

Council of the European Union General Secretariat

Interinstitutional files: 2020/0067(COD) Brussels, 12 May 2020

WK 4963/2020 INIT

LIMITE MAR CODEC FIN TRANS

WORKING PAPER

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INFORMATION

From:	General Secretariat of the Council
To:	Working Party on Shipping
N° Cion doc.:	ST 7644/20
Subject:	Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) 2017/352, so as to enable managing bodies or competent authorities to provide flexibility in respect of the levying of port infrastructure charges in the context of the COVID-19 outbreak

Delegations will find attached a letter from the Committee of the Regions containing its decision not to issue an opinion on the above proposal.



The President

Brussels, 12 May 2020 CabPres/C.1/FA/ms /D/765(2020) Official registration no. 524

Mrs Andreja Metelko-Zgombić State Secretary, Ministry of Foreign and European Affairs, Croatia Chair of the General Affairs Council (GAC) Council of the European Union Rue de la Loi 175 1048 Brussels

Dear Chair,

I would like to thank you for your consultation request dated 11 May 2020 (SGS 20/001885) to the European Committee of the Regions (CoR) regarding the following dossier:

Proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) 2017/352, so as to enable managing bodies or competent authorities to provide flexibility in respect of the levying of port infrastructure charges in the context of the COVID-19 outbreak - COM(2020) 177 final

Due to the urgent nature and the proposed timescale of the consultation, the Commission for Territorial Cohesion Policy and EU Budget (COTER) decided on 11 May 2020 by written procedure not to issue an opinion on this dossier. Nevertheless, please allow me to underline several points of great importance for European local and regional authorities:

The CoR supports the proposal, which will help to limit the impacts of the COVID-19 outbreak on maritime transport.

At the same time, the CoR would like to point out the direct impact this proposal has on local and regional authorities. Port infrastructure charges are levied for the use of infrastructure and services that are provided by the managing body of a port. These port authorities are public bodies set up by local and regional authorities to provide maritime port services on their territory. The charges are therefore essential to ensure the provision of public services in the maritime sector. The suspension of the charge therefore has a direct impact on cities that operate maritime ports. Where port authorities decide to suspend or reduce the port infrastructure charges, the related income loss should be monitored and assessed, in order to be potentially addressed in the context of forthcoming recovery plans.

It is nevertheless important to acknowledge that the current COVID-19 crisis is having a negative impact on maritime transport and on the financial situation of operators. It is essential to ensure a sustainable recovery of the sector and future transport flows which will also ensure the generation of charges for the use of port infrastructure. The possibility of suspending the charges temporarily could contribute to this objective. We therefore consider that this measure could be justified under certain conditions as set out in the proposed legislation, i.e.:

- the flexibility for port competent authorities to decide to levy or to suspend or to reduce the port infrastructure charge or to defer payment of the port infrastructure charge;
- the limited duration of the provisions: from 1 March 2020 to 31 December 2020;
- the fact that the measures must be granted in a transparent, objective and non-discriminatory way to all port users subject to port infrastructure charges.

The spirit of these measures has also been expressed in CoR opinion 2018/1190¹ "Clean ports, clean seas" by rapporteur Spyros Spyridon which "points out that in line with the subsidiarity principle, port authorities must continue to have the necessary flexibility in setting port fees and charges, and calls on these authorities to make every conceivable effort to ensure that fees are calculated with full transparency and proportionality."

Should you require any further information, please do not hesitate to contact the COTER secretariat (Mr Florian Achleitner, <u>florian.achleitner@cor.europa.eu</u>).

Yours sincerely,

Apostolos Tzitzikostas

CC: Mr Jeppe Tranholm-Mikkelsen, Secretary-General of the Council of the European Union Mr Jim Cloos, Deputy Director-General, General Secretariat of the Council of the European Union

¹ <u>OJ C 461, 21.12.2018, p. 220</u>