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WHAT IS ON IN BRUSSELS?

**An overview of
current and prospective policy initiatives**

EMLO – Malta

Christophe Tytgat – ECSCA

8 May 2014



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OVERVIEW

- ▶ **ECSCA – short presentation**
- ▶ **ECSCA action field – The EU institutions**
- ▶ **EU policy – current and prospective initiatives**



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ECSCA and EU/EEA shipping



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- **Established in 1965 – Present name in 1992**
- **Voice of European shipowners in Brussels**
- **Recognised social partner for maritime transport**
- **Interlocutor of EU institutions:**
 - **European Commission**
 - **Member States (Council)**
 - **European Parliament**
 - **Advisory bodies: European Economic and Social Committee (EESC) and Committee of the Regions**



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ECSCA

- ▶ **Secretariat based in Brussels**
- ▶ **Board of Directors – Committees – Working Groups**
- ▶ **Horizontal association (>< sector-specific)**
 - ⚙ All shipping sectors
- ▶ **Members: National associations (>< companies)**



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ECSCA members



BELGIUM



CYPRUS



DENMARK



ESTONIA



FINLAND



FRANCE



GERMANY



GREECE



IRELAND



ITALY



LITHUANIA



LUXEMBOURG



MALTA



NETHERLANDS



NORWAY



POLAND



PORTUGAL



SLOVENIA



SPAIN



SWEDEN



UNITED KINGDOM











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EU/EEA SHIPPING - Significance

- EEA flagged fleet – 23,7% of world fleet**
- EEA controlled fleet – 40% of world fleet**
- EEA shipping is key player in cross trades**
- 80-90% of EU external trade moves via sea**
- 41% of intra-EU trade moves via sea**
- Up to 90% of world trade moves via sea**



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Essential characteristics of shipping

- **Shipping = a global industry**
 - Global competitive environment
 - International legislation (safety, labour, liability)
 - Labour market is international
- **Vessels are mobile instruments and easy to change flag**
- **Need to maintain maritime know how**
- **Shipping is the core of the maritime cluster**



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ECSCA action field: The EU Institutions



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EU INSTITUTIONS

**European Council
(summit)**

European Parliament

Council of the EU

European Commission

**Court of
Justice**

**Court of
Auditors**

**Economic and Social
Committee**

**Committee of the
Regions**

**European Investment
Bank**

Agencies

**European Central
Bank**



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HOW EU LAWS ARE MADE

Citizens, interest groups, experts: discuss, consult



Commission: makes formal proposal



Parliament and Council of EU: decide jointly

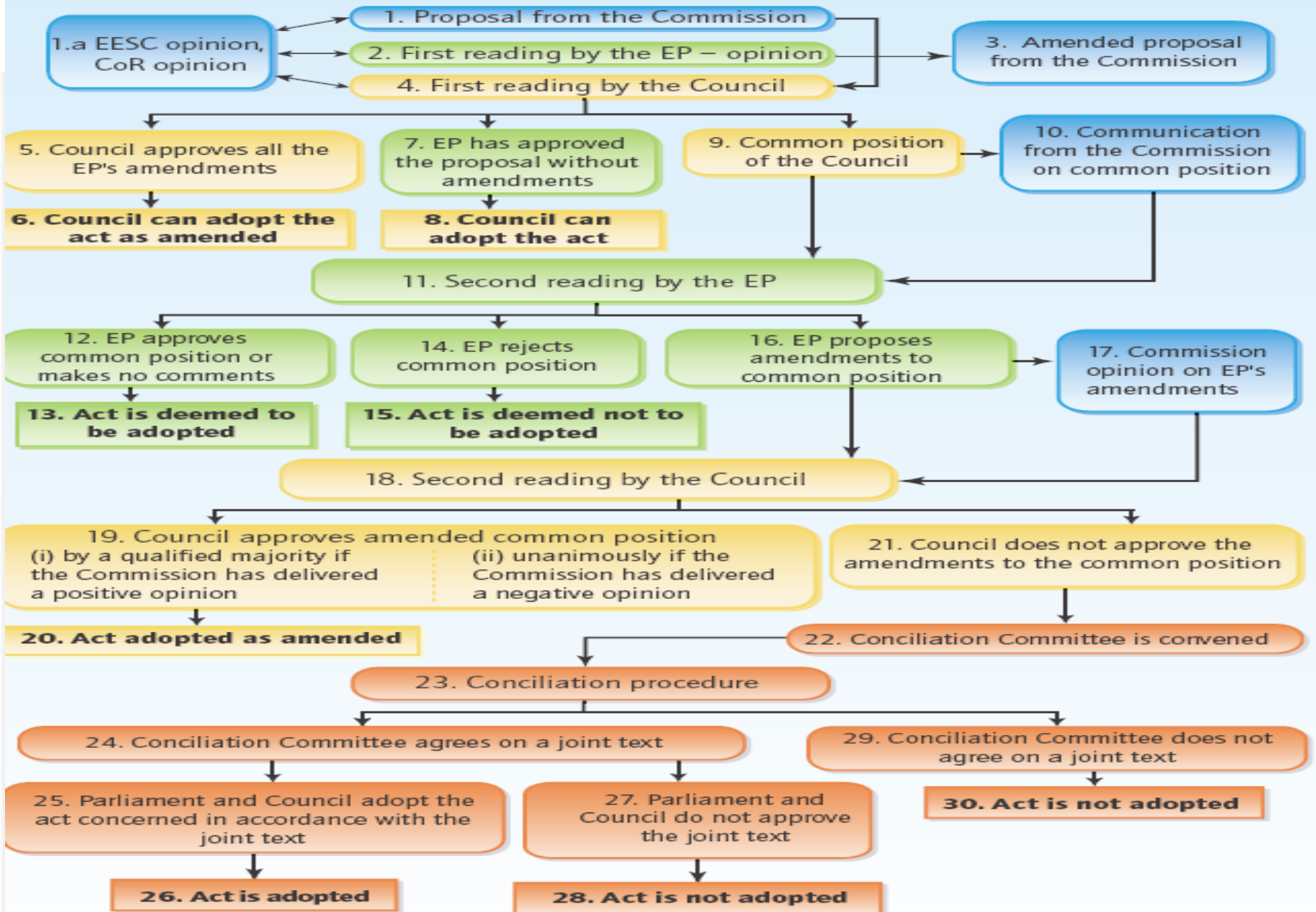


National or local authorities: implement



**Commission and Court of Justice: monitor
implementation**

The co-decision procedure





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The background is a photograph of a ship's hull, likely a container ship, moving through the water. The hull is white and dark grey, with a large section of the hull visible on the right side, creating a wake in the water. The sky is overcast and grey.

EU POLICY

Current and prospective initiatives



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1. COMPETITION

► **Maritime State Aid Guidelines**

- Level playing field for EU shipping versus global competitors
- Continuation for longer period

► **Horizontal Competition Guidelines**

- Self-assessment tool for liner and bulk shipping
- Replacing the sector-specific competition guidelines (2008)

► **Liner Consortia Block Exemption Regulation**

- Currently under revision
- ECSA supports a continuation for another 5 years



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2. PIRACY

► Context

- Global issue endangering shipping, life of seafarers and global trade
- Worldwide incidents in 2012:
 - **TOTAL ATTACKS: 261**
 - **TOTAL HIJACKINGS: 26**
 - **2013 REDUCTION IN SOMALIA**
 - **SHIFT TO WEST AFRICA**
- Somali region/Gulf of Aden and West-Africa



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2.a. PIRACY – SOMALI COAST

- ▶ **Since 2008, over 3000 seafarers have been taken hostage – 60 lost their life.**
- ▶ **Cost of Somali piracy to international community: 10 BILLION €**
- ▶ **Successful EU measures**
 - Development aid – Capacity building
 - EU NAFVOR / ATALANTA mission + EU aero naval operation
- ▶ **Private sector measures**
 - Preventive measures + Best management practices
 - Private armed guards
 - Sectoral Social Dialogue Committee for Maritime Transport



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Preventive measures on the ship



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2.b. Piracy – West Africa

- ▶ **Growing problem**
- ▶ **Different business model than in Somali region**
- ▶ **Need for an EU Strategy as well**
- ▶ **But: different than Somali region**
 - States versus non-State
 - Actions not qualified as piracy attacks



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3. TRADE FACILITATION

▶ **Reporting formalities**

- National Single Window

▶ **Blue Belt**

- Regular Shipping Service – Intra-EU shipping
- E-Manifest – Short sea and deep sea shipping

▶ **E-Maritime**

▶ **Union Customs Code (Implementing Provisions)**

- New legal framework of EU customs rules



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4. SHORT SEA SHIPPING AND PORTS

► **Promotion of short sea shipping**

- Ongoing priority for the European Commission
- Alternative to road transport
- Port infrastructure and hinterland connections
- Reduce bottlenecks hampering this promotion
 - Customs procedures
 - Ports Policy



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4. SHORT SEA SHIPPING AND PORTS

▶ European ports policy

- **Key issues:**
 - Market access to port services
 - Port financing
 - Infrastructure development
- **2001 and 2004 – Two failed legislative attempts**
- **2007 – Soft law approach**
- **2013 - New proposal for EU Port Regulation**
 - Still massive resistance, largely based on what happened in the past
 - Political process delayed until after new EP



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5. ENVIRONMENT

- ▶ **Environmental Liability Directive (ELD)**
- ▶ **Sulphur**
- ▶ **CO2 emissions**
- ▶ **Ship recycling**
- ▶ **Offshore safety**



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5.a. Environmental liability

- ▶ **Directive 2004/35**
- ▶ **Polluter Pays principle**
- ▶ **IMO liability conventions and LLMC excluded**
- ▶ **Under revision – Need to maintain exclusions**



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5.b. Sulphur emissions

➤ IMO MARPOL ANNEX VI

- 2010 – EMISSION CONTROL AREA (ECA) LIMIT REDUCED TO 1%
- 2012 – GLOBAL LIMIT REDUCED TO 3.5% (FROM 4.5%)
- 2015 – ECA LIMIT REDUCED TO 0.1%
- 2020 – GLOBAL LIMIT TO 0.5% BUT A REVIEW IN 2018
- 2025 – GLOBAL LIMIT TO 0.5% NOTWITHSTANDING THE RESULT OF THE 2018 REVIEW

➤ EU DIRECTIVE 2012/33

- In ECA – Same as IMO – 0,1% as of 1.1.2015
- Outside ECA – Not in line with IMO – 0,5% as of 2020

➤ No impact assessment in IMO

➤ Modal back shift from sea to road (fact-finding studies)

➤ Compliance via alternative fuels or abatement equipment but many issues still unsolved including enforcement



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5.c. CO2 emissions

- ▶ **Reduction of CO2 emissions**
 - ▶ **EU pushes for international solution in IMO context**
 - ▶ **Commission proposal on Monitoring / Reporting / Verification of CO2 emissions and other energy efficiency data**
- ▶ **Shipping is carbon efficient and performs better than other transport modes (in terms of g/ ton-Km)**



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CO₂: shipping is carbon efficient





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6. SOCIAL AFFAIRS

- ▶ **Sectoral Social Dialogue**
- ▶ **STCW – IMO Convention and related Directive**
 - Recognition of third countries
- ▶ **Maritime labour Convention**
- ▶ **Exclusions of seafarers**



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6.a. Sectoral Social Dialogue

- ▶ **ECSCA and ETF**
- ▶ **3 to 4 meetings a year**
- ▶ **Successful and active**
 - 2 SPAs: working time and ILO MLC
 - Maritime Piracy
 - Administrative burdens
 - Health and Safety
 - Bullying and Harassment
 - Career Mapping



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6.b. ILO Maritime Labour Convention

▶ **ILO MLC**

– 20.8.2013

▶ **Council Directive 2009/13**

– Transpose SPA into EU law

▶ **Enforcement Directives**

– Flag State responsibilities – Directive 2013/54

– Port State Control – Directive 2013/38



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THANK YOU FOR YOUR ATTENTION

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