

Towards a European Sea Ports Policy

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<u>Summary</u>

- 1. EU port policy to date
- 2. The port services' Directive saga
- 3. EU consultation on a future port policy
- 4. ESPO recommendations
- 5. Conclusion

1. EU port policy to date

1974	Foundation Community Port Working Group
1993	European Parliament Report Seaport Policy
1997	Green Paper Seaports / Marit. infrastructure
2001	Port Package with port services' Directive I
2004	Port services' Directive II
2006	Commission consultation future port policy
2007	Communication on European seaport policy

Ports are subject to the EC Treaty

Rødby

Roscoff

GT-Link



Holyhead

Variola

Merci

Raso

. . .

Ports are subject to secondary legislation

Relevant legislative proposals currently discussed:

- Supply chain security
- Traffic monitoring and reporting
- Air quality
- Water quality (marine / river)
- Waste (dredging)
- Railway liberalisation
- Review customs code
- Intermodal loading unit

• ...

Ports are subject to policy initiatives

Recent initiatives / in preparation:

- Transport policy (White Paper Review)
- Short sea shipping (Review)
- Inland navigation (Communication)
- Logistics (Communication)
- Maritime policy (Green Paper)
- Security of critical infrastructure (Communication)
- ...

2. The port services' Directive saga



PSD I - a missed opportunity?

- PSD I was based on sound principles and dealt with relevant questions
- The shortcomings of the initial proposal were amended in the final compromise
- Some criticism was exaggerated and based on specific interests or perception
- PSD I was not perfect but it provided a decent basis for a sector-specific framework and more legal certainty
- PSD I would have given the necessary push for additional instruments (e.g. State aid guidelines)

PSD II – "Chronicle of a death foretold"

(Freely rendered after Gabriel Garcia Marquez)



3. <u>EU consultation on a future</u> <u>European port policy</u>



What to expect?

Purpose	Identify core elements of a new European port policy
Objective	A policy that promotes investments, sustainable growth and employment in the port sector
Themes	Relations between port authorities and service providers, port financing and State aid, sustainable development of port capacity, operational bottlenecks in ports, integrating ports in the supply chain, overall competitiveness of EU ports
Timing	November 2006 - May 2007
End product	Communication on European seaport policy + action programme (autumn 2007)

Themes to be discussed

Theme 1: Relations port authorities - service providers	Networking capacity port authoritiesCo-operation and competition rules
Theme 2: Port financing and State aid	Financial autonomy port managementUse of public funding for port projects
Theme 3: Sustainable development of capacity	Legal certainty environmental rulesCo-operation to create capacity
Theme 4: Solving bottlenecks in ports	Port labourTechnical-nautical services
Theme 5: Solving bottlenecks in supply chain	 Customs + administrative procedures Trans-European Transport Networks
Theme 6: Overall competitiveness EU ports	Fair competition with non-EU portsRTD projects

Comparison of initial findings



ESPO 2007 Conference

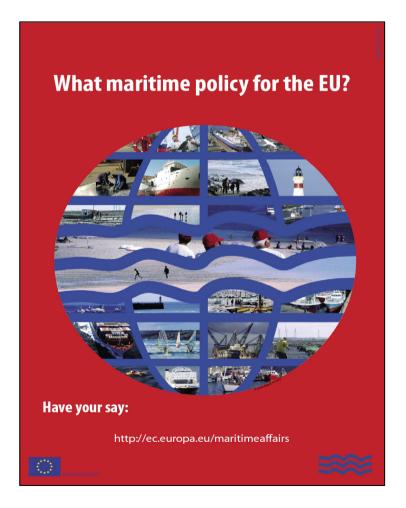


Algeciras

Hotel Guadacorte Park 31 May-1 June 2007



Other relevant initiatives









4. ESPO recommendations



- Basis: 2004 ESPO paper "Seaport policy – a practical guide for EU policy makers"
- 2006 Stockholm recommendations
- Input for thematic regional workshops

A) Managing relations between port authorities and service providers

Background	Impact of globalisation and consolidation in shipping and cargo handling services
	Traditional role port authority put in new perspective
	Port management reform – greater autonomy
Scope for EU intervention	Stimulate management reform and competitive behaviour by clarifying the rules of the game
Areas covered	 Clarify use of "concession"-type instruments Clarify under which conditions port authorities can offer economic activities and services Address ongoing process of mergers and take-overs in the market of port services

B) Port financing and State aid

Background	Legal certainty
	Level playing field
	Transparency
Instrument	State aid guidelines
Principles	Definition of public funding
	Financial autonomy port authority
	Focus on port area and economic activities
	Distinction between access + defence infrastructure and project-related infrastructure + superstructure
	Transparency of accounts
	Apply to future schemes and all ports in principle
To be clarified	Market investor principle
	Services of general economic interest

C) Sustainable development of port and port-related capacity

Background and scope for EU intervention	Need for capacity development to accommodate traffic growth
	Legal uncertainty and ambiguity created by EU nature conservation legislation causes substantial delays
Aims	Better implementation of the existing legal framework
	Reinforced legal status of port development projects
	Amendments to ongoing legislative proposals
	Encourage high standards for environmental management

D) Solving operational bottlenecks inside ports

Background	 Operational bottlenecks related to technical-nautical services and port labour Controversial (cf. debate PSD)
Scope for EU intervention	Inventory of concrete bottlenecks, identifying effects and possible solutions
	Ensure principle that service providers have freedom to recruit personnel of their own choice
	Clarify status technical-nautical services (services of general economic interest)

E) Solving operational bottlenecks in the supply chain

Background	 Logistics chains are the relevant focus in port competition Seaports need all modes of transport
	Efficiency of seaports relies very much on efficiency of services provided in fore- and hinterland
	Ports are favoured locations for controls and inspections
Scope for EU intervention	 Simplification of customs and administrative procedures Efficient controls and inspections – no transfer of government responsibilities to ports without compensation Implementation NAIADES programme (inland navigation) Implementation EU railway liberalisation packages Stronger focus of TEN-T resources on hinterland connections to ports No artificial modal shift (infrastructure charging)

F) Overall competitiveness of EU ports

Background	Ports in border regions of EU experience unfair
	competition from neighbouring non-EU ports
	European ports suffer from a negative image
	There is a lack of reliable and high quality statistics
	European port know-how and expertise is not fully
	exploited
Scope for EU	Raise competition problems with non-EU ports through
intervention	EU external relations policy / accession negotiations
	European action programme to promote a positive image
	of seaports
	Enhanced statistical information through Eurostat
	Agenda for pragmatic and industry-driven RTD projects

5. Conclusions

- European ports need a coherent policy framework to remedy the current patchwork of measures
- Lessons must be learnt from the port services' Directive saga
- Consensus already exists on the future agenda
- Policy does not necessarily imply new legislation
- The European port sector must now form a clear opinion on its requirements and overcome its internal differences

Thank you for your attention



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