As an island nation, ports are fundamental to the UK economy. They also support the development of offshore energy and rail freight thus contributing to sustainable growth and prosperity in the country. UK ports have a different operating model compared to continental ports: they are privately owned and manage operations. They decide if they provide services themselves or sub-contract them. This commercial flexibility is vital to meet market demands, attract investment and provide the service that customers want. The regulatory framework must be friendly to new investment on the basis of a level playing field with as few restrictions as possible and there must be fair competition and a stable legal framework. Public subsidy to ports can distort competition and deter productive investment but UKMPG fears that the proposed Ports Regulation places requirements on UK ports which would make it more difficult for them to operate. The priority issue remains on looking at how port subsidies which distort competition can be removed so there is a level playing field particularly between the larger international ports. UK ports are keen to play a strong role supporting delivery of a market orientated EU ports policy.

Port of Koper

As 70% of the port of Koper's traffic is for the non-Slovenian market, the corridor logic is important, in particular regarding the connection between port and rail (Koper has a good modal split, with 60% of cargo going by rail). Member states have to make the necessary investments on their segment to ensure fluency and efficiency of transport along the corridors. Economic logic and efficiency should be at the basis of any investment decision. All revenue from commercial activities in the port of Koper is reinvested in port infrastructure, including public ones. There should be no top-down regulation to impose a model of port governance; it should be left to competition and legislation should ensure transparency as stressed by the proposed regulation. Furthermore, learning from the experience of the 2007-2013 cohesion funds, Koper is in favour of a clarification of state aids.

Port of Antwerp

Ports are central nodes and should be an important part of public investment in the TEN-T network. The next call for proposals should help investments inside ports; addressing the last mile issue and seamless transport between ports and the hinterland.

Port of Constantza

To improve connectivity and efficiency of transport along the supply chain the same rules should apply along each corridor. To this end, good infrastructure but also a certain degree of standardisation is needed. Based on existing systems (RIS, Single window), separate platforms could be created for each mode of transport, unifying them at a later stage. Clearer and simpler rules for accessing funds and for carrying-out projects are needed, as there is a large time-gap from the idea to the completion of the project. Clearer rules are needed for public funds (state aids) and involvement of private capital. The latter is in particular needed for the development of large LNG industrial terminals. Port and port cities benefit from each other; this is particularly the case for business that interacts between industries located in the ports and companies in the city. Some examples (London, Genoa, Rotterdam, Hamburg) shows that it is possible to enhance the port-city relationship by migrating port activity (reposition port activity further away from the city even by land reclamation) while integrating "legacy areas" for urban use.

Port of Hamburg

As stressed by the Port of Rotterdam, the Internet of Things is an important issue: the combination of traffic information with data related to goods is a key factor for success. It should stimulate private industry to develop innovation and ports should create an appropriate environment for such development. The IAPH (International Association of Ports and Harbours) conference to be organised in Hamburg in June will present concrete examples not only on logistics and the IT side but also on the sustainable side (LNG topics, bunkering, shore power to the cruise vessels).

Port of Barcelona

Distortion of competition between North and South and the resulting cargo shift should be avoided. However the differences in managing tools and treatment for customs between EU ports contribute to this distortion. Efficient railway connectivity also depends on national practices (e.g. the high price for cross-border traffic between Spain and France). Finding a level playing field between ports is absolutely necessary so that they can benefit from the same tools for adapting prices to the market and having the right capacity to react.

Finnish ports association

Limitations imposed to SECAs contribute to the development of new energy forms. Four projects related to ports are on-going, but are mostly driven by land-based industry. There is a huge potential for ports to play a new role in the field of digital services, national single window and alternative fuels.

Port of Valencia

Economic resources are limited, but commitments are diversified e.g. developing new energies such as LNG. Member states should avoid charging and put obligations on investment in ports, for example regarding connections.

Port of Rotterdam

Energy and industry are also of importance for ports. Rotterdam has a strong industrial base. We need taking into account the market developments in this sector in Europe (prices, competition, reliability, capacity, etc.). However, the transition from the current way of producing energy towards a new way also plays a strategic role in the way that Europe handles its energy consumption. It is expected that the Commission supports this transition and cooperates with ports and uses these energy and industrial clusters already in place as they will efficiently participate in this transition.

Port of Venice

Passenger business is the most sensitive issue in the relationship between ports and cities – there are interesting examples of how to solve that problem. To reduce the cost of global supply chain, the industry tends to be 'port centric' and move from the centre of the country to the coast. This creates new problems but

also new opportunities for ports. There is room for innovation in reacting to the so-called ultra-large vessels, between the US attitude (adaptation of port infrastructure paid for by the shipowners) and the EU attitude (all ports will upgrade their infrastructure to attract these vessels, which is impossible). There is a third way initiated by the port of Venice consisting of sharing facilities between the various coastal destinations of these vessels (optimisation of port facilities and minimisation of the costs linked to the upgrade of infrastructure). As shipowners are looking to minimize operations time and costs, the Venice Port Authority has developed the concept of an offshore-onshore container terminal system that ensures very good loading-unloading performance, an initiative that could be replicable in different European and worldwide locations. LNG is also an important market for ports. However, developing this market requires an adequate network of storage, and distribution infrastructure. A structure of LNG bunkering stations must also be set up coherently. Ports will play a central role in this scenario and can take great advantage of the new energy policies by intervening in its logistics and distribution chain. A logistics chain for “liquid” LNG destined for decentralized gasification has to go side by side with logistics dedicated to “gasified” LNG.

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ANNEX I: DISCUSSION PAPER

Introduction

Ports are vital for the European transport system and the wider society and economy. They are hubs for the physical exchange of goods, facilitate logistics, have a position as key stakeholders in energy supply chains and contribute to industrial development.

Against this background, the first point of this paper outlines the broad key challenges that major European ports face and invites a discussion and exchange of views on the concrete reality of these challenges. The following five points describe more specific challenges related to the social and economic performance of ports: land and maritime connectivity, efficient investments and port services, innovation in logistics, energy security and a successful relationship with the urban environment.

The discussion also represents an opportunity to exchange views on Europe's role in addressing or helping to address these challenges (see the Annex comprising a list of actions already undertaken at the EU level).

Discussion points

1. Global and general challenges for European ports

Ports are gateways for trade with the rest of the world and within the internal market. They form strategic poles that attract logistics centres and industry and create agglomeration effects. In such an environment where organisations are clustered, if policy is well formulated, there can be an intensive flow of information and know-how, which fosters greater innovation and efficiency. As a result, ports do not only create local jobs and growth, but also play a vital role in strengthening Europe's industrial base and contributing to a sustained economic recovery of Europe. Major ports in Europe are major European assets.

This role is however linked to economic, geopolitical and technological developments. Evolving traffic flows, the changing worldwide merchant fleet and pattern of trade and maritime routes (e.g. future canals) and competition from ports in neighbouring non-EU countries have an important impact on the future of EU ports and on investments. Beyond the current low price of oil, the long term price of energy also raises fundamental issues that impact maritime transport, and the use of port fuel supply facilities and bunkering technologies. The question also arises as to whether the wave of innovation ahead will be a game changer (e.g. digital procedures, modern electronic data systems, automation, information and communication or energy technology). Moreover, in a context of scarce public funding at Member State level, new financing models must be designed.

Question 1: What are for you the key global and general challenges that European ports face and how could we turn them into an opportunity for ports and the European agenda for jobs, growth and investment?

2. Port connectivity to land and maritime transport

Connecting ports to land-based transport is a critical factor for port competitiveness. Ports and their connections must cope with greater traffic and a continuous increase in the maximum size of ships, which is three times larger than 20 years ago. Bottlenecks in ports and their hinterland cause congestion which generate negative external costs and can seriously affect the quality of life in port regions. Efficient rail and inland waterway connections can reduce congestion by providing mass transport. Ports also play a key role in consolidating cargo into volumes suitable for trains or barges, which makes intermodal solutions commercially viable as an alternative to long distance road transport. Interestingly, a number of ports have already developed their own railways and, vice versa, subsidiaries of rail companies have started terminal operations.

The maritime connectivity is another crucial factor for the port itself to ensure a viable hub and spoke model but also as part of broader policy goals to develop exchanges between Member States, short sea shipping as an alternative to congested land transport, or the accessibility of island or peripheral regions.

Question 2: What are the conditions for improved rail, inland navigation and maritime connectivity?

3. A framework for investments in ports

The regulatory framework must be friendly for new investment and innovation on the basis of a level playing field with as few restrictions as possible. The port sector needs private investments and efficient port services. This requires fair competition and a stable legal framework. A key condition for attracting private investors is to ensure a level playing field. Whilst public financing plays a significant role in developing infrastructure and may be justified for example for port infrastructure connections, it can deter productive investment in neighbouring ports and raise issues of fair competition and compatibility with state aid rules. Attracting investments also means smooth development of projects and authorisation procedures (environmental impact assessments, water quality issues, industrial hazards, state aid etc.).

Question 3: What are the important factors for achieving a level playing field and reducing existing restrictions on new investments, efficient services and project developments?

4. Innovation in port logistics

In the search for efficiency, ports are suited to rolling out innovation such as automated container management systems and advanced data management systems. As ports' stakeholders have access to a vast amount of data on the movement of freight, they also can become multimodal logistics facilitators, ensuring that cargo and transport mode data are optimally integrated in order to achieve efficient multimodal management of freight flows and transport capacities. Port management can also shift cargo smoothly between different modes of transport according to needs and cost-effectiveness. Cooperation may boost the integration of freight data management between logistics clusters and sea and inland ports. Innovation and deployment of traffic and information management tools along the logistics chain therefore plays a vital role.

Question 4: What are the key drivers of innovation in logistics and rolling them out along European corridors to promote multimodal transport?

5. Port, energy security and climate policy

Major ports play a vital role in energy security by ensuring the supply of a substantial part of the EU's oil and gas. They are also a major supplier of fuels for transport as a whole. They host Liquefied Natural Gas (LNG) terminals and storage, which lessens Europe's dependence on gas imports. Moreover, they support the transition to a low carbon economy and generate renewable energy. They contribute to more sustainable shipping operations by providing adequate facilities for supplying vessels with LNG or on-shore electricity. They are actively involved in the development and production of renewable energy, notably marine energy (off-shore wind, wave and tide energy). Energy products already represent more than one third in volume of the traffic transiting through the maritime ports. Whilst some LNG terminals may be regionally underused today, the search for additional EU supplies of LNG and the development of renewable energy represent new additional market opportunities for the port economy.

Question 5: How can ports take advantage of new energy opportunities and further contribute to European energy security and climate goals?

6. Port cities

While major ports are strategic European assets, many of them are situated in port cities. The development of these ports depends on local will and the capacity to adapt the urban fabric to port related activities and develop an integrated port-city ecosystem. Well-run ports produce many local economic benefits and drive urban growth. But the adaptations required for sustained port development can be costly because of major infrastructure requirements and quality-of-life challenges faced by local governments when managing the environment (air emissions, water quality, and noise), traffic congestion and land use. In the face of these, the unique challenges of port cities should be recognised and best-practice shared. Linkage to port cities is also a fantastic opportunity to enhance major European ports' marketing power at the international level. Major ports can rely on local or metropolitan actors' political capacity to promote global outreach for their ports, their port cities and beyond, as well as European know-how in general.

Question 6: How can Europe foster the sustainable development of ports, of cities surrounding them, and of their outreach activities at the global level?

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ANNEX II: LIST OF PARTICIPANTS

	SURNAME	FIRST NAME	COMPANY
BE	JANSSENS	Guy	Port of Antwerp
DE	BAUERMEISTER	Ulrich	Port of Rostock
DE	MEIER	Jens	Port of Hamburg
DK	LILLELUND BECH	Gitte	Danish Ports
DK	LØF HENRIKSEN	Bjarne	Danish Ports
ES	GARCIA MILA LLOVERAS	Santiago	Port of Barcelona
ES	AZNAR GARRIGUES	Rafael	Port of Valencia
FI	CASTREN - MÄKILÄ	Annaleena	Finish ports association
FR	CABAU-WOEHREL	Christine	Port of Marseille
FR	MARTEL	Hervé	Port of Le Havre, French ports association
GR	HATZAKOS	Stavros	Port of Piraeus
IE	O'REILLY	Eamonn	Port of Dublin
IT	MONTI	Pasqualino	Port of Civitavecchia, Italian ports association
IT	LUPI	Luca	Port of Civitavecchia
IT	COSTA	Paolo	Port of Venice
IT	REVEDIN	Antonio	Port of Venice
LV	BROKA	Baiba	Port of Riga
NL	SCHOENMAKERS	Victor	Port of Rotterdam
NL	VAN DER TAK	Jacco	Port of Rotterdam
PL	MIKLEWICZ	Zbigniew	Port of Szczecin
PT	FERREIRA	Marina	Port of Lisbon
RO	IONESCU	Valeriu Nicolae	Port of Constantza
SI	NOVAK	Andraž	Port of Koper
SI	ČERTALIČ	Maša	Port of Koper
UK	CHENG	Clemence	Port of Felixstowe – Hutchison Port Holding
UK	BIRD	Simon	UK Major Ports Group
EU	RYCKBOST	Isabelle	ESPO
EU	BULC	Violeta	Transport Commissioner - European Commission
EU	AGUIAR MACHADO	João	DG MOVE – European Commission