



ECSA Newsletter

European Community Shipowners' Associations

• N° 1/07

GREEN PAPER ON A FUTURE MARITIME POLICY

Concrete ECSA suggestions

Following initial ECSA comments to the Green Paper on a Future Maritime Policy, ECSA has submitted concrete suggestions to be taken into account in formulating an integrated maritime policy the intention of which is supported.

ECSA reiterates the underlying themes on a future maritime policy brought forward in its submission of June 2005 notably:

- Ensuring the potential for growth in Europe through adequate transport capacity.
- Ensuring a stable and competitive environment for EU shipping.
- Keeping regulation global.
- Supporting a positive development of shipping in the EU.
- Taking an environmental approach with a global perspective.

ECSA appreciates that these themes have been taken into account in the Green Paper. Now they have to be put in practice during the further process. In this respect the following suggestions are made.

The indispensable role of maritime services for European and global trade and for the daily life of European citizens should be a fundamental premise in the search for the right balance between the economic, social and environmental dimensions of sustainable development. Shipping services should be encouraged to expand. Investments in ports and hinterland connections should be made a priority to provide efficient and seamless logistic chains throughout Europe.

The global character of shipping services has to be taken into account on all fronts

particularly with regard to the competitive position of the European shipping industry, safety and environment issues, and a policy for maintaining maritime know how in Europe.

Ratification of international Conventions is a fundamental element to protect the global environment and the people working on ships and at the same time the simplest way to avoid substandard shipping. ECSA therefore suggests that the Commission and Member States should play a more active role in the ratification of the international Conventions in the EU as well as outside the EU. A regular monitoring process on the ratification of the relevant IMO Conventions by Member States at Transport Council meetings is recommended. Ratification and application of international conventions should also be part of the EU external relations policy.

The ILO Maritime Labour Convention (MLC) providing a solid, comprehensive and global basis for worldwide employment standards of seafarers should be ratified and applied soonest. Enhanced education levels delivering the highest quality people will be the backbone of the European maritime clusters for the future. Restrictive or labour protectionist measures would have the opposite effects to those intended.

The Lisbon Policy aiming at making of Europe the most competitive trading entity in the world should be a constant theme in the holistic approach towards a future European maritime policy.

In line with the policy promoted by Commission Vice President Günther Verheugen, action at EU level should only be undertaken when it contributes added value. Additional bureaucratic layers and counterproductive measures should be

avoided. This should be taken into account when considering questions such as an optional European Register, a European Coast Guard and a Common European maritime Space. On the latter point laudable suggestions such as of reducing administrative burdens for short sea shipping are fully supported. However, fortress Europe ideas on which some statements have been made such as Euro Cabotage, and regional measures on employment conditions and on safety and environment should be avoided.

By its mere existence, the Green Paper has the benefit of stressing the importance of the maritime industries for European and global trade as well as underlining its global character. ECSA strongly believes that the Green Paper should lead to an EU maritime policy aiming at maintaining and enhancing in the EU the world's biggest maritime clusters. To achieve this ambitious goal, the follow up to the Green Paper should not necessarily result in new rules but rather in some principles to guide the policy in the coming years.

ECSA will analyse with interest the comments that will be made by all stakeholders and looks forward to a dialogue with them and with the EU Institutions on an integrated maritime policy. During this process, ECSA may come forward with additional comments and suggestions.

The detailed ECSA submission as well as the replies to the questions as brought forward in the Green Paper can be found on the ECSA website

<http://www.ecsa.be/publications-info.asp>

PASSENGER RIGHTS IN MARITIME SERVICES

Over the last year, the Commission has been undertaking a consultation exercise on the issue of maritime passenger rights with a view to considering in 2007 what, if any, legislative or other initiative is in their view required. This follows legislation being enacted in other EU transport modes. In relation to ferries, ECSA has made comprehensive written submissions and arranged for the Commission to visit

vessels in this context. The passenger rights issues under considering include delays, cancellations, compensation, complaints procedures, information to passengers and the rights of persons of reduced mobility (PRM).

To effectively conclude this consultation exercise, a Commission hosted Hearing was held on 18th January to enable stakeholders (industry, consumers and NGOs and Member States) to present and exchange views on the issues prior to the Commission coming forward with their position. The ECSA team was lead by Alexander Panagopoulos, Chairman of the High Level Ferry Group. In the discussion, ECSA explained the arrangements in place on such issues and the special characteristics and inherent diversity of the ferry sector within Europe compared to other transport modes, notably aviation; in particular in terms of different types and ages of ship, absence of overbooking, size/facilities of ports, national geographical circumstances and markets, frequencies of sailings, influence of weather, and length and types of voyage. The industry stressed that the diverse nature indicated the need to avoid an EU "one size fits all" regulatory approach but rather to develop national voluntary procedures in cooperation with the PRM organisations; the key role of ports and the view that competitive market forces was the most realistic means of ensuring high standards of service were emphasised.

In relation to cruise ships, the European Cruise Council has also submitted detailed information to the Commission and their consultants, the latter issuing a positive report, notably in relation to providing facilities for persons with reduced mobility following a visit to cruise ship last year. The ECC was represented at the Hearing by representatives from Carnival UK and Louis Cruises in order explain the particular situation for the cruise sector. While the focus of the event was on ferries, the ECC representatives emphasised the existence of comprehensive EU legislation and international legislation currently in place for the sector in the areas in question, notably through the EU Package Directive.

Following a 2 week opportunity for further views to be submitted by stakeholders, the Commission will produce draft conclusions of the event before coming forward with proposals later in the year; they state that they currently have an open mind on the approach to take. A maritime passenger forum would be established to enable possible proposals to be discussed with interested parties.

ECSA's High Level Ferry Group met on 19th January and, in confirming the industry position as presented to the Hearing, agreed that ECSA would submit further written views as well as data on incidents of cancellations and delays as far as possible. The ECC will also be submitting additional material and will be reviewing the situation at its Board meeting on 5th February.

MARITIME EXTERNAL RELATIONS

WTO – Doha Round

Latest developments

The WTO negotiations in the Doha Round were suspended in July, mainly due to an absolute lack of progress on agriculture. Meanwhile more or less informal working meetings did take place in Geneva – also the Friends of Maritime met. High level efforts included the visits by the European Commission President José Barroso and by the German Chancellor Angela Merkel to US President George Bush, at which the importance of a strengthened transatlantic relationship was underlined also in the interest of the Doha Round. In parallel Commissioner Mandelson met with USTR Schwab. The objective is to reach a Transatlantic understanding on agriculture ahead of the Davos Summit where the Trade Ministers of the EU, US, Brazil, India and others will be present for a “mini-Ministerial” meeting. It is felt that if the EU and the US are able to reach an understanding on agriculture, they will be in a position to restart the Doha negotiations on all issues with the main players in Davos. Failing this, the outlook for a resumption of negotiations and an ultimately successful outcome will be utmost sombre.

EU/India Bilateral

After a first round of negotiations between the European Commission and Member States and India in July in Brussels, the second round has now been fixed for 19-20th February in New Delhi. ECSA and member companies have waited for several years before negotiations started and have been eager for such agreement to be concluded in support of fast developing external trade of India. The European delegation will be led by DG TREN Director Fotis Karamitsos, assisted by senior Commission officials of TREN, TRADE, RELEX and Legal Services. Member States will be represented by maritime experts or embassy staff. ECSA will attend as observer and for consultation. On India side the team is led by the Ministry of Shipping, assisted by officials of the Ministries of Commerce and of foreign Affairs. An agreement should not only enhance and commit legal certainty for liberal access to market, local services and establishment, but also stimulate bilateral cooperation, investment and operational efficiency in maritime transport and the international supply chain.

CIVIL LIABILITY

Athens Convention

In December 2006, the Transport Council adopted a progress report on the Commission proposal for a Regulation on the liability of carriers of passengers by sea and inland waterways.

The proposal aims at establishing a Community regime of uniform liability for the carriage of passengers by sea and inland waterways. To this end it incorporates the Athens Convention relating to the carriage of passengers and their luggage by Sea of 1974, as amended in 2002, into Community legislation. In addition, the proposal extends the application of the Athens Convention to the carriage by sea within the Member States and to international and domestic carriage by inland waterways.

The work on the proposal in Council's preparatory bodies will continue under the German Presidency (January-June 2007), with a first meeting being scheduled on 26 January.

Discussions on the proposed Regulation are also taking place in the Transport Committee of the European Parliament with a vote being planned in February or March 2007.

Following an agreement in the International Maritime Organisation (IMO) in October 2006, notably on the issue of carrier's liability for terrorism risks, the Commission is expected to come forward soonest with a working document exploring different possible options to implement the IMO solution on carrier's liability for terrorism risks in the EU.

Civil liability Directive

Discussions on the Commission proposal for a Directive on Civil Liability and Financial Securities for Shipowners will continue in the Transport Committee of the European Parliament, notably on 23 January.

A number of MEPS have recently proposed amendments to the Commission proposal which meet the concerns expressed by the shipping industry, in particular:

- The need to ratify all relevant IMO Conventions, in particular the international Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea, 1996.
- The need to have in place financial security for civil liability as recommended in IMO Resolution A.898(21) Guidelines on Shipowners' Responsibilities in Respect of Maritime Claims, with cover evidenced by a certificate of entry issued by a member of the International Group of P&I Clubs or other effective insurance or financial security.
- The need to have a test for breaking the limitation of liability of the shipowner in accordance with IMO law to avoid legal confusion.
- The need to have financial security in place when the ship is entering or leaving a Member State's port or an offshore facility in a Member State's territorial sea rather than when entering the EEZ or equivalent zone of a Member State.
- The need to notify financial security certificates when entering a port or territorial waters in line with UNCLOS as opposed to the Commission proposal to notify such certificates when entering the EEZ or equivalent zone of a Member State.

At Council level, an examination of the proposed Directive has not yet started and it will not be done under the German Presidency (first half 2007).

COMMISSION COMMUNICATION ON LIMITING GLOBAL CLIMATE CHANGE

In the beginning of 2007 the Commission published a Communication setting out measures for combating climate change after 2012 when the Kyoto targets expire. The Commission is identifying policy options that the EU and the international community can take to reduce GHG emissions up to 2020 and beyond. The Communication is a key climate change related element of the Commission's integrated energy and climate change strategy.

As mentioned in the Communication climate change is among the gravest environmental, social and economic challenges facing mankind. The Kyoto Protocol is an important first step towards cutting emissions of greenhouse gases, but its targets expire in 2012 so further international action needs to be agreed for the period after that. In the Commission's view the EU must also adopt domestic measures such as the EU Emission Trading Scheme to reduce its emissions further and take the lead internationally to ensure that the 2°C global warming limit is respected.

The Communication is addressed to the Spring European Council taking place on 8-9 March in Brussels. The EU leaders will then decide on a comprehensive approach to the EU's energy and climate policies. Their decision will facilitate the efforts to reach a new global agreement on the world GHG emissions after 2012.

NEW PRESIDENCY IN THE EUROPEAN PARLIAMENT

In last weeks plenary session of the European Parliament in Strasbourg, one day was devoted to the election of Parliament's new President, 14 Vice-Presidents and 6 Quaestors. The votes opened the second two-and-a-half-year part of the parliamentary term. Hans-Gert Poettering (EPP-ED Group Chairman, DE) was elected the new President, in a first-round ballot, taking over from Josep Borrel (PSE, ES). He is the 26th President of the European Parliament.

One of the President's first tasks was to preside over the election of the 14 Vice Presidents. As there were 14 candidates their election was a formality - however a secret ballot still took place to determine their order of precedence.

This is the order of precedence of the 14 elected Vice-Presidents:

- 1) RodiKratsa-Tsagaropoulou (EPP-ED, GR)
- 2) Alejo Vidal-Quadras (EPP-ED, ES)
- 3) Gérard Onesta (Greens/EFA, FR)
- 4) Edward Mcmillan-Scott (EPP-ED, UK)
- 5) Mario Mauro (EPP-ED, IT)
- 6) Miguel Angel Martínez Martínez (PSE, ES)
- 7) Luigi Cocilovo (ALDE, IT)
- 8) Mechtild Rothe (PES, DE)
- 9) Luisa Morgantini (GUE/NGL, IT)
- 10) Pierre Moscovici (PES, FR): 207
- 11) Manuel António dos Santos (PES, PT)
- 12) Diana Wallis (ALDE, UK)
- 13) Marek Siwiec (PES, PL)
- 14) Adam Bielan (UEN, PL)

Since the number of candidates for the post of Quaestor (responsible for administrative and financial matters of direct concern to Members) was the same as the number of posts (6), the President declared all six elected by acclamation. These are James Nicholson (EPP-ED, UK), Astrid Lulling (EPP-ED, LU), Mia de Vits (PES, BE), Ingo Friedrich (EPP-ED, DE), Szabolcs Fazakas (PES, HU) and Jan Mulder (ALDE, NL).