



The European Commission should give stronger consideration to the waterborne sector¹, due to its crucial role for Europe's economic recovery, strategic autonomy and climate policies

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1. INTRODUCTION

Oceans and seas cover 71% of the Earth's surface, contain 97% of the Earth's water, and are therefore key to mankind and to life on Earth.

Europe is the most waterborne of all continents. It has more sea than landmass, one of the longest coastlines in the world, and almost half of its population living and working in coastal regions.

As an export-oriented continent, Europe depends very much on maritime transport²: 76% of the EU's external trade and 32% of the EU's internal trade are carried by sea, whilst EU shipping represents 39.5% of the world fleet. Europe's seaports are essential gateways both to international trade and to the EU's markets and are crucial players for the supply of energy, food, and commodities in Europe.

Europe has over 40,000 km of navigable inland waterways, connecting hundreds of cities and industrial regions in Europe, 250 inland ports and more than 300 TEN-T seaports. For Europe, inland waterway transport³ is an important sustainable mode of transport for the carriage of goods and passengers, with the major share of inland waterways' freight passing through Europe's maritime ports.

The waterborne sector is very important for Europe in many aspects: it offers Europe access to seas, trade and the Blue economy; it is instrumental for Europe's strategic autonomy; and it develops very innovative waterborne and port solutions – most (if not all) of them are 'Made in Europe' or "Deployed in Europe first" –, which are or will be instrumental to achieve ambitions, such as the European Green Deal. For Europe's Mobility Policy, waterborne transport is an important mode of transport, as it offers

¹ For the purpose of this note, "waterborne transport" means maritime and inland waterways transport, whilst the "waterborne sector" encompasses all stakeholders active in the waterborne industry, including ports and port stakeholders and waterborne transport.

² DG MOVE website: [Maritime | Mobility and Transport \(europa.eu\)](https://ec.europa.eu/move/transport/maritime): "For Europe, maritime transport has been a catalyst for economic development and prosperity throughout its history. Maritime transport enables trade and contacts between all European nations. It ensures the security of supply of energy, food and commodities and provides the main vehicle for European imports and exports to the rest of the world".

³ DG MOVE website: [Inland waterways | Mobility and Transport \(europa.eu\)](https://ec.europa.eu/move/transport/inland-waterways): "Inland waterway transport plays an important role for the transport of goods in Europe ... connects hundreds of cities and industrial regions. 13 Member States have an interconnected waterway network. ... Compared to other modes of transport ... inland waterway transport is characterised by its reliability, energy efficiency and major capacity for increased exploitation ... Inland waterway transport is a competitive alternative to road and rail transport. In particular, it offers an environment-friendly alternative in terms of both energy consumption and noise emissions ... it contributes to decongesting overloaded road networks in densely populated regions".

a sustainable alternative to cargo and passenger transport by congested roads or air⁴, and connects Europe's (remote) coastal regions and islands.

2. WATERBORNE: A STRATEGIC SECTOR FOR EUROPE AND A KEY ENABLER FOR EUROPE'S CLIMATE POLICIES

The waterborne sector in Europe is **a diversified sector with a wide variety of subsectors**, such as shipping, port authorities, private port companies and terminals, port service providers, shipyards, maritime equipment manufacturers, dredgers, inland waterway transport, inland ports, yachts, travel and tourism (cruising and ferries). Several of them are **global leaders**: e.g., shipyards in complex shipbuilding (such as cruise ships); maritime equipment manufacturers; specific segments of deep-sea shipping; offshore service vessels for offshore renewable energy; dredgers in worldwide open dredging markets).

The waterborne sector is **a major part of the EU Blue Economy**, which directly employed close to 5 million people, generated around €750 billion in turnover and €218 billion in gross value added in 2018. The sector is an **economically important** for added value and job creation in Europe's coastal regions and alongside Europe's interconnected waterway network, but also offers skilled, remunerative industrial employment, and generates important economic multipliers.

Finally, the waterborne sector is **strategic for Europe's** defence, security and strategic autonomy, for Europe's access to sea, trade and the Blue Economy, and for enabling Europe to achieve its ambitious climate and other policies (e.g., digitalisation and mobility).

3. WITHOUT TAILOR-MADE POLICIES, EUROPE'S GLOBAL WATERBORNE LEADERSHIP IS AT RISK

With Covid-19, many subsectors of Europe's waterborne sector have been severely impacted (e.g., passenger shipping and shipbuilding). This impact has come on top of the sector's challenges with energy transition and with severe competitive and trade distortions. These distortions result from EU internal competition from land modes and from foreign countries or foreign subsidies. The effects of foreign distortions, from which the sector was suffering from before the Covid-19 outbreak, should not be underestimated as they often directly target or put at risk Europe's global waterborne leadership (e.g., "Made in China 2025" or "Belt and Road Initiative").

Without concrete (sectoral) policies in support of Europe's waterborne sector, Europe runs a serious risk of losing its (remaining) global waterborne leadership. It would then become dependent on foreign nations, foreign investors (e.g., for new alternative marine fuels and innovation) and/or foreign direct investments, also for realizing its European Green Deal ambitions for the waterborne sector. However, Covid-19 has clearly shown that there are serious risks for Europe in being dependent on foreign interests. This is certainly valid for the strategic waterborne sector.

Tailor-made EU policies in support of the survival and future growth of the waterborne sector will not only be **beneficial for the sector itself**. The sustainability of the waterborne sector is also vital to the **livelihoods of millions of European citizens and some of Europe's most fragile communities**. But tailor-made EU policies will also **help the EU in preserving its global competitiveness and global waterborne leadership, in realising its own policies (e.g., on sustainability and mobility) and in avoiding that it becomes a puppet on a foreign string**.

⁴ More than 410 million passengers onboard cruises and ferries embarked and disembarked in EU ports in 2018 ... In 2018, the total weight of goods transported to/from the main EU ports by short sea shipping (excludes the movement of cargo across oceans, deep sea shipping) was 1.8 billion tonnes (Source: 2020 Blue Economy report, DG MARE).

4. ASSOCIATING THE WATERBORNE SECTOR TO EUROPE'S POLICY-MAKING

Despite its strategic role and economic importance for Europe, ***the waterborne sector is insufficiently recognised as a true interlocutor and is often not associated to EU policymaking via the relevant fora or discussions, even though the sector is willing and ready to contribute constructively*** to enabling the EU to secure its open (maritime) strategic autonomy and to achieve its ambitious climate and other policies, in particular the European Green Deal. For instance, shipyards in Europe are ready to build innovate zero-emission ships or to retrofit existing ships into climate-friendly vessels; maritime equipment manufacturers are keen to produce zero-emission equipment, systems and technologies; owners of seagoing vessels, complex ships or inland barges are ready to invest in zero-emission vessels; and seaport, inland ports and other port stakeholders are willing to invest in zero-emission port infrastructure.

By not associating the waterborne stakeholders to EU policymaking, the EU misses the opportunity to take full benefit from the waterborne sector's knowledge and expertise and its solution-oriented, innovative and constructive contributions that could enrich the EU's policies and overall political strategies. **For these reasons, the present signatories call on Europe's leaders to:**

- **Recognize the waterborne sector as a strategic sector for Europe, by establishing concrete (sectoral) policies in support of the sector's survival and future growth.**
- **Ensure that the waterborne sector is appropriately recognised as a strategic sector in the "Automotive and Mobility Industrial Ecosystem"⁵ with quality dialogue taking place between the European Commission and waterborne stakeholders on a regular basis.**
- **Treat the waterborne sector as a true interlocutor in policymaking (e.g., on the European Green Deal, the Industrial Policy, "NextGenerationEU", the Blue Economy, and the EU Mobility Policy), by inviting the waterborne stakeholders to participate in the political reflections and discussions, more specifically in the *taxonomy discussions*⁶ and the *Industrial Forum Expert Group*⁷.**
- **Encourage EU Member States to allocate sufficient investment from the EU Recovery Fund to generate green growth within the waterborne sector (e.g., for the development of clean fuels and propulsion systems for the decarbonization of waterborne transport), in accordance with the European Green Deal ambitions.**

In sum, the present signatories are determined to contribute to realizing the EU's political ambitions, including on the European Green Deal, and to help the EU to safeguard its industrial base and strategic (maritime) autonomy. However, to that end, the European Commission is urged to ensure a better representation of the waterborne stakeholders in EU policymaking and in the relevant fora and discussions, with an aim at increasing the effectiveness and efficiency of the sector's contributions to these EU policies and at improving the quality of the upcoming EU policy measures. The present signatories remain at your disposal to discuss the follow-up to this joint letter and to reflect on how the waterborne sector can become a true interlocutor in EU policymaking. We are also ready to discuss which concrete (sectoral) EU policies are needed to support the waterborne sector's survival and

⁵ Even though the waterborne sector is an (industrial) ecosystem in itself, it has been inserted in the "*Automotive and Mobility Industrial Ecosystem*", without any information on the activities in this ecosystem and without any recognition of the sector's specificities, needs and challenges.

⁶ Whilst being presented as one of the core sectors of the European Green Deal, no waterborne transport representative was selected to participate in discussions on *sustainable financing and maritime taxonomy*. It is regrettable that the European Commission did not organize any follow up workshop before the publication of the COWI CE Delft study as only few sectors had the opportunity to present their priorities during the first workshop. It would very welcome that the revision of the 1st Delegated Act provides more opportunity for inclusive discussions between the EU Commission and the Waterborne sector.

⁷ By selecting only one of the waterborne stakeholders (IndustriAll European Trade Union) for the *Industrial Forum Expert Group*, none of the employers from the waterborne sector have been included in this key interlocutor group, despite.

future growth, not only to the benefit of the sector itself but also of Europe's global competitiveness and waterborne leadership and strategic autonomy.



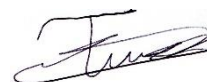
Christophe Tytgat, SEA Europe



Jaap Gebraad, Waterborne TP



Lamia Kerdjoudj-Belkaid, FEPORT



Turi Fiorito, EFIP



Ukko Metsola, CLIA



Luc Triangle, IndustriALL



Anna Maria Darmanin, ETA



Paris Sansoglou, EUDA



Jonathan Williams, ECASBA



Martin Dorsman, ECSA



Livia Spera, ETF



Mike Sturgeon, ECG



Iliana Axiotiades, UNISTOCK



Theresia Hacksteiner, EBU



Isabelle Ryckbost, ESPO



Arjen Uytendaal, ENMC