

European Commission – DIRECTORATE-GENERAL FOR MOBILITY AND TRANSPORT

Analysis of recent trends in EU shipping and analysis and policy support to improve the competitiveness of Short Sea Shipping in the EU

Joint Short Sea Shipping and Motorways of the Sea
Focal Points and Short Sea Promotion Centres Meeting

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29 OCTOBER 2014
ANALYSIS OF RECENT TRENDS IN EU SHIPPING
AND ANALYSIS AND SUPPORT TO IMPROVE THE
COMPETITIVENESS OF SSS IN THE EU



Agenda

- > Objectives and key challenges
- > Methodology
 - > Overall approach
 - > Proposed methodology
- > The working process
 - > Milestones
 - > Inception, interim and delivery phases
 - > Working plan
- > Organisation and staffing
 - > Consortium and organisation

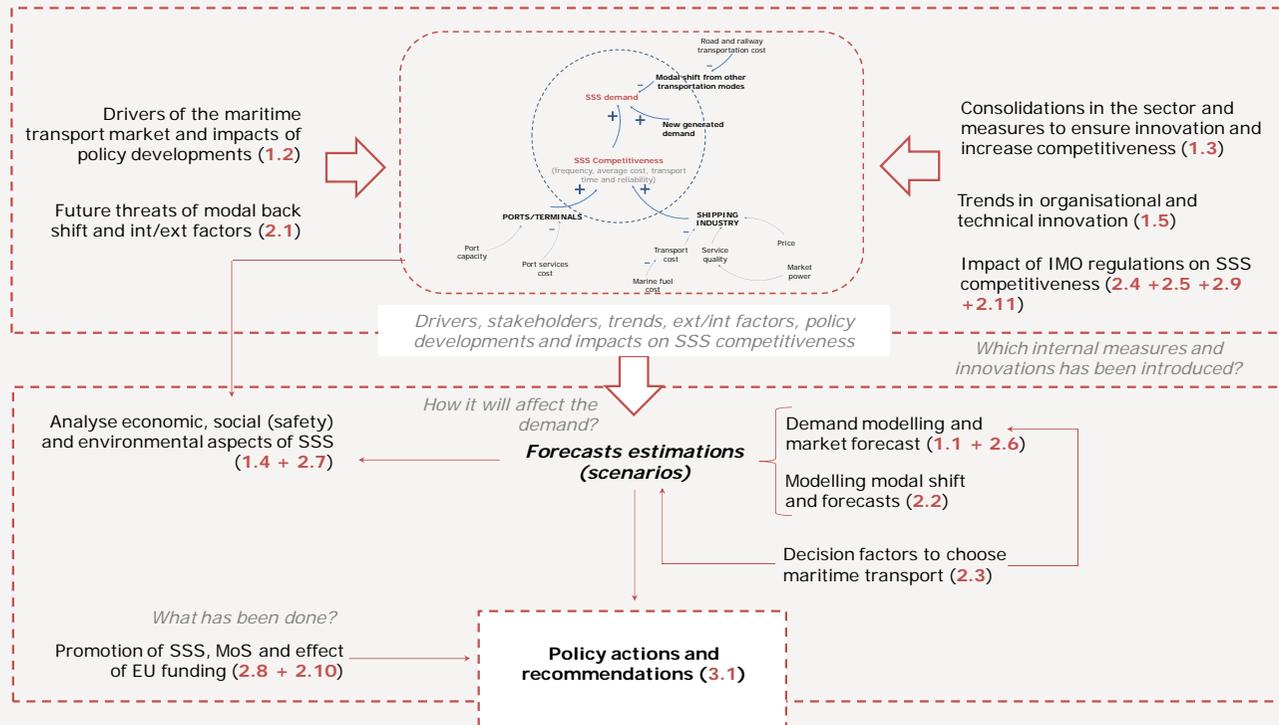
Introduction and objectives

- › EU initiatives:
 - › National Single window
 - › Blue Belt Communication
 - › European Sustainable Shipping Forum
 - › Agreement on a European Directive on the deployment of **alternative fuels infrastructure**
 - › Port Policy Review
 - › Pilotage Exemption Certificate
 - › e-Maritime and e-freight initiatives
 - › New TEN-T Regulation and Connecting Europe Facility (2014)

Introduction and objectives

- › The major **objectives** of the assignment are:
 - › **Analyse** the current, emerging and possible **trends** in EU shipping and SSS
 - › Identify those **factors affecting the growth** of the EU shipping and **SSS**
 - › Analyse the **evolution of SSS** in the EU and assess the readiness and promotion of SSS
 - › Develop and propose, in conjunction with the relevant stakeholders, **policy actions** and **recommendations** based on the results of the analysis carried out.

Overall approach

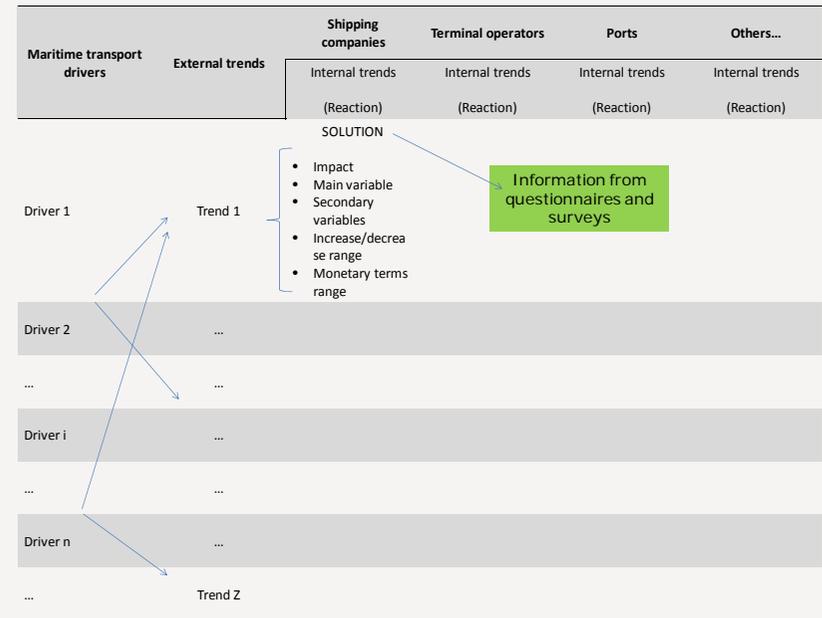
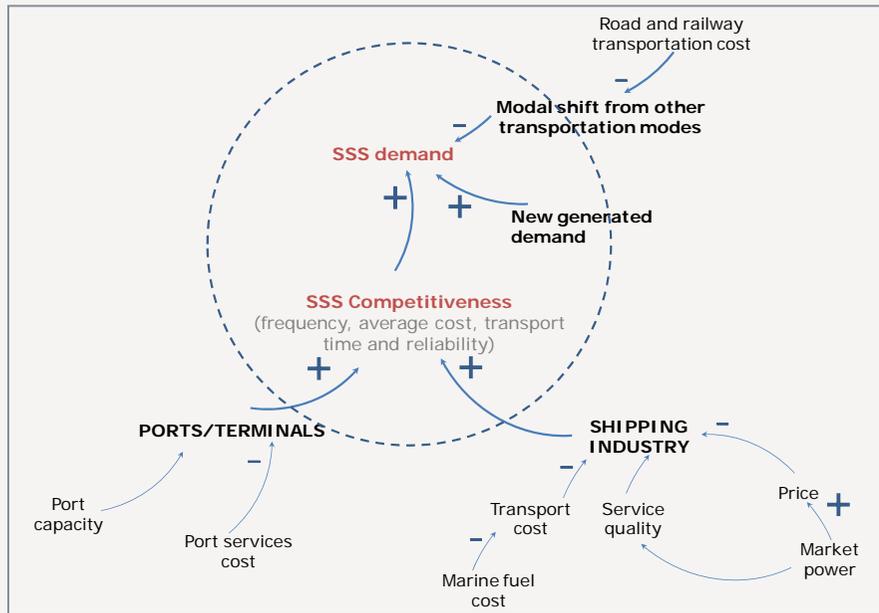


1.-Analysis of drivers, stakeholders, trends, policy developments and impacts on SSS competitiveness

2.-Modelling and market forecast

3.-Policy actions and recommendations

Proposed methodology



Tasks overview

Task 1: Analysis of the current, emerging and possible future trends in EU shipping and SSS and factors affecting the growth of the sector

- 1.1: Analysis of the development of **market forecasts** regarding maritime transport.
- 1.2: Identification of **key drivers** of the EU maritime transport market economy and the impact of **policy developments**.
- 1.3: Identification of consolidations in the sector and **measures taken by the industry** to preserve know-how in the sector, **ensure innovation and increase competitiveness**.
- 1.4: Quantitative analysis of economic, social, safety and environmental aspects.
- 1.5: Analysis of **current trends** in organisational and **technical innovation** in sea transport, navigation and port operations for the different segments of shipping.

Task 2: Analysis of the evolution of SSS in the EU

- 2.1: Collect and assess evidence and **future threats of modal (back)shift** to land transport; Analysis of the influence of external (rules, regulations, markets) and internal (company specific) factors
- 2.2: Development of models to monitor and forecast these developments
- 2.3: Analysis of the **main decision factors** for cargo-owners, shippers and freight forwarders in their decision on whether **to use maritime transport solutions**

Tasks overview

Task 2: Analysis of the evolution of SSS in the EU

- 2.4: Assess and forecast the **evolution of fuel used** (2000-2025) differentiating between heavy fuel, marine diesel, MGO, LNG, biofuel, electricity and other relevant fuels; analyse the availability of and demand for these fuels including refuelling infrastructure
- 2.5: Assess the evolution in **retrofitting of vessels versus new buildings using alternative fuels**; evolution of prices and risks of new technologies and retrofits
- 2.6: Establish **market forecasts** in the different European sea areas
- 2.7: Analyse **economic, social (in particular safety), and environmental** aspects of Short Sea Shipping in EU
- 2.8: Assess the **promotion of Short Sea Shipping** and propose policy actions (notably regarding the European Shortsea Network)
- 2.9: Assess the potential that can be achieved in terms of facilitation and secure shipping by better implementation of article 7.3 of **Directive EC/2005/65** on **enhancing port security**
- 2.10: Assess the **development of Motorways of the sea** and the use of **EU funding**
- 2.11: Assess the **readiness of the sector** to comply with the new 2015 and 2020 **sulphur emission rules**

Questionnaires and surveys to key stakeholders

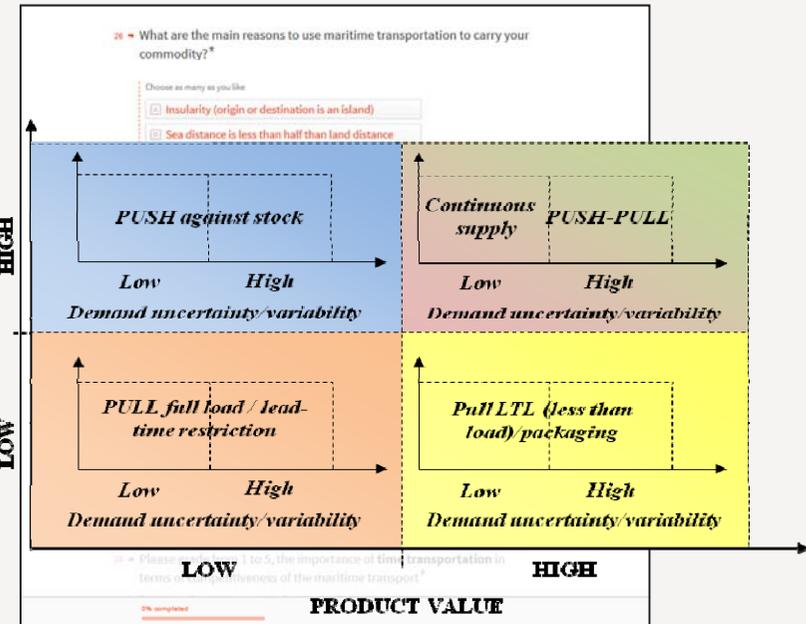
Stakeholder	Name
Shipowners	European Community Shipowners' Association (ECSA)
	Asociación de navieros españoles (ANAVE)
	Royal Association of Netherlands Shipowners (KVNR)
	Danish Shipowners' Association
	Grimaldi
Freight forwarders	Balearia
	European association for forwarding, transport, logistics and customs services (CLECAT)
Shippers	European Shippers Council (ESC)
Classification societies	International Association of Classification Societies Ltd (IACS)
	European Association for Classification Societies C/O (EURACS)
	Lloyd's Register of Shipping
Shipyards	DNV-GL
	Community of European Shipyards' Associations (CESA)
Engine manufacturers	MAN
	Wärtsilä Corporation
Ships and maritime equipment	Ships and Maritime Equipment Association (SEA Europe)

Stakeholder	Name
Maritime organisations	International Maritime Organisation (IMO)
	Oil Companies International Marine Forum (OCIMF)
Oil companies	The oil companies' European association for environment, health and safety in refining and distribution (CONCAWE)
	European petroleum refining industry (EUROFUEL)
	Asociación Española de Operadores de Productos Petrolíferos (AOP)
	European Sea Port Organisation (ESPO)
Port authorities and associations	Port Authority of Barcelona
	Port of Rotterdam
	Federation of European Private Port Operators (FEPORT)
Terminal operators	ACCIONA-Trasmediterranea
	GRIMALDI
Shortsea Network	European Shortsea Network (ESN)
	Shortsea Promotion Centres (all of them)

Questionnaires and surveys to key stakeholders

	Stakeholder	Activity	Reference code questionnaire
		1.3	A1-1.3
1	Shipowners	1.5	A1-1.5
		2.4;2.5;2.11	A1-2.4,2.5,2.11
2	Freight forwarders	2.3	A2-2.3
3	Shippers/cargo owners	2.3	A3-2.3
4	Classification societies	2.4;2.5;2.11	A4-2.4;2.5;2.11
5	Shipyards	2.4, 2.5	A5-2.4, 2.5
6	Marine engine manufacturers	2.4, 2.5	A6-2.4, 2.5
7	Ships and maritime equipment	2.4, 2.5	A7-2.4, 2.5
8	Maritime organisations	2.4;2.5;2.11	A8-2.4;2.5;2.11
9	Oil companies and bunkering services	2.4	A8-2.4
		2.11	A8-2.11
10	Port authorities and associations	1.3	A10-1.3
		1.5	A10-1.5
		2.9	A10-2.9
11	Terminal operators	1.3	A11-1.3
		1.5	A11-1.5
12	Shortsea Network	2.8	A12-2.8

Questionnaires and surveys to key stakeholders



<https://cenit-ports.typeform.com/to/XKMfRE>

Task 1.2. Key drivers of EU maritime transport market

Drivers		Trends	Direct impact	Impact on SSS competitiveness
External drivers		Internal and impact drivers		
Category	Sub-category			
Energy and Environment	Energy prices and fuel costs	Slow steaming	Freight transport:	
			-Long distance trips by shipping could be reduce	
			-Major consolidation in freight movement may contribute to a reduction in long distance trips by road.	Higher costs
			-Mode shift to rail or short sea shipping can be produced	
			-Increased utilization and loading efficiencies	
	Climate change	GHG regulation (IMO, 2011)		Passenger transport: travel reduction in long distance trips and trip consolidation
			Shipowners. New-ships should consider the Energy Efficiency Design Index (EEDI) and the Ship Energy Efficiency Management Plan for all ships	Higher costs
Air pollution from ships: NOx emissions (MARPOL, VI)			Shipowners	Higher costs
Energy/environmental sustainability	Innovative ship designs (eco-ships)		Shipowners and oil producers	Higher costs
			Shipowners, especially in the context of depressed freight markets, lower earnings, excess ship capacity, finance shortage, stricter environmental regulation and expanding slow-steaming practice	
		Installation/retrofitting of "green" technologies	Shipowners, port infrastructure and oil producers	Higher costs

Focal points and SS Promotion centres meeting– The working process

Milestones

- > The implementation period of the assignment is foreseen to start in **September 2014** and must be finalised after 8 months, expected in final **April 2015** (see [Working Plan](#))

Dates have been **reviewed** according to the final contract signature and **kick-off meeting**

- | | |
|---------------------|--------------------------------|
| > 7 August 2014 | Contract signature |
| > 9 September 2014 | Kick off meeting |
| > 23 September 2014 | Inception report |
| > 21 November 2014 | 1 st Interim report |
| > 22 December 2014 | 2 nd Interim report |
| > 23 February 2015 | Draft final report |
| > 27 April 2015 | Final report |

Interim phase

- › The **interim phase** will result in **two reports** comprising:
 - › 1st interim report (task 1+activities 2.1-2.3)
 - › Overview of the EU shipping and the main current trends of SSS
 - › Main factors affecting the growth of the sector and key drivers of the market
 - › Analysis of the influence of external and internal factors affecting transport
 - › Main decision factors and preferences for cargo-owners, shippers and freight forwarders
 - › An introduction of the models to monitor and forecast market developments
 - › 2nd interim report (task 2)
 - › Analysis of the evolution of fuel used, new technologies for vessels, prices and risks
 - › Analysis of socio-economic and environmental aspects of SSS in EU
 - › Policy actions to promote SSS and MoS and the use of EU funding
 - › Analysis of the readiness of the sector to comply with the new sulphur emission rules
 - › Updated work plan for the remaining part of the study

Final reporting and delivery phase

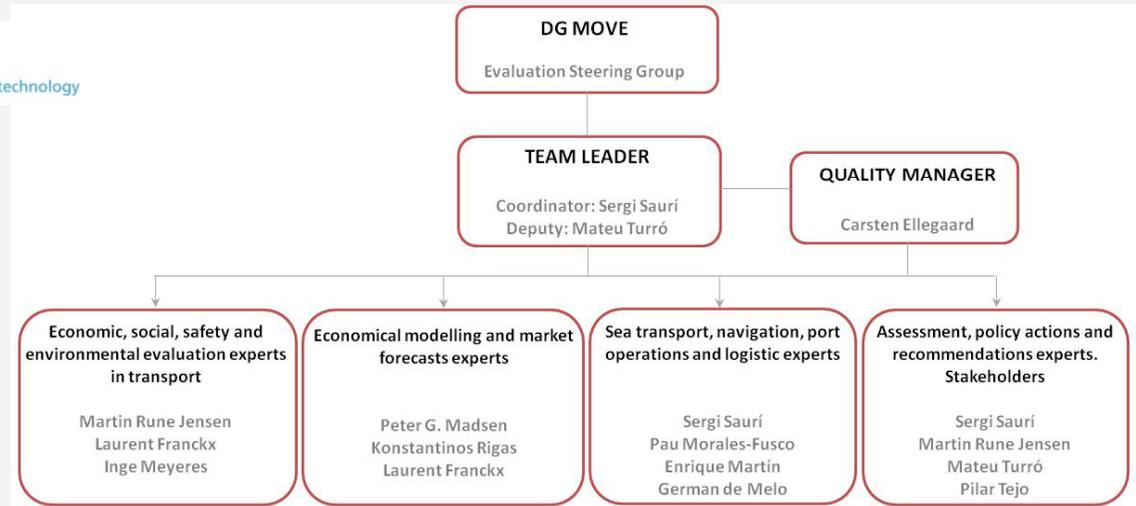
- › The **delivery phase** will result in a report comprising:
 - › Main contributions and conclusions of the study
 - › Selection of policy actions and a detailed description
 - › Recommendations to reinforce the competitiveness of SSS in EU
 - › Future actions to ensure that the sector comply with new environmental requirements and emission rules
 - › Suggestions to relevant stakeholder in EU shipping industry to improve the competitiveness of SSS in EU
 - › Further developments to be addressed in future

Consortium and organisation

> Main partners



> Organisation of the project team



> External experts

