



Newsletter – November 2019

Threat on fair level playing field within the maritime logistics chain

EU regulators' decision to opt for the status quo and to reject necessary clarifications and adaptations of texts can be detrimental to the level playing field within the maritime logistics chains.

During their General Assembly meeting held on November 27th, 2019, FEPORT members have discussed a number of topics including the European Commission's proposal to prolong the Consortia Block Exemption Regulation (BER) for another 4 years, without modification¹.

According to the Commission, the findings of the evaluation demonstrate that the objectives and justifications for the Consortia BER remain valid and that the market conditions of the liner shipping sector still appear to necessitate the existence of a sector specific BER.

At the same time, the Commission acknowledges that there is no accurate data regarding the Consortia BER and that it is therefore difficult to assess whether some consortia are below 30% in terms of their market share. According to the Commission's assessment, only one fifth of consortia falls within the scope of the Consortia BER given that it could be said with certainty that their market shares are below 30%.

"The dearth of data also begs the question of how the Commission monitors the compliance of the three powerful liner shipping alliances that fall outside the scope of the regulation. It is clear that the current framework is no longer adequate to task given ever increasing market concentration that goes hand-in-hand with joint purchasing, as some lines seem to readily acknowledge",² said FEPORT President, Mr Gunther Bonz.

"In short, users of liner shipping services and their service providers have suffered from an increasingly unbalanced market situation since carriers entered into major cooperation

¹ European Commission (2019) Evaluation of the Commission Regulation (EC) No 906/2009 of 28 September 2009 on the application of Article 81(3) of the Treaty to certain categories of agreements, decisions and concerted practices between liner shipping companies (consortia), SWD(2019) 411 final

² *ibid*, page 20

agreements. The Commission's apparent acceptance to prolong the Consortia BER without having information about real market shares is alarming and bewildering", added Mr Bonz.

The majority of the respondents to the consultation including vessel charterers has called for the inclusion of provisions that would improve the text and guarantee a more balanced relationship between shipping lines, their customers and service providers. Yet, the Commission has proposed to prolong the Consortia BER without any amendments, dismissing the market related arguments of stakeholders in the maritime supply chain who called for modifications.

The EU Commission's approach as expressed in the Staff working document will reinforce the market unbalances and the lack of transparency that characterizes the monitoring of consortia market shares.

While FEPORT members believe that it is important for the EU shipping industry to benefit from specific instruments such as exemptions to the prohibition of state aid and cartels, they also reiterate their call for more transparency and an enhancement of important texts such as State Aid Guidelines for Maritime Transport and the Consortia BER. FEPORT is convinced that EU shipping as well as its customers and service providers will be more competitive if rules guarantee a level playing field to all parties of the maritime logistics chain.

Texts which have not been modified for 15 years must be updated to take into account market developments and additional provisions that have been adopted by the EU Commission through individual decisions.

FEPORT will prepare a response in reply to the public consultation on the Roadmap and the draft regulation, opened by the Commission on 20 November and share its concerns with all relevant institutional and non-institutional stakeholders.

05.11.2019 – ETF Fair Shipping Conference – Brussels



On the 5th of November, FEPORT attended the Fair Shipping Conference organized by the European Transport Workers' Federation (ETF).

The conference discussed how to reconcile the competitiveness of EU shipping with societal goals such as EU employment and environmental sustainability.

ETF stressed that seafarers working on vessels operating in EU

waters should be able to benefit from European social standards, rather than international minimum standards.

State aid to the shipping sector and the recent ITF report on “Maritime Subsidies” were also extensively discussed. ETF argued in favour of the continuation of such subsidies but stressed that they should be made conditional on shipowners' ability to deliver on quality employment for European seafarers.



07.11.2019 – ETA Conference – Rotterdam

On the 7th of November, FEPORT was invited to attend the ETA 2nd Autumn conference in Rotterdam, in the context of the Europort 2019 Exhibition and Conference.

The event brought together ETA members who discussed the thriving business models of the future.

Alec Laing, Managing Director of ACL Shipbrokers gave an overview of the current situation of the European towage market and explained how EU companies are coping with the new challenges posed by the digitalization of the sector, megaships and higher environmental constraints.

Marten van den Bossche, Senior Partner and Director Global Practice Transport Infrastructure and Mobility at Ecorys Netherlands provided a general outlook about maritime businesses while Ewout Mante, Digital Transformation Consultant, specialized in technical, commercial, and strategic thinking presented his views regarding new technologies and how they are currently causing disruption in the maritime sector.

Arnstein Eknes, Director for Special Ships at DNV GL and Board Member of the Shipping & Offshore Network, explained how maritime business models will need to change in the future to adapt to disruptive changes.

During the conference, Ecorys presented its recent study on the economic impact of the maritime towage sector in the European maritime economy.

07.11.2019 – European Rail Facilities Portal Meeting – Brussels

On the 7th of November, FEPORT Secretariat participated to the Second Meeting of the Interim Governance Board of the Rail Portal. The establishment of a Rail Portal is foreseen in Regulation 2017/2177 on access to rail-related services, which entered into force on the 1st of June 2019.

It is an ICT tool that provides key information on rail service facilities and rail-related services.

11-14.11.2019 – ICHCA Conference – Malta

The 2019 ICHCA International 20/20 Cargo Vision Conference & Exhibition held from 11-14 November 2019 was hosted by Malta Freeport Terminals and brought together many stakeholders from the global maritime supply chain. The event featured a tour of the Port, two full Conference days as well as an exhibition.



During the conference, Mr José Andrés Giménez Maldonado, Port Logistics Director at Fundación Valencia port presented the Terminal Industry Committee 4.0 and iTerminals project which are both supported by FEPORT.

11-15.11.2019 – IMO Intersessional Working Group on Reduction of GHG Emissions from Ships – London

On 11-15 November, the IMO Intersessional Working Group on Reduction of GHG Emissions from Ships met at the IMO Headquarters in London. The working group agreed on the draft text of a resolution to be put forward to the next Marine Environment Protection Committee (MEPC) for adoption at its 75th session on 30 March-3 April 2020.



The text urges the Member States to develop and update their voluntary National Action Plans (NAP) with a view to contributing to reducing GHG emissions from international shipping. According to the agreed text, the NAPs could include but are not limited to:

- (a) improving domestic institutional and legislative arrangements for the effective implementation of existing IMO instruments,
- (b) developing activities to further enhance the energy efficiency of ships,
- (c) initiating research and advancing the uptake of alternative low-carbon and zero-carbon fuels,
- (d) accelerating port emission reduction activities, consistent with resolution MEPC.323(74),
- (e) fostering capacity

building, awareness-raising and regional cooperation and (f) facilitating the development of infrastructure for green shipping.

During the Working Group session, a number of proposals were discussed with regards to the short-term decarbonisation measures, including an Energy Efficiency Ship Index (EEXI), mandatory power limitation on ships, measures to optimise speed on a voyage and slow steaming. It was agreed that further discussions would be needed on both technical and operational measures at the next working group meeting on 23-27 March 2020 to further develop such proposals, although it was clear that there was no appetite for prescriptive speed reduction regulation.

With a longer-term perspective, and in order to encourage the uptake of alternative low- and zero carbon fuels in the shipping sector, the Working Group also agreed on the establishment of a dedicated workstream for the development of lifecycle GHG/carbon intensity guidelines for all relevant types of fuels. This could include, for example, biofuels, electro-/synthetic fuels such as hydrogen or ammonia, etc. Many participants to the meeting highlighted the importance of undertaking this work as soon as possible, in order to pave the way for the decarbonisation of the shipping industry.

Source: IMO

13.11.2019 – ESPO Awards – Brussels

On November 13th, 2019, FEPOR Secretary General attended ESPO Award 2019 ceremony at the “Albert Hall” in Brussels. Four projects from Port of Dover, Dublin Port Company, Ports of Stockholm and Union des Ports de France (UPF) were competing for the prize.



Port of Dover was awarded the ESPO Award 2019 in recognition of its successful strategy to reach out to the local community and to directly communicate with the citizens living in ports' surroundings.

Using social media as a new way of communicating and demonstrating a high level of transparency about operational achievements, future strategies and environmental challenges and performance are becoming increasingly important for European ports who can only function and further develop if they receive the licence to operate from the local citizens.

Looking back at the selection process in this 11th edition of the ESPO Award, the Chairman of the Jury, Dimitrios Theologitis (picture, left), said: “The Jury was impressed by Port of Dover’s strategy which is centred around campaigns on all media, electronic and others, leaflets, consultations, forums, workshops, sports events. But the most important ingredient of this successful strategy is giving back to the community, be it financial participation in charities and community groups, making the installations available to the public for events, or foreseeing spaces and buildings open to the public”.

Source: ESPO

14.11.2019 – EP Hearing of Commissioner-designate for Transport Ms Adina-Ioana Vălean – Brussels

On 14 November, Ms Adina-Ioana Vălean, the new Commissioner-designate for Transport from Romania, convinced the Members of the EP's Transport Committee of her suitability for the role.



During her hearing, she outlined her strategy for the upcoming 5-year term in office and struck a pragmatic approach, indicating that she will not be afraid to champion the transport industry. Ms Vălean stated that transport is a priority because it enables the free movement in the EU, both for people and for goods. It should therefore not be overly constrained.

Declaring that the European Green Deal is a key priority, the Commissioner-designate indicated that transport must be at its core. While additional efforts are needed to reach carbon neutrality targets, this has to be economically feasible, she added.

Ms Vălean then described her commitment to work on the reduction of the environmental footprint of transportation activities. She said she would work on improving road safety and would push for the completion of the Single European Sky to reduce airspace congestion and emissions. She would make efforts to boost the uptake of clean vehicles and the deployment of publicly available refuelling and recharging points. Whereas the EU has a solid passenger rights framework, this also needs to be taken further, she said.

On infrastructure investment, she will defend the Connecting Europe Facility budget for the next Multiannual Financial Framework as the transport sector needs as much money as possible to deliver sustainable and smart transport. She finalised her speech by saying that digitalisation and automation entail positive changes for the sector, but this cannot come at a human cost and therefore a greater focus is needed on training and retraining on skills the future jobs will require.

Some MEPs wanted to know how the Commission will support SMEs in the context of the Green Deal, to which Ms Vălean replied that supporting business is essential for the EU economy and that there is a need for a level playing field for companies and those accessing the European market.

Eventually, the EP's Transport Committee recommended that Ms Vălean's appointment should proceed. On 27th of November, the European Parliament's Plenary has approved the new College of Commissioners which will start its work on December 1st, 2019.

Source: Dods and FEPORT

14.11.2019 – EuDA Conference – Brussels

This year's EuDA Conference theme was "Sustainable Public Procurement of Waterborne Infrastructures". The organization wanted to reflect on how sustainable procurement strategies

can improve the level playing field and deliver projects' added value to the three pillars of sustainable development.

In total, public procurement accounts for 15-20% of global GDP and represents a substantial portion of the EU economy and the economies of many countries around the world. Transport infrastructures, including waterborne infrastructures represent a significant portion of public procurement. The Connecting Europe Facility (CEF), for instance, which is a key EU funding instrument for investing in infrastructures, has allocated €23.7 billion out of €30.4 billion for transport infrastructures.

Progressively, in addition to the primary function to be procured, public authorities introduce in their public tenders specific requirements that aim at reducing environmental impact throughout the life-cycle of their procured goods, services and works. This process can be qualified as Sustainable Public Procurement, when in addition to purchasing work, goods or services, it also seeks to achieve the appropriate balance between the three pillars of sustainable development (economic, social and environmental).

A key aspect in the process of public procurement for public authorities is the sustainability of their financing which, if overlooked, opens the gates to an unsustainable debt trap. Moreover, heavily subsidised non-EU State-owned Enterprises should not be exempted from the application of the State Aid Regulations in the EU or in EU funded projects.

Sustainable Public Procurement provides an opportunity to improve the level playing field inside and outside Europe and promote quality, value for money and lifecycle costs rather than focus on price only.

Source: EuDA

14.11.2019 – Freight Forwarders' Forum – Brussels

On 14 November 2019, FEPORT attended CLECAT's Freight Forwarders' Forum. The event was opened with a keynote speech by Mr Sandro Santamato, Head of Unit D1 Maritime Transport & Logistics at the European Commission's DG MOVE, who noted that it was essential to understand the benefit of sharing information with others in a trusted environment and introduced the legislative proposal on the Electronic Freight Transport Information Regulation (eFTI), as well as the work of the Digital Transport and Logistics Forum (DTLF) in that regard.



The first panel focused on harmonisation, standardisation and cooperation in IT, which are key to make digitalisation in logistics a success. Industry speakers, including Mr Thomas Bagge, Managing Director & CEO at the Digital Container Shipping Association (DCSA), Mr Roderick de la Houssaye, CEO at Nedcargo, and Mr Matjaž Auflič, representative of EurTrade Net/TRINET Informatika, highlighted the importance of standardisation of data elements and interfaces for the efficient and successful digitalisation in transport and subsequently shared their user-perspective.

The public sector perspective was provided by Ms Maria Rautavirta, Director of the Data Business Unit at the Finnish Ministry of Transport and Communications, and Ms Lia Potec, Policy Officer at the European Commission's DG MOVE, who explained the legislative proposal on the eFTI Regulation and its state of play more in detail.

The second panel discussed how global, European, national or even local smart initiatives can support efficient and cleaner freight transport mobility, as well as how digitalisation can support emissions accounting to decarbonise freight and how the EU can guarantee workable legislation in road transport, whilst supporting increased efficiencies.

In his keynote introduction, Mr Edgar Uribe Casillas, the Global Head of Environment and Sustainability at Kuehne + Nagel, presented K+N's commitment to achieve CO2 neutrality by 2030, according to which K+N is planning to be fully carbon neutral worldwide for all direct and indirect emissions in its own sphere of influence as of 2020.

Subsequently, Mr Erkki Valtonen, Managing Director Finland at Blue Water Shipping, provided an SME point of view, arguing that the best way to be sustainable for SMEs is to be as cost-efficient as possible.

Conveying the shippers' perspective, Mr Sergio Barbarino, Research Fellow at Procter & Gamble, spoke about the role of innovation in ensuring sustainable logistics in the future. Mr Philippe Mangeard, President at TK'Blue Agency, argued that there were a lot of costs to be saved by reducing the sources of poor-quality transport and introduced his company's work on creating support tools accessible for all freight forwarders.

Introducing the European Commission's perspective, Mr Alexandre Paquot, Head of Unit for Road Transport at DG CLIMA, declared that transport was the only sector where emissions were on the rise. The way to address this challenge was through an integrated approach, which included provisions to decarbonise fuels and make all types of vehicles more fuel-efficient.

Source: CLECAT

21.11.2019 – Foresight for EU Customs 2030+ Steering group – Brussels

On the 21st of November, FEPORT Secretariat participated in the joint meeting of the Foresight for EU Customs 2030+ Project Group (Steering Group) and the Trade Contact Group.

During this meeting, the Trade Contact Group and the Steering Group were informed about the progress of the foresight project of EU Customs 2030+.

DG TAXUD has entrusted the execution of this project to the European Commission's Joint Research Centre (JRC). The study is being carried out through active involvement of the Member States' customs authorities, business associations, academia and civil society.

The project seeks to develop policy recommendations for the future of customs, based on various scenarios. The participants in the project are also working on the development of a *vision* for the future of customs.

22.11.2019 – EU-China Connectivity Platform – Brussels

On the 22nd of November, FEPORT joined a technical Seminar of the EU-China Connectivity platform, hosted by DG MOVE.

The EU-China Connectivity Platform was created by China and the EU to facilitate information exchange, create better transport connections, create opportunities for cooperation for Chinese and European enterprises and to ensure transparency and a level playing field in the transport sector.

During the meeting, representatives from the National Development and Reform Commission (NDRC) of the People's Republic of China gave presentations illustrating China's plans for the future of transport.

The Infrastructure Development Department's Director of the NDRC, Mr Wu Hongyuan, offered an exhaustive overview on the thoughts and evolution of China's comprehensive transport development planning and on the railway transport organisation and management.

Ms Liu Dajun, Assistant to General Manager, Zhengzhou International Hub Development and Construction Corporation Limited, gave a presentation on the international multi-modal comprehensive service information platform. The European Coordinator for the Baltic-Adriatic Corridor, Mrs Anne Jensen, portrayed the TEN-T Corridor approach and explained in what consists the work of a European Coordinator.

26.11.2019 – ENISA releases report about cybersecurity in ports

On Tuesday the 26th of November, ENISA, the European Union Agency for Cybersecurity has published a report on cybersecurity at ports.

The report aims to serve as a guidance for ports that want to strengthen their cybersecurity and has people working on cybersecurity issues for both Port Authorities as well as Terminal Operators as its audience.

The report discusses current cybersecurity threats and challenges and identifies a number of key cyberattack scenarios. Moreover, the report identifies the main port infrastructure and services and lists the main stakeholders in the port ecosystem. The report gives an overview of current cybersecurity measures that serve as best practices and recommends measures Port Authorities and Terminal Operators can take to improve cybersecurity.

The report recommends that cybersecurity should not only be viewed as paramount to be able to keep pace with the current technological evolutions, but should also be seen as an enabler of further developments and automation. Moreover, the report recommends Port Authorities and Terminal Operators to go beyond the described best practices and to also address additional topics, such as:

- Awareness raising about cybersecurity at board and staff level.
- Improved information sharing amongst port operators and between port operators and other maritime stakeholders.
- Good practices can be adopted or investigated to address cybersecurity in the supply chain.

- Interdependencies cybersecurity risks can be integrated in the overall cyber risk management process.

Source: FEPORT and ENISA

27-28.11.2019 – FEPORT 25th anniversary Celebration and Annual Stakeholders' Conference – Brussels

FEPORT members gathered in Brussels on November 27th to celebrate the 25th anniversary of the organization. During a dinner attended by more than 100 guests representing sister organisations as well as EU institutions and Member States.

On the 28th of November, FEPORT held its **Fifth Annual Stakeholders' Conference** attended by more than 160 attendees. [Pictures of the celebration](#) and the [report of the conference](#) will be soon available.

29.11.2019 – Waterborne Conference – Brussels



On 29 November, the Waterborne Technology Platform, FEPORT, SEA Europe, CLECAT, ECSA, IWT Platform and ALICE jointly organized a waterborne transport conference. The event aimed at stressing the importance for the EU to boost its support to research and innovation to accompany the digitalization and decarbonization of the maritime sector. The event focused on the following themes:

- the transformation to zero-emission waterborne transport;
- transforming port operations towards 2050;
- connected and automated waterborne transport.

FEPOR meetings

13.02.2020	Board of Directors – Brussels
16.04.2020	Board of Directors – Brussels
04-05.06.2020	General Assembly – Hamburg
17.09.2020	Board of Directors – Brussels
18.11.2020	Board of Directors – Brussels
19.11.2020	FEPOR Sixth Annual Stakeholders' Conference – Brussels

Institutional meetings

02.12.2019	EU Transport Council – Brussels
02-03.12.2019	ENVI Committee Meeting – Brussels
02-03.12.2019	TRAN Committee Meeting – Brussels
09.01.2020	ENVI Committee Meeting – Brussels
20-21.01.2020	TRAN Committee Meeting – Brussels
20-21.01.2020	ENVI Committee Meeting – Brussels
22-23.01.2020	EMPL Committee Meeting – Brussels
28.01.2020	TRAN Committee Meeting – Brussels
28.01.2020	EMPL Committee Meeting – Brussels
03.02.2020	ENVI Committee Meeting – Brussels
17-18.02.2020	ENVI Committee Meeting – Brussels
19-20.02.2020	TRAN Committee Meeting – Brussels
19-20.02.2020	EMPL Committee Meeting – Brussels

Other meetings

03-04.12.2019	Assise de la Mer – Montpellier
06.12.2019	EMSWe Data Thematic Team Expert Group Meeting – Bruxelles
09.12.2019	Meeting of the “I AM Logistics and Connectivity for Growth” coalition
09.12.2019	International Association of Classification Societies 8th Pre-Christmas Reception – Brussels

11-12.12.2019

ALICE Plenary Meeting – Brussels

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