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NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	EU Waterborne Transport Sector – Future outlook – Draft ministerial declaration

In view of the Shipping Working Party meeting on 28 February 2020, delegations will find attached a revised draft ministerial declaration.

Changes are marked in **bold underline** (new text) and ~~strikethrough~~ (deleted text).

Scrutiny reservation: all delegations.

EU Waterborne Transport Sector – Future outlook

Towards a carbon-neutral, zero accidents, automated and competitive

EU Waterborne Transport Sector

We, Ministers responsible for waterborne transport policy, covering maritime transport and inland navigation, under the chairmanship of Oleg Butković, Minister of **the Sea, Transport and Infrastructure of the Republic of Croatia** and in the presence of Adina-Ioana Vălean, Commissioner for Mobility and Transport, on the occasion of the Informal Ministerial Meeting in Opatija, on 11 March 2020,

- **EMPHASIZING** the vital and strategic role of waterborne transport to the EU economy, global trade and connectivity, and its importance to the functioning of the internal market;
- **HIGHLIGHTING** EU's leading position in providing safe, sustainable and efficient waterborne transport services and operations with high working standards;
- **RECALLING** that clean, sustainable, safe and secure seas and oceans are of fundamental importance for global free trade, the EU's economy and its citizens;
- **RECOGNISING** the need for urgent action to address the major challenges of climate change and environmental sustainability, including the adaptation of ports and inland waterway infrastructure, its integration in the supply chain and to consider ways to further strengthen the competitiveness of the sector;
- **STRESSING** the importance of the digital transformation of the waterborne transport sector and its significance for further development of global trade and competitiveness of European Union in the world as well as strengthening of internal market, and recognising the need to define transparency, liability and accountability requirements for the functioning and operation of automated systems;
- **NOTING** the challenges that the waterborne transport sector is facing in relation to necessary introduction of new energy efficient technologies;

- **ACKNOWLEDGING** the importance of adequate education, training and lifelong learning of the seafarers and inland navigation workers in the rapidly changing waterborne transport environment;
- **REAFFIRMING** the objective of supporting the long-term competitiveness of European shipping in global maritime markets in the context of growing protectionist trends and restrictive measures;
- **RECOGNISING** that the policy goals of environmentally-friendly, safe and secure shipping can be achieved by an effective co-operation between regulators and industry and the latter's sufficient access to financial markets and appropriate funding;
- **TAKING INTO CONSIDERATION** the discussions at the High-Level Ministerial Maritime Conference held in Opatija on 10 March 2020;
- **RECALLING** the Council Conclusions on "Priorities for the EU's maritime transport policy until 2020: Competitiveness, Decarbonisation, Digitalisation to ensure global connectivity, and efficient internal market and a world-class maritime cluster" and on "Inland Waterway Transport – See its potential and promote it!";

HAVE AGREED TO WORK TOWARDS:

1. A carbon-neutral and zero pollution waterborne transport sector

- 1.1 **WELCOME** the Commission's Communication on the European Green Deal which aims to accelerate progress towards a fully sustainable EU waterborne transport sector within a fair and prosperous society, with a modern, resource-efficient and competitive economy where there are no net emissions of greenhouse gases in 2050 and where economic growth is decoupled from the use of resources; **WELCOME** all the existing national strategies and initiatives aiming to decarbonise the waterborne transport sector; **ENCOURAGE** ~~coordinated~~ **synergies between** European and national initiatives and efforts to accelerate the transition to a carbon neutral waterborne transport sector.

- 1.2a ~~EMPHASIZE that the European Green Deal will be an important step on the way to a carbon neutral shipping industry and society~~; NOTE that the policy response to the European Green Deal should be ~~seen~~ **used** as an opportunity to further strengthen the European competitiveness **of the European waterborne sector** and to contribute to European growth and prosperity; UNDERLINE that any measure towards carbon-neutrality ~~at EU level~~ must be flag neutral **whilst ensuring a level playing field and avoiding carbon leakage.**
- 1.2 **STRESS** that climate change mitigation action at a global level is of utmost importance for international shipping **and should be prioritised**, including a robust and effective enforcement at global level with the aim of maintaining a level playing field; **NOTE** the importance of further work within the IMO on achieving 2050 emission reduction objective coupled with a vision for complete decarbonisation; **SUPPORT** a timely and effective implementation of the Initial IMO ~~GHG Emissions Reduction~~ Strategy **on Reduction of GHG Emissions from Ships** and its forthcoming review.
- 1.3 **STRESS** the commitment for **maritime transport and IMO parties** ~~shipping~~ to effectively implement the global sulphur cap.
- 1.3a **ENCOURAGE** the research, development, **funding** and deployment of zero-emission vessels for short-sea shipping and inland navigation in the near future.
- 1.4 **RECOGNISE** the need to support the development of different ~~low- or zero-emission~~ alternative fuels for use in all segments of waterborne transport and to ensure adequate, public and private, funding in support of research and development **including** through the existing and new EU financial instruments and grants with the aim to make available clean alternative fuels and the associated infrastructure, innovative technologies and sustainable ship designs. **SUPPORT the envisaged Partnership "Smart and Zero Emission Waterborne Transport" of the Horizon Europe facility to ensure the development and deployment of alternative fuel systems for the waterborne transport and to decarbonise the shipping sector.**

- 1.5 **WELCOME** the Commission's proposal for the establishment of a Just Transition Mechanism which would also be able to support ~~to ensure that~~ the transformation of territories ~~with a waterborne dimension~~ **facing the biggest social and economic costs of the transition** into a carbon-neutral **economy** ~~territories occurs in a fair and inclusive way,~~ leaving no one behind;
- 1.6 **REITERATE SUPPORT** for the clear vision for green and carbon-neutral ports, including the use of LNG as a transitional fuel, the provision of onshore power supply, alternative fuels, adequate facilities for the reception of waste from ships and hinterland connections to rail and inland waterway transport, reducing pollution of air and water and safeguarding biodiversity, without compromising safety.
- 1.7 **EMPHASIZE** the need to develop carbon-neutral port activities through the promotion of green initiatives on port operations, vessels and energy industrial production.
- 1.8 **SUPPORT** the ongoing efforts **of the Parties to the Barcelona Convention** and **~~CONSIDER~~** the submission of a proposal at IMO level **in 2022**, for the designation of an **sulphur** emission control area ~~(ECA)~~ across the Mediterranean Sea basin as a whole ~~in 2022~~ with participation of EU Member States and riparian third States to minimize shipping emissions and achieve significant health and environmental benefits; **~~and~~** **CONSIDER** the possibilities of EU financial mechanisms supporting the creation of this area; **ACKNOWLEDGE the existing studies on other pollutants from maritime transport in the Mediterranean Sea basin and ENCOURAGE further work to mitigate their impact on health and the environment.**
- 1.9 **RECALL** the need to launch a follow-up programme to NAIADES II by the end of 2020 at the latest to ensure the continuity of the measures and **SUPPORT** the Commission to develop such a programme to further enhance the environmental sustainability and the competitiveness of inland waterway transport and the related infrastructure to contribute to the objective of modal shift as set out in the Green Deal Communication.
- 1.10 **NOTE** the importance of climate proofing, resilience building, prevention and preparedness **in relation to climate change adaptation of the waterborne sector.**

2. Digital transformation

- 2.1 **ACKNOWLEDGE** the opportunities created by the digital transformation of the waterborne transport sector enabling seamless multimodal transport operations; **SUPPORT** the ongoing work at European and international level in relation to maritime autonomous shipping and **ENCOURAGE** the work in IMO and in CESNI for the establishment of an appropriate goal-based and technology-neutral legal framework and relevant technical standards to enable safe and secure operation of autonomous shipping, including initiatives to facilitate the parallel operation of conventional and autonomous ships.
- 2.1a **SUPPORT** the development of a fully digital administrative environment for waterborne transport that will reduce costs for the operators and increase the efficiency and effectiveness of national administrations, whilst ensuring the confidentiality of data and, when applicable, taking into account the corridor approach.
- 2.2 **PROMOTE**, including through possible relevant legislative amendments, the uptake of digital services, electronic certificates for the registration of seagoing ships under EU Member States flags, the electronic verification of certificates for seagoing ships and seafarers as an option in the context of port State control procedures and **ENCOURAGE** the uptake of electronic crew and vessels documents and the deployment of digital services for inland navigation.
- 2.3 **HIGHLIGHT** that complete and timely implementation of the European Maritime Single Window environment Regulation will enable harmonized, fast and complete execution ~~logging~~ of reporting formalities by the declarants, including cargo information, thus opening up the perspective of a European Maritime Transport Space without Barriers and improvement of the efficiency and attractiveness of maritime transport and its integration with other transport modes and increased availability of data exchange systems; **PROMOTE** similar initiatives at global level.
- 2.4 **SUPPORT** the digitalisation of reporting formalities in ports necessary for achieving full benefits of European Maritime Single Window environment.
- 2.5 **EMPHASIZE** the need to work towards a connected, cooperative and automated inland waterways transport, integrated into the digital transport ecosystem.

- 2.6 **RECOGNIZE** that the above steps should be taken with a view of maintaining and extending the policies of open source data and data sharing, single data delivery, accelerated innovation and standardization processes necessary for interoperability as well as data economy;
ENCOURAGE data sharing with fair user rights in order to provide a more level playing field for all actors and to enable new innovations and new services based on efficient use of data.
- 2.6a **STRESS** the need to ensure a high level of cybersecurity in the waterborne transport sector;
SUPPORT the work undertaken at EU and international level.
- 2.7 **CONSIDER** of utmost significance the development of a Waterborne Digital Roadmap by 2021 facilitating an integrated and harmonized approach towards digitalisation of waterborne transport; **CALL UPON** coherent actions and efforts of the Commission, Member States and the industry with the aim to facilitate the digital transformation.
3. **Competence and training of the future ~~waterborne transport workforce~~ seafarers and inland navigation workers**
- 3.1 **CALL UPON** the Commission and Member States to intensify their efforts at IMO level for an ambitious review of the STCW Convention in response to the current challenges and increased technological demands, whilst reflecting the deployment of the necessary skills for seafarers.
- 3.1a **REAFFIRM** the importance of the European Social Dialogue in maintaining **attractive decent** working conditions and adequate social protection for **seafarers and inland navigation workers** ~~the waterborne transport workforce~~ **by effectively applying the Maritime Labour Convention and the relevant agreement with the social partners** and ~~the need to eliminate social dumping practices~~; **ENCOURAGE** measures to create the conditions for a level playing field **and RECALL the importance of social protection of seafarers and inland navigation workers in ensuring the attractiveness of the sector;**
CALL UPON the social partners to consider the issue of social security for EU seafarers in line with the relevant EU social security legislation.
- 3.1b **SUPPORT** further development of CESNI standards to uphold the necessary skills for crewmembers on board inland navigation vessels.

- 3.2 **ENCOURAGE** the Commission and Member States to enhance cooperation between industry, education and training providers, ~~especially~~ **also** related to the on-board training, to ensure that European seafarers and waterborne transport ~~professionals~~ **workers** are equipped with the right skills for the rapidly changing waterborne transport environment; **SUPPORT** initiatives to promote and improve the image of the sector, to increase employment opportunities on-board and ashore, to develop measures for improving education, training and assessment to adjust to new technologies, as well as to promote the attractiveness of the professions in the waterborne sectors among young women and men.
- 3.2a **SUPPORT** initiatives to empower women in the waterborne transport sector.
- 3.3 **ACKNOWLEDGE** that the verification of certificates of competency and endorsements issued to seafarers is essential from the point of view of preventing unlawful practices associated with the issuance of such certificates as well as supporting port State control activities.
4. **Zero accidents**
- 4.1 **UNDERLINE** the importance of cultivating **and promoting** a maritime safety culture, **based on "just culture"**, of zero accidents by 2050 and **CALL UPON** the Commission and Member States to exploit fully the synergies that will derive from the green and digital transformation of the waterborne sector.
- 4.2 **WELCOME** the conclusions and recommendations of the maritime safety fitness check and **ENCOURAGE** the Commission to **consider, where necessary, follow-up actions with a view to improve the current legislative framework regarding** ~~advance the EU legislative framework, where necessary, with a view to further increase the effectiveness of EU Member States responsibilities as flag, port and coastal States.~~
- 4.3 **ACKNOWLEDGE** EMSA's pivotal role in assisting the Commission and supporting Member States to effectively meet their obligations as flag, port and coastal States and **ENCOURAGE** the Commission to consider options for further enhancing EMSA's capability in performing its technical and operational tasks on safety, security and sustainability of EU shipping.

- 4.3a **UNDERLINE** that it would be useful to collect data on accidents on inland waterways at European level, in order to improve the rules and standards where necessary.
- 4.3b **RECOGNISE** CESNI's central role in supporting the EU and its Member States ~~in the~~ **to** **provide standards for** areas of inland vessel's technical requirements, professional qualifications and information technology and **ADVISE** to draw on the expertise and experience of ~~CESNI~~ **CCNR** for the collection of data on accidents on inland waterways at EU level, in order to improve the rules and standards, where necessary.
- 4.4 **UNDERLINE**, in terms of safety **and protection of human life and the environment**, the importance of **ratification of international maritime conventions, such as** the Cape Town Agreement of 2012 on the Implementation of the Provisions of the 1993 Protocol relating to the Torremolinos International Convention for the Safety of Fishing Vessels, 1977, **the Protocol of 2010 to the International Convention on Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances (HNS Protocol), the Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships, and the Convention on Standards of Training, Certification and Watchkeeping for Fishing Vessel Personnel (STCW-F)** ~~and encourage ratification and its entry into force globally.~~
- ~~4.5 **URGE** Member States to ratify or to accede to the HNS Protocol 2010 providing prompt, adequate and effective compensation for damage caused by incidents in the connection with the carriage of hazardous and noxious substances by sea, as well as to the preservation of the marine environment.~~
- 5. A world-leading waterborne transport sector in the EU**
- 5.1 **ACKNOWLEDGE** that the EU faces unfair trade practices and limited market access in certain third countries and **STRESS** the need for coordinated action to safeguard EU maritime interests and collectively promote free and reciprocal access to international maritime services; **CALL UPON** the Commission and Member States to intensify efforts to maintain a global level playing field based on high international standards for safety, environment, skills and labour conditions, thereby creating the conditions for a thriving EU waterborne transport sector in an increasing international competitive environment; in this regard, **HIGHLIGHT** the importance of ambitious Free Trade Agreements and maritime transport agreements between the EU and third countries to promote a global level playing field for international maritime services.

- 5.2 **RECOGNISE** the added value and the role of EU State Aid Guidelines to Maritime Transport in maintaining the international competitiveness of the EU shipping sector, having in mind global developments, trends and challenges, **including environmental challenges.**
- 5.2a FURTHER ENHANCE** the quality and attractiveness of flags of EU Member States and create the conditions in which shipping can effectively **increase its contribution** contribute to the EU economy;
- 5.2b ACKNOWLEDGE the EU waterborne transport sector and its infrastructure as being of EU strategic interest;** **STRESS** the importance **of financial independence of the industry and** of encouraging private investments to support the financing of a **the access to finance for a** sustainable EU waterborne transport **sector** and financial independence of the industry.
- 5.2c UNDERLINE** that efficient short sea shipping plays a key role to link up the different regions within the internal market of the Union and support the greening of transport.
- 5.3 **RECALL** the importance of promoting multilateral dialogue at a broad international level with a view to fostering a level playing field and therefore **CALL UPON** the Commission to continue to undertake all appropriate measures to ensure that international maritime services be covered by relevant global, multilateral instruments including Agreements under the auspices of the World Trade Organization (WTO).
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