COUNCIL OF THE EUROPEAN UNION

Brussels, 30 May 2002

9442/02

MAR 78

COVER NOTE

from :	The Presidency
date of receipt :	29 May 2002
to :	Delegations
Subject :	**Short Sea Shipping**

Delegations will find attached the following documentation, which is relevant for the debate at the meeting of Transport Ministers in Gijon (31 May - 2 June 2002):

A Joint Declaration of Spain, France and Italy
on the Development of Short Sea Shipping

Brussels
December 7, 2001

A Joint Declaration of Spain, France and Italy
on the Development of Short Sea Shipping

The Minister of Infrastructure and Transport of the Kingdom of Spain, Mr. Francisco Alvarez Cascos, the Minister of Infrastructure, Transport and Housing of the Republic of France, Mr. Jean-Claude Gayssot, and the Minister of Infrastructure and Transport of the Republic of Italy, Mr. Pietro Lunardi decided to adopt a joint declaration on the development of short sea shipping in Europe, and agree to the Spanish-French declarations of Perpignan dated October 11, 2001 and the French-Italian one of Periguex dated November 27, 2001.

Considering the foreseeable growth in commercial traffic by 2010 in the European Union especially through the Alps and Pyrenees, it is deemed necessary to develop methods of transportation on a European scale. The goal is to implement a sustainable policy for transport while keeping in mind the different characteristics of each country.

Thus, the Ministers believe it necessary to develop a short sea shipping system which will be an alternate method with quality and safety as well as environmentally friendly. Also, they wish to quickly set up real "sea highways" among the three countries and in the heart of the European Union.

Consequently, the Ministers have decided to create a tripartite group of experts whose aim will be to develop short sea shipping among the three states and promote its development in the heart of the European Union. This tripartite group will be in charge of the following:

1. Identify hubs and the ramifications which could establish sea links

2. Examine real bottlenecks especially those relating to ports, as well as any other regulatory obstacles

3. Examine ways to foster the use of short sea shipping

4. Develop a joint promotional program of short sea shipping, especially among European institutions with other European countries on the Mediterranean rim

5. Develop inter-port cooperation

6. Analyse the existing links and study instituting other experimental connections

This tripartite group of experts will have its first meeting during the first quarter of 2002. They will formulate and present workable proposals to the informal Council of Ministers of Transport, chaired by Spain, which then will consider the matter.

The participation of other countries is desirable.

Brussels, December 7, 2002

/s/ Jean Claude Gayssot	/s/Francisco Alvarez Cascos	/s/Pietro Lunardi
Minister of Infrastructure, Transport and Housing of the Republic of France	Minister of Infrastructure and Transport of the Kingdom of Spain	Minister of Infrastructure and Transport of the Republic of Italy

JOINT DECLARATION OF SPAIN, FRANCE AND ITALY ON THE BEGINNING OF WORK RELATED TO SHORT SEA SHIPPING

The Minister of Transport and Infrastructure of the Kingdom of Spain, Mr. Francisco Alvarez Cascos; the Minister of Infrastructure, Transport and Housing of the French Republic, Mr Jean-Claude Gayssot and the Minister of Transport and infrastructure of the Republic of Italy, Mr Pietro Lunardi, have agreed to adopt the following joint declaration whose objective is to begin work on avenues of Short sea shipping according to the Declaration of Brussels, dated 7 December, 2001.

DECLARATION

The Ministers have decided to adopt as a basis for discussion and creation of the document, which will be presented for debate at the Informal Council of Transport Ministers held in Gijón from 31 May to 2 June, 2002 the strategic guidelines for the development of EU cabotage or Short sea shipping, elaborated jointly by the three countries and which figure in Annex 1 of this declaration.

The Ministers will have formally constituted hereby the group of Short sea shipping experts authorized by the declaration of Brussels of 7 December, 2001.

This group of experts will be supported by three work groups to facilitate the analysis of the matters under consideration: the Ports working group will be chaired by Spain, that of Short sea shipping by Italy and that of administrative procedures and incentive measures by France. The structure and tasks of the group of experts and its working groups as well as the work schedule are included in Annex II of this document.

The participation in this project of other European Union countries is desirable, as previously stated in the 7 December Brussels accord.

The decision taken today in Livorno not only refers to the development of Short sea shipping in the three initial countries, but may be extended to include all EU members.

The structure of the work groups as stated in the accord will theoretically continue until the meeting of the Council of Gijón, as it most adequately meets the stated objectives. In case of the participation of other member states, a representative of each will be integrated into the work groups as defined herein.

Livorno, 15 February, 2002

Jean-Claude Gayssot	Francisco Alvarez-Cascos	Pietro Lunardi
Minister of Infrastructure, Transport and Housing of France	Minister of Infrastructure of Spain	Minister of Transport and Infrastructure of Italy

ANNEX I to the declaration of Spain, France and Italy on the start of work on the development of Short sea transport, made in Livorno, 15 February, 2002.

STRATEGIC GUIDELINES FOR THE DEVELOPMENT OF EU CABOTAGE OR SHORT SEA SHIPPING IN EUROPE

The communal transport policy has as an end result the achievement of sustainable mobility in concert with the environment and whose current development does not limit the future movement of either passengers or goods and which allows for the design of door-to-door transport networks based on a cohesive and integrated common market for the European Union.

The white book of European transport policy for the year 2010, points out the contribution made by Short sea shipping to the objective of sustainable mobility. Short–sea shipping presents fewer external costs than other means of transport as much in traffic congestion as in accident liability as in noise or environmental pollution.

Short sea shipping in Europe has an intermodal vocation and as a consequence must be based on the complementary nature of maritime shipping and means of land shipping. Therefore, its development implies the integration of the different means of shipping via the interconnection and interoperability of the different land-sea shipping networks. In particular, the sea-land shipping infrastructures, mobile material, services and information and contracting systems should be made compatible to the maximum.

Short sea shipping integrated into sea-land networks should be sufficiently competitive to exclusively land shipping systems. Competitiveness depends on efficiency and efficiency on the interrelation of all ways and means in the system to satisfy the level of price-quality, which is linked to demand. Among the quality factors, regularity and reliability necessarily stand out, guaranteeing continuity in time of the sea-land system.

Short sea shipping has been given a new lease on life in the white book of European shipping policy, with the "sea highways" as a basis of the configuration of a trans European maritime network. The concept of "sea highway" comes as a reflection on the maritime side of the already defined/existing trans European land highways. The objective is to achieve intermodal land-sea systems which are efficient and profitable and which can compete on equal terms with land transport systems.

In this context, Short sea shipping in Europe can be defined as "maritime transport of passengers and goods integrated into an intermodal transport system whose points of origin and final destination are located in Europe itself or non-European countries on the rim of the closed/neighboring seas surrounding Europe.

In this definition the following characteristics should be pointed out:

- It is integrated into a system of door-to-door intermodal transport
- It includes both passengers and goods

- The ports involved are located in Europe or in its geographical surroundings and integrated within trans European networks

In order for the transport systems including maritime participation to have the same market possibilities as the rest, a series of tangible measures reflecting the European point of view must be carried forward to improve the efficiency and competitiveness of Short sea shipping in Europe. To this end three groups dealing with these general measures have been proposed.

1. Measures of a normative or legislative character

- Standardize, whenever possible, documentary procedures, information requirements and responsibility schedules among means of transport
- Standardize, whenever possible, the training and employment conditions for ship crews
- Standardize regulations for the use of staff services and centers, control and information of maritime traffic (VTS &VTMS) to facilitate Short sea shipping services.

2. Technical Measures and Infrastructures

- Promote the general use of EDI and Internet
- Improve the conditions of interoperability among means of transport
- Promote technological development with viable results
- Improve port facilities for Short sea shipping
- Improve accessibility and land connections of ports
- Apply efficiently legislation for ship control by the Port Authority.

3. Measures for exploitation and operations

- Development of strategic alliances among international operators, permitting fluid global transport operations
- Simplify and standardize controls and procedures relative to goods shipments
- Increase competitiveness (price/quality ratio) of port services
- Establish agreed standards of service, tracking/follow up schedules, certification of compliance and controls for incidents and operations

- Promote actively Short sea shipping information to clients
- Study the possible creation of an intermodal Short sea shipping observatory, statistics on supply-demand (region to region) and performance indicators.
- Develop compatibility and coordination among the different ports
- Train workers at all levels
- Locate financial aid to promote Short sea shipping: Marco Polo program, local initiatives
- Improve conditions of competitiveness for Short sea shipping

  (price/quality of services)

ANNEX II to the declaration of Spain, France and Italy to start work on the development of Short sea shipping, agreed in Livorno, 15 February , 2002.

GROUP OF EXPERTS ON EU CABOTAGE OR SHORT SEA SHIPPING IN EUROPE, created by the joint declaration of Spain, France and Italy for the development of Short sea Shipping, dated 7 December, 2001. Formation, structure, tasks work schedule.

Formation, Structure and Tasks of the Group of Experts

The group of experts will be formed with a representative from each country, high ranking civil servants from the maritime and/or port ministries.

The group will be assisted by a secretary in charge of coordination and the preparation of the final documents; who, by agreement of the three parties, will be designated by Spain.

Three groups, consisting of two experts from each country plus a group president/chairman, to organize the technical work will be formed to facilitate analysis of the topics.

1. Work Group on Ports, chaired by Spain
2.
    - Analysis of port infrastructure
    - Development of port intermodality
    - Development of interport collaboration
    - Development of mutually acceptable promotion of Short sea shipping, in particular of ports, especially with respect to the European institutions of other EU countries as well as those on the Mediterranean rim
3. Work Group on Short sea Shipping Services, chaired by Italy

    - Identification of the axis/hubs and ramifications on which maritime links can be established
    - Development of mutually acceptable promotion of Short sea shipping, in particular of ports, especially with respect to the European institutions of other EU countries as well as those on the Mediterranean rim
    - Analysis of existing connections and the establishment of experimental connections

4. Work Group on Administrative Procedures and Incentive Measures, chaired by France

- Study current bottlenecks, specifically those related to administrative formalities and regulatory obstacles.
- Development of mutually acceptable promotion of Short sea shipping, in particular of ports, especially with respect to the European institutions of other EU countries as well as those on the Mediterranean rim
- Development of mutually acceptable promotion of Short sea shipping, in particular of ports, especially with respect to the European institutions of other EU countries as well as those on the Mediterranean rim
- Study the methods to foment the use of Short sea shipping

Work Schedule

The following work schedule has been agreed:

- February 2002

  Selection of group members and start work

- 15 March 2002

  Meeting in Paris of group of experts to exchange and analyze work documents formulated by each country and work group

- 8-12 April 2002

  First meeting of work groups and issue of a document for each work group

- 22-27 April 2002

  Meeting of the group of experts to analyze the documents prepared by each work group

- End of April 2002

Distribution of the definitive documents from each work group; Begin preparation of the single document of conclusions

- 8-9 May 2002

  Meeting of the group of experts to approve the single document of conclusions, which will be presented for debate at the meeting of the Directors General in Málaga.

- 31 May to 1-2 June 2002

  Informal Council of Ministers of Transport in Gijón. Presentation of the single document of conclusions by the group of experts for debate.

CONCLUSIONS FROM THE WORKING GROUPS FOR THE DEVELOPMENT OF SHORT SEA SHIPPING INITIATIVE.

A document prepared by the Secretariat of the Group of Experts on Short Sea Shipping.

WORK GROUP 1 – PORTS, CHAIRED BY SPAIN

1.Background: Ports and Short Sea Shipping in Europe

The objective of Sustainable Mobility of the Joint Transport Policy necessarily leads to the promotion of a new equilibrium in the transport market, favoring the formation of international transport systems based on railway and maritime transport.

In the area of maritime transport, the idea of Short Sea Shipping in Europe has been created as a transport option which should be integrated into international transport systems. In two monographic reports titled "The Development of Short Sea Shipping in Europe: Perspectives and Challenges" (COM(95)317 and COM(99)317), it has been deemed essential that this type of transport be intermodal and offer *"global door to door solutions with a high level of quality, reliability and frequency within a personalized logistical framework as well as attractive costs."*

Using this focus, Short Sea Shipping can be said to be **"maritime shipping of goods and passengers which is integrated into an intermodal shipping system whose ports of origin and final destination are located in Europe or in non-European countries on the closed seas surrounding Europe**." As a result, the Short Sea Shipping in Europe complies with the following conditions:

- **It is integrated into an international shipping system**
- It includes the transport of passengers and goods
- **The ports involved are located in Europe or its environs and are integrated into the Trans European Networks.**

The Ports play a principal role in the development of Short Sea Shipping in Europe. They are intermodal hubs of integration with both sea and land shipping networks. In the ports a maximum integration of infrastructures, mobile material, services, information and contracting systems of sea-land shipping should be reached.

This integration should be reached for the different types of traffic – the preferred object of analysis: Unloading by rolling: (Ro-Ro or "Roll on-Roll off," or unloading by lifting (Lo-Lo or "Lift on-lift off") Bulk solid or liquid traffic with sufficient critical mass and regularity, dangerous goods traffic, Passengers and **auxiliary services of regional distribution of oceanic shipping cargo assisted by "feeder" ships**, whose traffic takes place between hub ports or terminals and other European or nearby ports.

With these basic premises, planning stems from a diagnosis of the port in relation to Short Sea Shipping of the most promising market segments as well as the definition, programming and implementing of concrete measures. Although there really exists a rich gamut of possibilities for the development of Short Sea

Shipping, the diagnosis and the measures to be adopted by the ports relative to this objective are stated in the following paragraphs from a general and European perspective.

2. Diagnosis of the ports relative to Short Sea Shipping in Europe

Consequent to the European references and development outlined in the above paragraph, the following advantages and disadvantages of the ports relating to Short Sea Shipping in Europe follow.

a) Benefits and Advantages

The port provides physical and functional capacity to handle great volumes of maritime goods, which is adequately complemented by the economy of scale of maritime shipping itself. Generally speaking, the binomial maritime shipping-port constitutes a large capacity product/offer with great possibilities for the reduction of unit costs, above all in highly competitive markets.

In addition to the logistical function of the ports, there is the added factor of competitiveness in sea-land shipping systems. Possibilities exist for client fidelity as well as contracting new cargo to Short Sea Shipping, motivated by the possibility of optimizing the logistics of each type of goods and taking advantage of logistics offered by ports.

b) Obstacles and Disadvantages

Short Sea Shipping is integrated into sea-land systems whose competitiveness should arise from the integration of hubs and means of transport. The main obstacles and disadvantages stem from a lack of efficiency in the formation of an international system which rewards the installation of quality door-to-door services.

The obstacles to the implementation of Short Sea Shipping are physical or infrastructural, functional and economic or related to the lack of an open, flexible and transparent network for knowledge management among the main economic agents who intervene in the passage of the goods through the port.

Based on the above concepts, there follows a summary of the weaknesses and strengths, not necessarily in order of priority of the ports in the sea-land systems based on Short Sea-Shipping in Europe.

DIAGNOSIS OF PORTS RELATIVE TO
SHORT SEA-SHIPPING

WEAKNESSES	STRENGTHS
-Complex and different port communities with multiple contractual relationships - Absence of compatibility between port of origin and that of destination - Inadequate and at times high port service costs. Difficult to increase competitiveness - Lack of functional integration between the port and maritime aspect: different capacities and frequencies, problems of interoperability of equipment -Discontinuity in provision of regular service -Lack of physical and function integration between the port and land aspect -Lack of space and specialized infrastructure in ports -Lack of generalized use of new technology in information and communication. EDI/Internet for knowledge management and for contracting websites (B2B)	-High physical and functional capacity in the majority of ports and the flexibility to adapt to various demands. -New legislative framework to improve efficiency in the provision of port services -Concentration of logistic and information services in the ports. -Potentially large supply of railway shipping operators who handle maritime goods, especially in line with the White Book of Shipping.

4. **Proposal of measures to be taken**

The measures proposed as a result of the analysis and diagnosis outlined above are classified into three areas: technology, infrastructure; exploitation, organization and economic.

A) Technological measures and infrastructure

1. **Promote international coordination among existing national and international commercial organizations and associations,** including permanent office for Short Sea Shipping.
2. **Promote technological development leading to viable results.** Technological development orientated to the means in goods handling which reward agility in the changes of means of transport.
3. **Improve the specialization of port facilities for Short Sea Shipping.**

Encourage specialization of berths, docks and port facilities for Short Sea Shipping to make sea and land networks interoperable from a physical point of view.

4. **Improve the accessibility and land connections of ports**.
Ports should be equipped with direct connections to high capacity interurban networks by both highways and railways.(In particular the Trans European Shipping Networks)

B) Exploitation and Organization

5. Develop strategic alliances among international operators which permit a fluid organization of global shipping.
Encourage commercial cooperation and integration and promote simplification of the contracting of port services and their integration into a single intermodal "door-to-door" shipping service contract.

6. Increase competitiveness (price/quality of service) of ports.

Ports should promote an offer of services for Short Sea Shipping with a high price/quality ratio. To do so, the operating and regulatory models for port services should be revised. Specifically, the obligatory nature, pricing and/or dimensions of certain port services should be reconsidered, since the conditions of regularity and frequency linked to Short Sea Shipping can make the needs relative to other transoceanic and "tramp" port traffic vary considerably, especially with reference to technical-nautical services and loading, unloading, shifting storage as well as shipping by highway to and from the port.

7. Establish standards for mutually agreed services, tracking schedules, certification of compliance and control of incidents and operations.
Develop performance standards and establish indices of user opinion, quality control and costs.

8. Encourage interport compatibility and coordination.
The fact that at least two ports exist – those of origin and destination - in Short Sea Shipping, calls for the greatest possible linking between both; thus coordinating the physical needs, the interoperability with respect to serving communal sea-land systems. Likewise, functional requirements for the correct implementation of services and avoiding duplication of inspection and customs and para-customs control are also called for, if these have not yet been simplified to a minimum, the concentration of these operations along the sea-land shipping system must be reduced to the maximum without ever interrupting the shipping flow.

9. Training of the port workforce at all levels

Development of the necessary training programs in the subject of intermodal shipping and Short Sea Shipping as well as those for the international exchange of workforces among the companies involved in the different means of transport and

to recognize the causes and circumstances of the other shipping means, thus facilitating interaction among operators.

10.Encourage port projects in the Marco Polo Program

The proposal on this program as a support for international transport initiatives is outlined in The White Book on Transport. The application of this EU program is designed to support international initiatives with special emphasis on the advantages of Short Sea Shipping. The possibility of an incentive scheme for port businesses should be contemplated within this financial support network.

11. Improve the conditions of competitiveness for land transport (price/quality of service).

The offer of land transport services should be based on free access to the services rendered and on an adequate combination of prices and conditions of service quality, so that homogeneous conditions among means of transport are made available within an international concept of the same.

C) Finances

12. The member States should contemplate the process of liberalization of rail transport of goods from an international and EU perspective rather than a local one.

Measures of a legislative and financial nature to improve conditions of competitiveness in rail transport of goods permit effective participation of the diverse rail operators that handle maritime goods (international focus) to successfully improve financial conditions as well as the rail services rendered.

13. The member States should complete the processes leading to liberalization of access to port services rendered from an international and EU perspective rather than a local one.

Measures of a legislative and financial nature improving the conditions of competitiveness of port services rendered should be adopted, thus avoiding abusive and high-handed practices and contributing to cost reduction in the passage of ships and goods through ports, improving ports as essential hubs in international transport systems.

14. Study a system of infrastructure tariffs.

The member States should reach an agreement on infrastructure tariffs, based on a common methodology. Such an instrument is not currently available as a work tool.

(The above items are pending revision.)

WORK GROUP 2 – MARITIME TRANSPORT SERVICES, CHAIRED BY ITALY

1. Lines of navigation and traffic statistics

A diagram of the existing lines of navigation connecting the three countries should be drawn up, thereby providing the work group with up-to-date information. The Italian delegation needs to have already begun the research on traffic from Italy to the other three countries, having already obtained initial data. France and Spain both agree to provide data on their traffic. The question was raised of including traffic with the islands and from these to different points on the continent. However, keeping in mind the final objective of transfer exclusively by means of sea-land transport within the EU, it was reiterated that any analysis should adhere to this scheme.

2.Traffic statistics

Knowledge of the existing volume of traffic was considered essential before suggesting any strategic measure. The Italian delegation presented the statistical document, " Analysis of the Flow of Goods – initial results," elaborated by their services and which studies the flow of traffic among the three countries within a regional framework. The Spanish and French delegations brought forth some information relative to the volume of goods transported, agreeing to provide more detailed information. The Italian Department of Statistics offered to carry out the analysis of data to have an approximation on a macro-regional level of the flow of goods. The French delegation commented that to reduce the possibility of error in the calculations, in this type of work it would be necessary to bear in mind that the different countries did not use homogeneous units to inventory goods.

3.Evaluation of the possibilities of establishing experimental lines.

The Italian delegation raised the question of the suitability of discussing experimental lines and, if that were the case, to proceed directly to the determination of the requirements and characteristics of such lines.

The Spanish delegation suggested that one should bear in mind that, in any project of experimental lines, the establishment of lines on any route was based on private initiative, the market deciding which lines to be maintained based on profitability. Therefore, they could not lend their support to such a project.

The delegation from the Netherlands proposed, as an idea for thought, the consideration of not only maritime transport but door-to-door transport as well in the context of land services only.

The French delegation underlined the difficulty of dealing with experimental lines without there being a clear political strategy to support them.

Disuasive measures for highway transport were discussed, concluding that these were not recommended. It was thought that incentive measures were preferable as were those means of highway transport effectively transferable to maritime means.

The Chairman of the work group concluded that, having finished the discussion on this point, priority should be given to private initiative in the event of establishing experimental lines. Nevertheless, the study of such lines could be considered if and when these found support within a scheme of political strategy. Financial implications (Marco Polo, state aid, etc.) as well as any eventual proposal of an operative measure should be carefully evaluated before submitting these to the group of experts or recommending their delivery to the Ministers.

The group Chairman equally pointed out the need to delve deeply into the technical aspects including the implications of land transport.

4.Financing

The delegation from Portugal expressed the opinion that financing by the Marco Polo program was very meager, a point with which the other delegations agreed. However, the Chairman deemed it not procedural to become immersed in a discussion of the Marco Polo program, this issue pertaining to another forum. Yet, extending the aid package approved by the Commission for France to the other three countries was taken under consideration.

5. Promotion of Short Sea Shipping.

It was agreed that the Office for the Promotion of Short Sea Shipping extend its functions to other fields centered actively on attracting reticent parties who still exist to participate in Short Sea shipping and to continue all the logistical operations involved.

6. Determination of strategically important port areas.

The delegations agreed that it would be useful to deal with this point in relation to the analysis of statistical transport data for the above mentioned macro-regions. The Italian delegation stated that the statistical document presented facilitated the specification of large port areas which could eventually be used to characterize maritime links.

7. Classification of ships

The impossibility for the moment of considering the optimal ship used for Short Sea shipping (speed over 30 knots, low fuel consumption, low environmental pollution)

was made manifest, agreeing to postpone this subject for future analysis. Nevertheless, the realities of current Short Sea shipping were discussed along general lines, indicating that the most appropriate ship should preferably be of the Ro-Ro or Ropex type.

WORK GROUP 3, ADMINSTRATIVE PROCEDURES AND INCENTIVATING TOOLS, CHAIRED BY FRANCE

1. Administrative simplification

The work group understands that during this stage it is not feasible to consider a definition of Short Sea shipping, having taken into consideration the work of the other subgroups. Nevertheless, it has been decided, momentarily and without prejudicing further developments, to use the following definition of European cabotage: *Maritime transport without stopovers outside the European Union.*

The work group has focused its tasks on exclusive consideration of the administrative difficulties that directly interfere with continuous regulation, whether it be the modification of existing texts or the creation of new ones.

The difficulties indicated by the work group fall into three categories:

1. Documentation
2. Procedures
3. Dangerous Goods

1.Documentation

It is emphasized that the publication of the Directive 2002/6/CE is a tool used to standardize all documents required upon arrival or departure of ships in port.

The forms (1,3,4,5,6) OM/FAL, dated 1965 will be used in a standard way by all EU member States by the end of 2003. In any case, national documents relative to the declaration of goods will continue to be used by maritime and port authorities.

Recommendation by the work group: *the OM/FAL group deemed it necessary to standardize form 2, relative to the declaration of goods, relying on the cooperation of Customs Authorities.*

The group members likewise propose the creation of a pilot project jointly with Marco Polo which would permit customs authorities to have a step by step view of the establishment of a line of cabotage.

2. Procedures

a. Compliance with formalities before unloading

It is emphasized that in some member States, ships are not authorized to begin operations of loading or unloading until authorities have given permission and forms have been completed.

Recommendation by the work group: *It is recommended that the EDI system should be installed in ports, thus permitting the sending of information ahead of time and speed up physical formalities without compromising security demands.*

b. Obligation of authorities to board ships.

It has been indicated that in some member States, ships are submitted to inspections and controls by many different authorities (customs, immigration, health inspection, horticultural inspection, port and maritime authorities) The systematic character of such controls is not conducive to comparison with highway transport.

Recommendation by the work group*: the work group proposes that, for regularly established lines between two ports of the European Union of the Ro-Ro type transport, coordination between the two ports should be rationalized*

c. Dematerialization of procedures

The fact is underlined that procedures, in themselves complex, depend on the flow of physical documents; likewise, customs procedures are not homogeneous, being dependent on Customs authorities and States.

The exchange of manifests and visas by electronic means is not allowed by customs procedures in the European Union countries.

Recommendation by work group*: the group proposes that while awaiting the dematerialization of documents and in collaboration with Customs authorities (project e-custom), ports that accept manifests and visas by electronic means be identified and included in the repertory.*

3.Dangerous Goods

It has been noted that among the regulations ADR , RID and IMDG, applicable to the transport of dangerous goods, there are different interpretations, although standardization of ADR and RID 2001 (classifying, labeling and packaging,...) is already underway and is seen to be applicable by 2003. However, regulations between maritime and land transport seem contradictory although they do respond to different management conditions and judicial systems.

Recommendation by work group*: the standardization of the regulations relative to the transport of dangerous goods should be extended to the utmost. The work group insists that there be an evolution in judicial systems, reflecting a coming together of the systems of accountability of land and maritime transport.*

2.Help systems for maritime cabotage

In contrast to the preceding section, this section deals with maritime cabotage in transport to non- European Union countries.

A three-stage procedure has been proposed:

1st Stage
Leave out of the discussion for the moment the examination of any existing EU directives, thus leaving for discussion matters of aid, that is to say:

1.1 The schedule of aid to maritime businesses which are set in decision C.205:the group chairman indicates that this framework is of a very general character and includes other types of aid not related to cabotage. It has been proposed to leave this question aside, without excluding the possibility of returning to it at the opportune time.

1.2 The Marco Polo Project: The Chair indicated that the elimination of this program within the heart of this group seemed to him to be a problem of principle, bearing in mind that this regulation was currently being discussed in the Council's work group on maritime transport.

2nd Stage: aid systems in the establishment of maritime lines
The existence of an EU framework of aid directives for the establishment of maritime transport line services in the EU has been favorably regarded.

The French aid scheme has been discussed, which has already been approved by the Commission, concluding that it would be difficult to get much further than what has already been proposed.

3rd Stage: the particular situation of the western Mediterranean
The Chair reiterated that the high density of highway traffic along the Mediterranean coast had been the first justification for this tripartite initiative by Spain, France and Italy to reach a common solution to this problem of transport and environment.

It has been stated that there currently exists "feeder" traffic of containers among the three countries, but only some Ro-Ro links between Spain and Italy. This lack of links is worrying with respect to the efficiency of the transport system among the three countries.

It has been proposed to work more closely on specific regulations applicable to the creation of lines of Ro-Ro cabotage with the end result of lightening highway traffic along the coastal axis, between southern Italy and Andalusia, along the Tyrrhenian Sea, the Gulf of Genoa, the Gulf of Lion, Catalonia, the Levant and Andalusia.

It has been proposed to transfer this question to work group 2 on lines of cabotage services, chaired by Italy.

Report on Short Sea Shipping
or
European Cabotage

January, 2002

1. Background

Situation of the Common Transport Policy and the Promotion of Short Sea Shipping in Europe

The general aim of the Common Transport Policy is to achieve sustainable mobility, i.e. that transport should be environmentally friendly and its development should not limit the future mobility of goods and people. Sustainable mobility should allow for designing door-to-door transport networks based on integration and cohesion of the EU internal market.

The Common Transport Policy aims at achieving a sufficient mobility, which should be adequate to the needs created by the economic growth, as well as sustainable; this means that it should be respectful with the environment, its development should not limit the future mobility of people and goods, and it should allow for the design of door-to-door transport networks based on the integration and cohesion of the EU market.

Recent European Commission studies show that the external effects from highway transport could represent 4% of European GDP, which affect sustainable mobility. This situation suggests a rebalancing of the transport market by favouring the participation of intermodal transport networks based on maritime and railways transport.

Regarding maritime transport, the liberalising effort initiated in the 80's (a package of four Regulations, among which Regulation 4055/86 is underlined since it provided the market liberalisation for 1992) raised an interest in the possibilities of this mode of transport.

After a group of shipping companies, mainly from the Netherlands and Germany, joined the European Community Shipowners Association (ECSA) at the end of the 80's, whose core business was centred on short sea shipping, ECSA began to pay particular attention to this type of service by forming the "Short Sea Trade Working Group".

The growing expansion of the transport sector (basically, the land transport) demanded maritime transport to make a strong adaptation to the processes of redistribution of production and consumption centres, as well as the logistic and supply chains. The challenge to the actors involved in the different transport modes –road transport predominating– was to achieve optimum control in the planning of logistics and supply chains, including distribution.

1992 was key for the development of European initiatives linked to maritime transport. It is worth noting:

- Liberalisation of maritime cabotage (Regulation 3577/92)
- Creation of the Community Customs Code (Regulation 2913/92)
- Development of the Trans-European Transport Networks

In that year, the European Commission launched the communication "New Challenges for the Maritime Industries" (COM 91(335)) that proposed establishing the Maritime Industries Forum (MIF), which includes European shipowners, ports, shipyards, fishing industry, etc. In October, 1992, the MIF presented its recommendations to the industry, Member states and to the European Commission itself. The first recommendation was:

"To promote multimodal short sea shipping, including:

1. *The problems making the use of maritime transport difficult as an alternative to land transport, and*

2. *The problems related to rapid maritime transport services."*

The European Commission, through the Directorate-General responsible for Transport, has demonstrated its strong support for the promotion of short sea shipping. In June, 1995, the Commission addressed this issue in a first report, "The Development of Short Sea Shipping: perspectives and Challenges" (COM(95)317). This report emphasizes the need to improve port efficiency as a key measure for the development of short sea shipping in Europe and calls attention to the potential of short sea shipping with the aim of achieving sustainable mobility. The 1992 White Paper on common transport policy pointed this out. This was favourably received by the European Parliament, the Council, the Committee of the Regions, and the Economic and Social Committee, as well as the maritime industry.

The reaction from the Council was reflected in its Resolution dated March 11, 1996 in which it invited the Commission to prepare the necessary measures to achieve a balanced growth of this mode of transport and its integration into intermodal transport chains. The Commission issued its report in 1997, with a series of conclusions and it invited the Commission to report every two years. This Report would include an evaluation of the results arising from the actions taken to promote short sea shipping.

In the Commission's opinion, initiatives on short sea shipping should come from agents in the industry (producers, shipowners, shipping companies, transport operators and customers) who should coordinate and manage a common and integrated logistic chain benefiting all components. However, this may require some institutional support from the State, in some cases, or from the European Union. In this regard, the Commission and Member States have formulated several initiatives, which, within the framework of European legislation, aim to support and promote this mode of transport and contribute to eliminate present obstacles as far as possible.

From the financial support perspective, the Commission has launched assistance programs, from 1995 to 2001, known as "Pilot Actions for Combined Transport" (PACT). These are addressed to the development of innovative initiatives contributing to rebalancing freight transport from road to other modes, such as short sea shipping.

Parallel to formulating specific measures, the Commission prepared two communications related to the problems of short sea shipping: on the one hand, on the competition between transport modes, and on the other hand, on the internalisation of external costs and the correct tariff calculation of the infrastructure costs: Green Paper: *Towards fair and efficient pricing in transport (COM(95)691);* and White Paper: *Fair Payment for Infrastructure Use. A phased approach to a common transport infrastructure charging framework in the EU (COM(98)466).*

Within the Fourth Framework Programme for Research, Technological Development and Demonstration (RTD), the European Commission funded several activities in 1995. One of them

was a "Concerted Action", specifically focused on short sea shipping. A series of research projects were also launched with the aim of achieving solutions to the various problems of this mode of transport, from the ship-port interface to the information channels and traffic and transport management, and resulted with some real-life applications. In the Fifth RTD Framework Programme, begun in 1998, the Commission continued supporting short sea shipping by promoting research addressing interoperability and interconnection problems with integration into the intermodal transport and logistic chains. This resulted in the funding of a "Thematic Network" and several other RTD projects, currently ongoing. It is hoped that the Sixth Framework Program will make more initiatives on short sea shipping issues possible.

The strategy to promote intermodality is also sensitive to the development of short sea shipping in Europe. Since 1995, there has been a successive publication of documents regarding promotional actions on short sea shipping proposing the creation of combined land-maritime networks to foster intermodal networks supported in intra-European maritime transport. These first initiatives constituted the original concept of integration of short sea shipping into the logistic and land-maritime transport chains in Europe. From this viewpoint, the promotion of short sea shipping in Europe is in tune with the intermodal ideas explained in the document "*Intermodality and intermodal freight transport in the European Union – A systems approach to freight transport: strategies and actions to enhance efficiency, services and sustainability (COM(97)243).*

With respect to ports, the European Commission launched a Green Paper on Ports and Maritime Infrastructures (COM(97) 678) in October, 1997. This includes a specific section on short sea shipping and refers to short sea shipping as a major alternative mode to land transport modes.

The second monographic document on short sea shipping was published in 1999 (COM(99) 317), and responded to the second two-yearly report required by the Council. This document defines the geographic boundaries of short sea shipping and offers a diagnosis of the current situation, emphasising the competitive advantages and stressing the major obstacles to its development. This document orients short sea shipping towards its integration into intermodal transport chains. It considers essential that this type of transport offers *"global solutions for door-to-door services with a high quality level, regularity and frequency in a customized logistic environment and with attractive costs"*.

Within this context, the Commission proposed that Member States' administrations appoint a national "Focal Point" on short sea shipping. The main task of these "focal points" is to provide and disseminate as much information as possible on short sea shipping to all involved. Therefore, the Commission, through regular meetings, coordinates and harmonizes the promotional measures on short sea shipping. The focal points, jointly with the Commission, have prepared a list of obstacles to the development of short sea shipping in Europe.

In addition, the Commission recommended that Member States establish a "Short Sea Shipping Promotional Bureau". With the exception of the United Kingdom, all Member States have established their own bureau.

The strengthening of short sea shipping through intermodality is fully backed by the recent White Paper: *European transport policy for 2010: time to decide (COM(2001)370)*. The need to

rebalance transport requires regulated competition and the linking of all transport modes. To achieve this, it is essential to *"guarantee the connection among sea, inland waterways and rail"*. The White Paper proposes to give an impulse to the reactivation of maritime transport by the creation of the "motorways of the sea" as a real maritime transport network, having the special support of the Marco Polo program to launch intermodal transport initiatives.

Optimum functioning of ports and the quality of services are key elements in intermodal land-maritime transport. The Commission analysed this in the Green Paper on Sea Ports and Maritime Infrastructure (COM (l997) 678 final). In 2001, in its communication COM(2001)35 final, the Commission proposed a directive on market access to port services (such as technical-navigational services, cargo handling and passenger services, among others) in order to establish the basic principle of freedom to provide services with the objective of improving the competitive position of ports and maritime transport into the transport networks.

Finally, it is worth to mention the Commissions initiative to harmonise the formalities for ships arriving and departing from Member states' ports, made by the proposal for a Directive (COM(2001) 753 final), the objective of which is to simplify procedures and documentation required to ships, based on the International Convention to Facilitate the Maritime Traffic 1965(FAL Convention).

2. Concept and General Framework

Short sea shipping is defined by the European Commission, in its communication "The Development of Short Sea Shipping in Europe. A Dynamic Alternative in a Sustainable Transport Chain. Second Two-yearly Progress Report" (COM (1999) 317) as "*the movement of cargo and passengers by sea between ports situated in geographical Europe or between those ports and ports situated in non-European countries having a coastline on the enclosed sea bordering Europe"*.

According to this definition, the geographic character of short sea shipping exceeds that which is carried out between ports of the Member States. In particular, short sea shipping in Europe extends as well to international maritime transport between Member States and ports located in countries on the Mediterranean, on the Black Sea, on the Baltic Sea and in ports of Norway and Iceland.

However, the previous definition is considered limited since it is centred only on the geographical scope. The concept contains, in addition, a clear **intermodal character**, in the sense that it is integrated with land transport (inland waterways, railways and road) to suit the needs and requirements of passengers and freight movements between origin and final destination (door to door).

Therefore, short sea shipping in Europe is based on maritime and land transport complementing each other and not on substituting modes. Its development implies favouring integration through inter-connection and interoperability of land and maritime transport chains.

In current transport markets, which are on their way to liberalisation, supply should be oriented to satisfy demand requirements, i.e., transport services should be "door-to-door", low cost, rapid,

frequent, reliable, safe, secure, flexible and transparent. Taking into account these assumptions, competition does not occur between modes, but between chains, either single-mode (road) or land intermodal (inland waterways, road and railways) or land-maritime intermodal.

Short sea shipping is part of land maritime transport chains and **its competitiveness depends on the efficiency and efficacy of the integration among all modes and nodes of the chain** so quality and price levels are satisfactorily covered according to demand requirements.

Quality of service must be ensured all along the transport chain. Consequently, **the development of short sea shipping requires a maximum degree of compatibility among infrastructures, vehicles, services and information systems, brokering and hiring land and maritime transport services.**

In addition, it is interesting to consider the concept of short sea shipping as one which is part of land-maritime transport chains, which is competing or can reasonably compete with land-only transport chains. Thus, not only supply conditions of the land-maritime transport chain should be adequate (quality and price), but also there should exist other reasonable alternative land transport chains, involving railway or road.

Consequently, short sea shipping in Europe is also based on the competitiveness between land-maritime and land-only transport chains, considered as a whole from origin to final destination. Their development implies fostering an improved supply of land-maritime transport chains so that they can compete reasonably, providing that market and physical conditions exist.

The recent White Paper for transport policy in Europe provides an innovative impulse with the "motorways of the sea" as a pillar of a Trans-European Maritime Transport Network. The concept of "motorways of the sea" comes as a duplicate of the Trans-European land transport networks applied to maritime transport. As in land transport, the objective is to achieve efficient intermodal land-maritime transport networks which can compete with land chains under equal conditions.

Among the conditions to attain short sea shipping as a integrated part of competitive intermodal transport chains, it is worth noting the regularity of the service in the maritime leg. Regularity is considered a guarantee of the continuity of intermodal land-maritime transport chains to cover demand requirements.

Considering the intermodal approach of these transport chains seen as a whole, short sea shipping would mainly involve the following traffic:

- **Roll-on roll-off** trades, very adequate for short sea shipping since a high level of efficiency in port services and reduced costs and transit times are almost guaranteed.

- **Lift-on Lift-off** trades, particularly for containers, also quite adequate for short sea shipping, although they require specific equipment and operations for an efficient modal change.

- Short sea shipping should not necessarily focus on general cargo but it should also be

open to solid and liquid bulk cargo with sufficient critical mass and within regular consignments. In this respect, it is interesting to note the so-called "neo-bulks" (paper rolls, pre-treated timber, steel products, cars, etc.) as well as liquid bulks, oil and chemical products in limited consignments ("parcel trade").

- Short sea shipping should also include the maritime transport of dangerous goods, which is subject to a number of restrictions for road transport. The transportation of chemical products –a trade which is very well established– could be reoriented to land-maritime transport chains with an important maritime leg.

- Short sea shipping should not be linked only to freight but also to passenger transport, in particular when there exists competition with other modes of transport. Ferry services among ports located in Europe and in non-European countries should be included.

- Whatever the cargo or vessel, it is necessary to include within the concept of short sea shipping the regional services for freight distribution from large transoceanic services, which are operated by smaller vessels, also known as "feeder services", and which is developed between hub-and-spoke ports and terminals in Europe or neighbouring countries.

Considering all aspects mentioned above, short sea shipping can be defined as follows:

Concept of "Short Sea Shipping" or "Community Cabotage"

"Maritime transport of goods and passengers, integrated into intermodal transport chains, whose ports of origin and final destination are located in Europe or in non-European countries bordering the closed or semi-closed seas surrounding Europe".

This leads to the following characteristics:

Characteristics of the Concept of Short Sea Shipping in Europe

- **It is integrated into the intermodal transport system; in this respect, *intermodality* means the faculty of the transport system by which it is possible to use at least two different modes of transport integrated into door-to-door transport chains.**

- **It includes transportation of goods and passengers.**

- **The ports concerned are in Europe or its geographic area and are integrated into the Trans-European Transport Networks.**

3. Present situation of Short Sea Shipping in Europe

Considering international trade, maritime transport is the most important in economic terms since it represents 40 % of the international trade between the European Union and the rest of the world (especially the farthest in distance) and 23 % of inter-European trade. If measured in physical units, both percentages are 70 % and 30 % respectively. Thus, maritime transport is the most relevant international transport mode in Europe, and, in economic as well as physical terms, enjoys the first place in the ranking by modes, far over road and air transport.

EXTERNAL TRADE OF GOODS BY TRANSPORT MODE. YEAR 1998.

MODES of TRANSPORT	VALUE (thousand of millions $)				CARGO (millions tons)			
	EXTRA UE			INTRA UE	EXTRA UE			INTRA UE
	Export	Import	Total	Import	Export	Import	Total	Import
TOTAL	813	792	1.605	1.380	388	1.325	1.712	1.006
Maritime	341	323	664	337	270	942	1.212	308
Road	207	156	363	856	70	86	135	411
Railways	20	16	36	58	20	52	72	47
Inland waterways	6	7	12	13	15	34	49	126
Pipeline	2	21	23	11	4	182	186	81
Air	202	207	409	58	4	2	6	3
Other	36	86	121	148	5	47	51	29

Source: EUROSTAT, 1998. Own elaborated.

According to the table, transport of goods among EU countries reached 1,000 million tons. This represents 7.5 % of the total of inter-urban transport of goods in Europe, estimated at 13,500 million tons in 1999. The rest corresponds to inter-urban movement within each of the countries.

Altogether, totalling inter- and intra-country movements in the EU, the average inter-urban distance in Europe is around 210 km., which means a physical production of 2.8 billion tons.km. This has grown since 1970 at an average rate of 2.6 % annually although with some slumps along the way.

From a chronological point of view, since 1970, the two modes of transport which have grown the most in terms of tons.km were road and maritime transport. Both have grown in average accumulative annual rates of 3.9 % and 3.1 %, to the detriment of railway, with an average decrease of 0.6 %, although varying along the time. Between 1988 and 1993, railway transport lost 40 % of its share.

The table clearly shows a preference for maritime transport (40.4%) and road transport (44.5%) for two complementary reasons. Maritime transport permits large amounts of cargo to be moved over long distances at a low unit cost as a consequence of more favourable economies of scale, particularly for services with a certain regularity. Road transport continues to be the most flexible option for transport of goods when it comes to satisfying demand requirements in relation to door-to-door and just-in-time, with a high reliability.

EVOLUTION OF EUROPEAN TRAFFIC, DISTRIBUTION BY MODE (%)

Years	Road	Railway	Inland waterways	Pipeline	Short-sea shipping	TOTAL (billions tons-km)
1970	30,8	21,2	7,7	4,9	35,3	1,338
1980	33,1	15,2	5,7	4,8	41,2	1,892
1990	40,6	11,2	4,7	3,3	40,2	2,294
1995	43,4	8,4	4,3	3,2	40,7	2,627
1996	43,6	8,4	4,3	3,2	40,8	2,689
1997	43,4	8,6	4,3	3,1	40,6	2,766
1998	43,7	8,4	4,2	3,1	40,7	2,870
1999	44,5	8,0	4,1	3,1	40,4	2,960

Source: DG-TREN. European Commission

From the maritime transport side, in 1998 a total of 1,962 million tons were moved within the EU, of which 1,212 correspond to cargo from other countries of the world and the rest representing intra-European movements in both among Member States and within each Member State..

In terms of total distances covered, intra-European movements exceeded a billion tons-km. mostly among countries since in average the distances are greater (along the order of 3,000 km.) than the cabotage of each country (average distances of 350 km.). In this case, the greatest distances in cabotage of each country are those related with the links to islands, being about 1,300 km.

MARITIME TRANSPORT IN EUROPE, GLOBAL FIGURES, 1998

	EXTRA UE			INTRA UE			TOTAL
	Export	Import	Total	Inter-countries	Intra-country	Total	
Volume (million tons)	270	942	1.212	308	442	750	1.962
Distance (thous. millions Tons-km)	-	-	-	915	165	1.080	-

Source: EUROSTAT, 1998. Own elaborated.

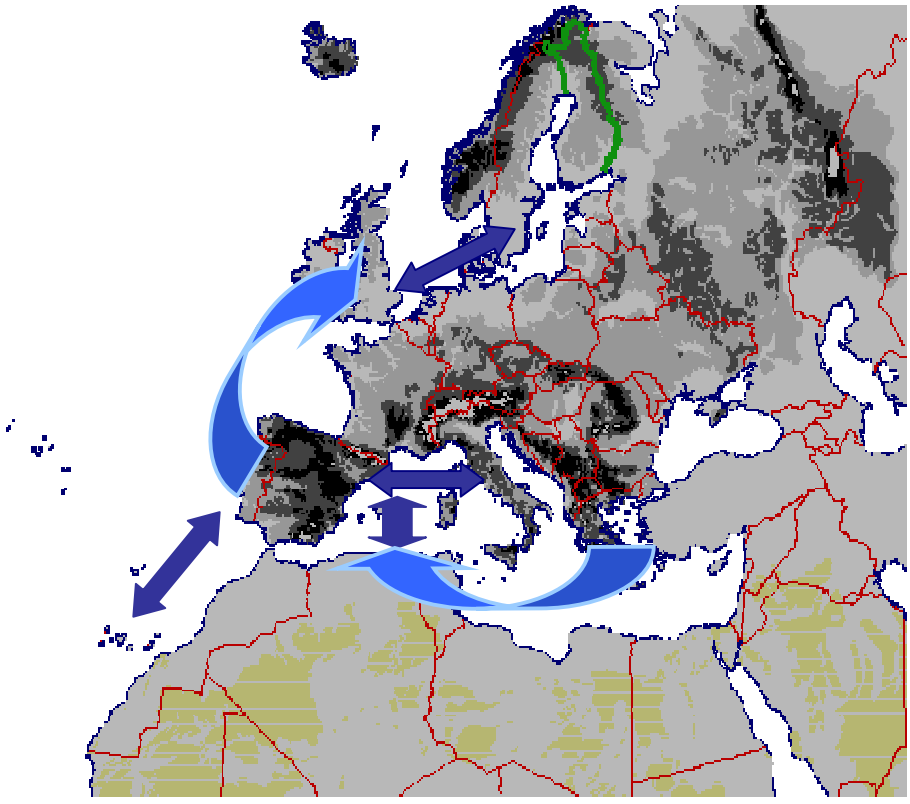
Short sea shipping obviously includes domestic cabotage of each country of which regular services among continental ports and island ports of the same country are notable. In Spain, for example, much of the maritime transport between the Canary and Balearic Islands and the Iberian Peninsula can be grouped under the concept of short sea shipping in Europe, not only for its regularity and high frequency, but as well because its integration in logistic chains which could include a railway leg (e.g., Canary Islands-port of Seville-Madrid by rail).

By way of example, it makes sense to draw the following arcs:

- **EuroMediterranean arc**: which enjoys existing short sea shipping services, a proof of its technical-economic viability and its future for potential development

- **Atlantic arc**: European ports of the North Atlantic arc (including the North Sea) which really have a major concentration of cargo because of their proximity to large areas of production and consumption in Europe. These ports offer good possibilities to consolidate short sea shipping services with other ports.

Besides these basic arcs, other areas of importance are the Baltic and Black Sea, offering great growth potential for short sea shipping among Western European countries and the EU Accession countries.



Additionally, in the Mediterranean, the development strategy for short sea shipping should assist the possibilities of connection between the European and African continents. This is a major link in the logistic chains within come from the economic development of the Magreb (Morocco, Tunis, Algeria) for its own potential and for the positioning in this area of production centres

from European companies. The ro-ro, container and passenger transport networks are becoming denser. This is the result of inter-port co-operation in the Euro-Mediterranean area, which is consolidating and has good chances of being a free trade zone.

To evaluate the potential development of short sea shipping, one must examine the corridor linking the Iberian Peninsula to the rest of Europe. Through this corridor, Spain and Portugal export and import to and from the rest of Europe. As with other corridors, road transport acquired more importance, particularly after the signing of the Adhesion Treaty of Spain to the EU in 1985. Growth rates rose from 2.8 % to 8.4 % that year, and today the traffic volume is 70 million tons each way. This means 3,500 trucks crossing the border every day between La Junquera and Irun, having in mind the external effects created from road congestion.

The development of short sea shipping should be oriented to rebalancing the single-mode road transport chains between the Peninsula and Northern Europe (Trans-Pyrenean) and the intermodal land-maritime transport chains by enhancing their conditions, quality and by removing obstacles to seamless flow of traffic, all these with the aim to improve their competitive position. The transport of freight is shared almost at 50 % between the two modes, being road transport the predominant option for short distance (especially, for transport Spain-France), while as distances increase, maritime transport is preferred.

4. Diagnosis of Short Sea Shipping in Europe

The European Commission has requested several studies with the aim of having a clear picture of the advantages and disadvantages of short sea shipping in Europe. The objective is to overcome the disadvantages and promote its development under the following guidelines:

- Promotion of transport sustainability, emphasizing short sea shipping integrated into intermodal and logistic chains as a safe alternative, environmentally friendly, particularly having in mind road congestion.

- Reinforcement of cohesion within the EU, facilitating communications among Member States and European regions and with a view of an effective integration of the peripheral regions.

- Increased efficiency of transport in order to respond to present and future demand requirements generated by the economic growth. With this aim, short sea shipping would become an integral part of transport and logistic chains and a real door-to-door transport service.

The Commission communications on short sea shipping (COM(95)317) and (COM(99)317) stressed their environmental advantages and described some of their most important obstacles. In 2000, the European Commission and the "focal points", with the co-operation of the promotional bureaus, carried out a Europe-wide inventory of the bottlenecks which affect short sea shipping, identifying a series of possible solutions based on each Member State's best practices.

As a result, it is possible to link the following advantages and obstacles:

a) Benefits and advantages

Short sea shipping has lower external costs than other modes of transport. Therefore, its development contributes to the goal of sustainable mobility established in the Common Transport Policy of the European Union, and thus contributing to lowering the total costs throughout the intermodal chain.

Environmental benefits

Maritime transport generates less contaminant air emissions than land transport if measured by unit of transport (traveller x kilometre or ton x kilometre).

In 1998, the transport sector was responsible for 28 % of CO_2 emissions (European Commission's Green Paper on Energy, November, 2000). If measures are not taken, carbon dioxide emissions will rise to 1,113 million tons in 2010, which means a 50 % increase over the levels in 1990 (739 million tons). This is far from the Kyoto Protocol, by which the European Union is committed to reduce certain emissions, including CO_2 by 8 % with respect to 1990 levels in all economic sectors for the period 2008-2012.

From a general perspective, road transport generate more than 80 % of CO_2 emissions, making it the most air polluting mode, while maritime transport remains the least air polluting (0.479 gr/ton-km of CO_2 by road, compared to 0.036 by vessel: in other words, thirteen times less).

Maritime transport also pollutes less NOx (COM(1999)317). Actually, of all the NOx emissions in the EU, 51 % is from road vehicles and 12% from other modes of transport.

However, maritime transport generates more emissions of SO_2 to the atmosphere and only by reducing the sulphur content of fuel for vessels or installing purifying systems for exhaust gases will it be possible to compare it with land transport.

In general, the diagnosis for emissions is favourable to maritime transport and clearly unfavourable to road transport. This makes promoting land-maritime transport chains supported by short sea shipping the most advantageous for attaining the goal of sustainable mobility in the EU.

Benefits in safety

In spite of the negative image produced by certain maritime accidents in EU waters, the numbers of maritime accidents in general, and in short sea shipping in particular, are comparatively reduced in number compared to other modes.

Indeed, according to the European Council for Transport Safety, during the period 1990-1996, the average number of casualties in maritime transport accidents was 140, as opposed to 40,000 a year in road accidents (96 % of the victims of all transport accidents). Nonetheless, in the same period for railway travel, the number of casualties was 114.

Another comparative parameter is the index of mortality. The European Council for Transport

Safety has estimated that the index for maritime transport (including passengers and crews) is 1.4 deaths for 100 million person-kilometres, while the index for railways transport is 40 deaths and by road transport, 100.

Therefore, short sea shipping has safety advantages over other modes.

Benefits for reducing congestion

In maritime transport there are not infrastructure restrictions on capacity for the flow of goods and passengers, exception made of those that could exist in ports. On the contrary, road and rail infrastructures, besides being costly, have a capacity to limit the flow of transport, above all in those critical points of concentration of cargo and passengers, and, in particular, urban-metropolitan areas.

In the land sections of the trans-European transport network there exist mountainous obstacles or "strangulation points", such as the Alps and the Pyrenees, whose technical solution requires enormous investments in many cases of such magnitudes that could not be viable. Short sea shipping could offer a more efficient alternative in many cases, with a much smaller investment than for land transport.

From the point of view of sustainable mobility, cabotage is the method which carries less external costs. In a studied carried out by Amici della Terra in 2000, the Italian section of the international organization "Friends of the Earth", it is estimated that external costs for maritime costs (climatic change, atmospheric pollution, noise, accidents and congestion) are along the order of 400 % less than those of land transportation (road and rail).

Short sea shipping has fewer unit costs, which gives the land-maritime transport chains a major competitive advantage in economic terms, above all in transporting great volumes over long distances.

Energy efficiency

The energy efficiency of maritime transport is quite superior to other modes. In terms of performance, maritime transport consumes 4.8 grams per ton-km, i.e., seven times less than road transport, whose performance is 31.3 grams per ton-km.

Operating efficiency

The regulation of the flow in trans-oceanic traffic is made easier by the existence of short sea shipping. Transhipment operations and distribution of cargoes are efficiently carried out by the use of smaller vessels from the large hub ports to the nearest ports of final destination, and vice versa ("feeder services"). However, the concentration of cargo requires efficient logistics and management.

Transport cost and prices

The cost of maritime transport is considerably lower than other modes, resulting, as it was mentioned before, from factors of energy and operating performance as well as the economies of scale of transporting large cargoes over long distances.

In addition, the advanced level of liberalization of maritime transport favours pricing schemes directly linked to production costs, and, therefore, more competitive prices compared to those of land transport.

In particular, according to a study on short sea shipping recently commissioned by the Directorate-General of the Merchant Marine, in the present situation, the costs of containers transport via land-maritime transport chains among Spanish cities and Central European cities could be considerably lower than land transport costs.

Other factors in competitiveness

Other advantages not strictly economic that favour short sea shipping are derived from the possibility of optimising the logistics associated with each type of commodity, taking advantage of the logistical offer of ports or by using the vessels as floating warehouses.

b) <u>Obstacles and disadvantages</u>

The competitiveness of short sea shipping integrated into land-maritime transport chains can be achieved through efficient integration of the nodes and modes of transport. The main obstacles and disadvantages are related to the lack of efficiency in the intermodal chain, and thus not allowing "door to door" quality transport services.

Economic obstacles

- The initial investment to establish maritime transport services is high. It requires the achievement of a "critical mass", at the beginning and along the exploitation of the service, that should be sufficient to guarantee financial and economic profit.

- Short sea shipping for general cargo can be subjected to grouping and consolidating operations, in particular where the chain is interrupted. These situations generate over-costs and time delays from manipulating the cargo which must be compensated with rapid and efficient intermodal solutions and by taking advantage of value-added logistic operations.

- Market access to port services is neither developed nor harmonized conveniently in the European Union. Services such as pilotage, towing, mooring and stevedoring continue in many cases in a non-competitive environment.

- The costs of cargo passing through port can be high; this fact requires a revision of the pricing policies and the development of intra-port competition.

- The road transport market, which would complement short sea shipping, is often not very transparent and tends to a tariff regime not subject to market forces. The lack of market criteria accentuates in the railways transport, which is subject to monopolistic practices in many Member States.

Administrative obstacles

- The fact of producing and elaborating the transport documents –which is rather complex task in many cases– relating to the vessel, the crew and the cargo, that must be delivered to the different authorities in port, as well as the inspections to the cargo, many times carried out in an uncoordinated manner, create such delays in the transport operations that alter all the planning and consequently delay deliveries. Additionally, the great majority of these inspections and administrative steps are not sufficiently differentiated for intra-community transport from extra-community transport, which is not coherent with the principle of free movement of goods and penalizes short sea shipping compared to other modes.

- In some ports significant delays occur in loading and unloading cargo due to the fact that the operations cannot begin until all the authorities have given their approval.

- The systems of data electronic transmission is still not sufficiently developed in all the ports of the EU, including Spanish ports. This translates into more delays in preparing paper support for each of the players intervening and vice versa.

Operating disadvantages

- The performance of maritime transport as regards transit times is low. The time used along the whole land-maritime chain is not considered competitive. In spite of this, substantial improvements are occurring with container and ro-ro ships of the latest generation, for example, with speeds of 35 or more knots.

- Less flexibility: vessels require dates and fixed schedules, ports should have adequate facilities and 24-hour, 365 day-a-year operations.

- The advantages of maritime traffic and transport management, with all its operating and logistic benefits (better traffic image, more accuracy in the "expected time of arrival", better planning in the whole logistic operation and more precise information in real time) are not being exploited, and in some cases, not even considered. It should be remembered that multimodal operations, with at least three operators, require an efficient co-ordination.

- Not all ports have good connections. Land access to ports are sometimes insufficient, not only as regards the connections with their immediate hinterland but also with the more important transport networks. The need of land access does not only refer to infrastructure, but also to a functional nature, especially concerning railway transport in such a way that port-railways operations are efficiently performed.

Disadvantages attributed to the public image of maritime transport

The present point of view of the users of the various transports, among importers as well as importers, is that maritime transport is antiquated, slow and complicated, not integrated in multi-modal routes, valid only as a means between two ports, and generally for bulk cargo. According to a study by a Danish Consultancy (PLN Consult) on criteria for selecting a transporter, the requirements the clients wanted satisfied are: duration of the transport, confidence, flexibility, frequency and safety of the cargo. The conclusion is that only safety of the cargo is satisfied, but reaches a mediocre level in terms of duration, confidence, flexibility and frequency. Companies should show that the old image of short sea shipping does not correspond to the present picture, and is reaching satisfactory levels of service.

There is a generalized belief that inter-modal transport including short sea shipping links is always more expensive than land transport, because of manipulation and grouping of the cargo, steps and documentation and port costs. This is not always true.

Taking the whole picture into account, and considering the Short Sea Shipping is integrated into inter-modal transport, a DAFO analysis was carried out. This compares the weaknesses and strengths of sea-land chains aided by Short Sea Shipping in Europe with the disadvantages and opportunities that come from transport exclusively land, from technological tendencies, from the market and logistics, in general.

Weaknesses	Threats
-Maritime:great problems with critical mass necessary to become profitable **-Maritime:**higher investment than unimodal highway **-Ports:** lack of infrastructure specialized in ports **-Ports:**High cost of certain port services, difficulty to promote competition **-Ports:**Lack of compatibility between sea and land; different capacities, problems of interoperability of equipment **-Ports:**Rigid administration, complex documents, lack of differentiation between customs and inspector, whether community or extra-community **-Ports**:Community Ports complex and different with multiple contractual relations **-Ports:** deficiencies in control services **-Ports**:Lack of EDI/Internet in some, low general use -**Ports:**lack of electronic portals in contracting cargo **-Ports**:restricted work hours, lack of coordination among services **-Ports**:lack of compatibility between origin and destination ports **-Land:**services to/from ports without competition -**Land:**rigid and monopolistic rail practices -**Land:**insufficient access to some ports and competitive hinterland	-**Highway:** advantage as unimodal of "door to door". Flexible hours, routes and variable costs;does not internalize costs -**Rail:** possible competition for its potential. Future plans are rail-land links **-Markets:**inertia of many markets, fear of change, general bad image of maritime transport **-Logistical tendencies**:difficulties with maritime link to adapt to increase of rotation and distribution to market; high frequency. Slow response to "Just in Time/Stock Zero"

Strengths	Opportunities
Maritime:no capacity restriction in "Sea highways" **Maritime:**lower unit costs for energy efficiency and economies of scale; free market means lower prices **Maritime:**low external costs for low energy consumption,greater safety and lower environmental impact **Maritime:**technical capacity in regularity and frequency **Ports:**High physical capacity in most, possibility to adapt to variables **Ports:**New laws favoring public-provate investment in infrastructure,liberalizing markets and vertical integration **Ports:**concentration of logistics and information applied to cabotage can make consolidation of cargo more efficient and rapid **Land:**when rail services are liberalized, better management of maritime merchandise	**Europe and near-Europe ports:**ports with capacity for regular maritime services along coasts **Common Community Policy:**based on sustainable development **Common Community Policy:**EU cohesion based on door-to-door for more efficiency **Common Community Policy:** looks to internalize external costs for better advantages **Technology development:** containers, Ro-Ro **Logistics:** Concentration in almost all economic sectors **Logistics:** Production and distribution on a European scale **Logistics:** Increase in long distance transport

5. Proposed measures

Recent developments favour the creation of new measures. Generally, the Resolution of the EU Council dated February 14, 2000 on short sea shipping recommends the following:

- Increase the efficiency of loading and unloading points in the logistic chain, i.e. at intermodal points (ports, terminals), lighten administrative steps, develop services and technical infrastructure (land facilities adapted for short sea shipping cargo, interior connections, etc.)

- Promoting global port-to-port offers with integrated facilities, through:

    - Cooperation among the operators and modes in logistics
    - Maximize better practices
    - Examine, by their introduction, comparative and key indicators
    - Collection and diffusion of data on short sea shipping
    - Active use of centres and national short sea shipping offices among member states

- Creation and testing of new technical opportunities and the short sea shipping market through promotion research and development, especially in land facilities, information technology, and vessels especially adapted for short sea shipping. The Council has recommended a study of possible short term financial assistance for new projects and those already in place

- Creation of reasonable conditions for short sea shipping through fair and efficacious pricing of infrastructure

These points and those previously mentioned show the need to embark on, from a European perspective, a series of tangible actions to improve efficiency and competitiveness of short sea shipping. The ultimate aim is that sea transport participating with transport chains have the same market possibilities as other modes, and especially as unimodal land transport. This will happen when the market can form the best option according to its needs.

These measures are related to:

- Legislation
- Technical and infrastructure
- Management
- Economics

On the other hand, given the idea that short sea shipping is intermodal within the logistical chain, linking sea and land, and participates in this flow, the port nodes fulfill an important double function:

- intermodal connection or nexus between sea and land guaranteeing that the transfer of cargo and passengers is not interrupted and is maintained at the required level of service for the demand requirements (rapidity, safety, reliability, regularity and

transparency)

- Taking advance of the port as a logistical platform to optimise the added value of supplies and to distribute merchandise to make it profitable. This is not a substitute for the former and is not detrimental to the circulation of passengers and merchandise when demand requires it.

With this double complementary focus, intermodal transport and logistics propose a new classification for measures:

- if they affect the maritime leg in the transport chain
- if they affect the land leg
- if they affect the ports

Each measure incorporates other complementary measures which necessarily link it to other categories.

Finally, following is a list of measures, listed by priority, which attempts to place short sea shipping in a competitive place in the chain of transport.

The proposed measures are:

a) Of a legislative nature

1. Equal fiscal treatment for all forms of transport.

Each member state has its own fiscal treatment and should be harmonized to avoid discrimination. For example, at the Spanish border, IVA must be calculated and paid at once in cases of maritime transport. On the other hand, land based transport businesses have up to three months to calculate and pay IVA.

2. Harmonizing documents, information and regulations

All documentation, administrative requirements, requests for information, etc. should be harmonized into a global system, applied equally to all modes of transport.

A uniform document should be created which covers all aspects of the contract and merchandise so that rights and obligations are independent of the mode of transportation (for example, the FIATA/BL document, the most used).

Regulation concerning land and sea transport of dangerous merchandise or cargo should be harmonized through ADR (highway) and IMDG (sea) in such a way that the information required from each mode and the manner to carry this out is homogeneous.

Respecting vessels, the Commission proposes, on the basis of IMO FAL, to eliminate repetitive steps, applying information technology to avoid delays. The information required in EU ports should be homogenized including the steps to carry this out, including MARPOL.

As for cabotage vessels, eliminating documentation or other steps in duly accredited short sea shipping should be studied.

3. Efficient application of legislation

Safety is a fundamental aspect of short sea shipping. Maritime accidents, like that of the *Erika* disaster which polluted the coasts of Brittany, have caused the Commission to propose two packages of measures whose adoption is fundamental. Once these measures enter into force, the member states should create the necessary means to apply them in the most efficacious manner possible, especially in the area of state-port control.

In addition, maritime safety should be advanced to avoid a reaction to accidents. Using Formal Safety Assessment measures and risk analysis should support new practices and measures without adding additional norms. All of this will result in higher quality and competition and a rejection of substandard vessels.

4. Harmonizing crew training

In any short sea shipping proposal, special relevance is placed on high safety standards. In this respect, crew training is one of the most important aspects. Not only does it include the minimum requirements of STCW (Standard Training Certificate of Watch keeping) but as well the various training levels among the member states. Better training, in general, and a reinforcement of safety principles should be harmonized among the states guided by a spirit of self-regulation. This will have positive effects on employment, and among other things, will work against the scarcity of officials in the Merchant Marine.

5. Use of vessel traffic management and information centres and services, (VTS and VTMIS) for vessels in short sea shipping.

These will reduce the risk of accidents and pollution and improve maritime safety. It will create more precision at the moment of arrival of the vessel and improve the efficacy of logistics all along the chain of transport. This measure should be understood as embedded in the creation and development of a Trans-European network or a system of management and information on maritime traffic suggested in the White Paper.

B) Technical character; infrastructure

6. Promoting the use of EDI and the Internet

It is necessary to introduce electronic exchange of information to eliminate paper among the various administrations which cooperate ---shipping, ports, customs, health inspections, etc.) not only with each other but also with the various EU countries concerning the vessels, merchandise, dangerous cargo, MARPOL unloading. Operators of the various modes will benefit as well. Information Technology (EDI and Internet) should intensify among operators, land transport businesses and community ports in particular. The use of IT should also be compatible and inter-operable enabling ease of communication among all parties.

The effect of IT on multimodal transport could be the development of an electronic market (i.e. "Business to business" or B2B) which will compare alternatives to door-to-door and contract the most favourable (Short sea shipping web site).

7. Improve inter-operations among modes of transport

It is suggested that an international work group among highway, maritime and railway operators be created to analyse the inter-operability of equipment and to standardize weights and measures. In this way changes of equipment port-to-port services will be avoided.

8. Promote technological development with viable results

This should be oriented to permit agility in the changes of modes of transport.

Also suggested by the White Paper is technological development in ship design to aid river and sea navigation and to improve time and frequency in transport.

Adoption of global satellite coverage would permit identifying the situation of cargo and coordinate administrative paperwork. This would optimise management of transport and logistics, and would use the Galileo system.

IDT promoted by the European Commission, together with national programs of research and development, are the basic instruments of these initiatives.

9. Improve port facilities for Short Sea Shipping

This would favour loading, loading, docks, and port facilities for short sea shipping with the idea of creating interlacing sea-land links from a physical point of view. The ports should have terminals and facilities capable of providing specialized short sea shipping services.

10. Improve accessibility and land connections of ports

Ports should be directly accessible to the inter-urban and railway networks especially in dry ports and with assistance stations near the port. These links would be integrated into the Trans-European Transport Network.

C) Management

11. Promote strategic alliances among intermodal operators to create global management of flow

The role of logistics operators should be considered as global managers of the chains (multimodal operators), and should harmonize the legal framework of agreements and temporary business alliances among member states.

At the same time, financial assistance for business development for intermodal transport should be linked to effective global management. Another important incentive for business cooperation with a view to creating intermodal transport would be establishing fiscal advantages.

In addition, strategies for cooperation among operators (sea, port, land, vessels) should lead to a greater transparency in both operating and associated costs, and would permit the generation of global billing for port-to-port transport. The ports are nodes for short sea shipping and are quite relevant for achieving this transparency.

In this sense, national offices to promote short sea shipping can exercise a relevant role as promoters and facilitators of these types of alliances and integrations.

12. Simplify and harmonize controls related to merchandise

In the transport of merchandise among member states, merchandise inspections should be simplified to a minimum. Without causing unnecessary delays, customs, health inspections, etc. should be streamlined so that short sea intra-European shipping is not penalized as opposed to land transport. What should disappear is the idea that treatment of merchandise transported by short sea shipping is always the object of inspection, whether is or not it proceeds from within the EU or outside. Equally, customs authorization for a regular maritime operator should be connected to a regular line and to specific vessels serving the regular line, and not only to the vessels.

In the case of transport among member states and third states it is necessary to improve veterinary, health, plant and customs inspection services to achieve:

- Unification of merchandise coding, harmonizing nomenclature combining NC and ANIMO so that all the services used are the same and so that a unified coding permits universal recognition of merchandise

- Harmonizing schedules and the mentioned inspections to optimise personnel in function of volume and type of merchandise

- Having one type of inspection service, both within the port, and extra-port

To avoid dead time and multiple movements within the port, scheduling should be harmonized. If this is done, port operations could be carried on 24 hours a day, 365 days a year.

Establishing uniformity in documentation and client service centres in the ports would encourage regularity in both dispatching and receiving information. This would be of great utility in improving coordination of border controls and moving merchandise.

Simplifying intra-European transport should always be top priority so that the intermodal sea-land chain not have added obstacles and so that the operation of port and para-port controls and inspections flow smoothly. In the case of import-export flow, applying the previous measures will contribute to reduction and simplification of the same, which is precisely why an inter-port coordination is necessary.

13. Increasing competitiveness (prices and quality of service) in ports

Ports should offer a range of services for short sea shipping based on an adequate combination of prices and quality of service conditions. For this, regulations, economics, revision of port tariffs and management of services should all be combined with freedom of access to the markets of port services.

It should be obligatory to reconsider port services used since the conditions for regularity and frequency connected to short sea shipping can vary according to the needs of other transoceanic and tramp port services, especially when referring to loading and unloading cargo. As well, road transport to and from ports should be considered.

In this sense, it would be useful to establish customer service centres in ports. This would permit a unified schedule of receiving and emitting information, encouraging transparency among the multitude of operators and operations.

14. Establishing service standards, certification and follow-up schemes and operational control

Developing these standards and establishing indices of perception of control of cost and control among users can provoke comparison among the modes of transport.

15. Promoting Short Sea Shipping and information to clients

What could help short sea shipping could be to set up an Observatory of intermodal transport and short sea shipping, revealing with transparency the advantages, costs, yield and quality of service.

17. Promote inter-port compatibility and coordination

Because there exist at least two ports of origin and destination in short sea shipping, a better link between both should be established. The aim would be to coordinate physical necessities and inter-operability with a view to service for common sea-land chains. As well, it would avoid duplication of port and customs inspection and controls if these have not already been simplified, in such a way as to reduce these operations to the minimum all along the chain and always without interrupting the flow.

18. Worker training at all levels

Training programs should be developed both for intermodal transport and short sea shipping. There should be international exchanges among companies in the various modes in order to know practical cases and circumstances among other modes.

19. The Marco Polo Program

This proposal is one of the initiatives listed in the White Paper. This program is destined to help intermodal initiatives and alternatives to land transport, with special attention paid to the advantages of short sea shipping and to support the creation of "sea highways". This program, which will help commercial activities in the European area, sees three principal orientations:

- Help in establishing new services distinct from highway, with would be viable in the medium term
- Support in launching services of strategic interest for Europe
- Stimulating the definition of community objectives, beginning with projects already begun in the market

A possible scheme of incentives to shipping and port businesses could be contemplated. Investment costs of establishing and maintaining sea highways could be more reduced than in other modes, not only by Administrations but also by operators of short sea shipping who would maintain their service during the first few years without reaching, perhaps, the dead point while developing demand.

20. Improving competitive conditions for land transport (prices and quality of service)

Land transport services should be based on freedom of access and an adequate combination of prices and conditions of quality of service in such a way to have homogeneous conditions among all modes of transport.

D) Economy

21. Member States should carry out the liberalization of railway transport with an international and community, not local, perspective

To improve rail transport competition and permit effective concurrence of various railway operators which manage maritime merchandise is recommended to achieve an improvement in economic conditions and railway services.

22. Member States should carry out liberalization of access to port services with an international and community, not local, perspective

To improve port services abusive and dominating practices should be avoided. This should contribute to the reduction of costs to vessels and merchandise in those ports improving competition of those ports as essential nodes in intermodal transport.

23. Study a system of infrastructure tariffs

Which will permit users to enjoy equality of conditions among all modes of transport and which will eliminate distortions among member states.

	Legislation,Norms	Techniques,infra-structure	Management	Economy
Land Leg	2.ADR and IMDG convergence 20.Liberalization of rail transport		20.Improve land competition, prices and quality of service	21. Liberalization of rail transport
Sea Leg	3.Efficacious application of legislation over vessels by Port Authority; improve marine safety by evaluation and risk analysis 2. ADR and IMDG convergence 4.Harmonize training and employment	5.Use management and information services to ease short sea shipping and transport effectiveness 8.IDT vessel design for river/sea navigation and better speed		
Port	2.Simplified dispatching of vessels based on IMO FAL and electronic methods 5.Adopt management and information system for maritime traffic 12.for intra-community transport, simplify to minimum without interrupting effectiveness. For extra-community, harmonize and simplify health and veterinary inspections 12. Unify ANIMO and combined nomenclature 12.Enlarge port authority to countries in process of incorporation or existing partners 22.Liberalize port services	6.Intensify use of EDI/Internet. Use protocols permitting interoperability of management systems and electronic transmission of data. Develop B2B for short sea shipping. 20.Improve accessibility and land connections. Integrate RET-T connections. 9. Specialize port installations for short sea shipping	12.Unify inspection services, optimise personnel, coordinate schedule for extra-community traffic 12. Coordinate inspections and modal changes for extra-community transport 12. Client service bureau 13. Reconsider obligatory port services and unloading and loading and liberalizing road to and from port traffic	22.Liberalize access to port services 13.Liberalize and regulate economy and service conditions 13. Revise tariffs for short sea shipping 13. Reconsider obligatory port services and loading and unloading road to and from port traffic

	Legislation, Norms	**Techniques, Infra-structure**	**Management**	**Economy**
Community	1.Equal treatment for all modes 2. One transport document based on FIATA/BL 11.Incentives and benefits among modes 12.Not consider by default maritime merchandise as not proceeding from within EU 23.Infrastructural tariffs to internalize by users	7.Standardize equipment 6. EDI/Internet to reduce and contract chains (Short Sea Shipping portal) 8. IDT media of transport and manipulation of equipment to speed up modal change and satellite tracking	18.Professional training and interchanges 11.Global management of chain 14.Standards for service, quality and follow-up. Short Sea Shipping Observatory 15. European network of office of promotion, information centers 16. Short Sea Shipping Observatory 17.Promote inter-port coordination to improve coordination and inter-operability in inter-modal sea-land link 19. Marco Polo Program, possible incentive scheme for short sea shipping businesses	13. Cost and operations transparency 23. Infrastructure tariffs for user internalisation

Priorities of the Proposed Measures

Level of Priority	Type	Measure
HIGH	Legislative	2.Uniform document based on IMO FAL to dispatch vessel
	Legislative	2.Uniform document for transport and merchandise, FIATA/BL
	Legislative	2. ADR and IMDG Convergence
	Legislative	11.Incentives and benefits to alliances among operators
	Legislative	12. Harmonize veterinary/sanitary inspections
	Legislative	12.Standardize nomenclature, port tariffs and ANIMO code
	Legislative	12.Customs authorization and enlarge list of countries in process or outstanding commercial partners
	Legislative	1. Equal fiscal treatment for all modes
	Legislative	12.Not consider by default merchandise as from outside EU
	Tech/Infr.	6. EDI/Internet
	Tech/Infr.	9. Improve port facility specialization
	Tech/Infr.	Improve accessibility -land/dry ports and hinterland
	Tech/Infr.	7.Study needs of ports specialized in short sea shipping
	Managmt.	11.Unify inspection, optimise personnel, coordinate schedule
	Managmt.	11.Coordinate inspections with operative ports/modal interchanges
	Managemt.	11.Office for customer service
	Managemt.	13.Reconsider obligatory services and liberalize transport to/from ports

Level of Priority	Type	Measure
HIGH	Management	11. Global management of transport chain
	Management	14.Standards/followup
	Management	23.Promote port compatibility and coordination
	Management	20.Improve competitive conditions for land transport
	Management	19.Marco Polo Program
	Economy	13.Liberalize and regulate economy and service conditions
	Economy	13. Transparency/intermodal costs and operations
MEDIUM	Legislative	2.Equal rights and obligations among modes
	Legislative	5.Create Trans-European management and information network
	Legislative	21.Liberalize rail transport
	Legislative	22.Liberalize access to port services
	Legislative	23.Infrastructure tariffs/internalisation-user's costs
	Infrastructure	7. Standardize equipment of transport
	Infrastructure	5.Use management and information centres (VTS and VTMIS)
	Infrastructure	8.R&D for ship design for river/maritime and better speed
	Infrastructure	6.Portal for short sea shipping
	Infrastructure	8.Satellite tracking

Level of Priority	Type	Measure
Medium	Infrastructure	8.R&D/equipment and means of transport
	Management	21.Liberalize rail transport
	Management	22. Liberalize access to port services
	Management	18. Professional training and exchanges
	Management	16.Set up Intermodal Observatory
	Economy	23. Infrastructure tariffs for internalisation by users
Low	Legislative	3.Effectively apply legislation over vessels
	Legislative	4.Harmonize training and work conditions for crews

———————————————