



## ECSA welcomes European Commission's new Mobility Strategy and underlines competitiveness of the industry as prerequisite to achieving the goals

Welcoming the new Sustainable and Smart Mobility Strategy published today by the European Commission, ECSA, underlines the importance of maintaining and improving the competitiveness of the sector as the prerequisite to attaining the ambitions set in the document.

"Sustainable, connected and resilient European transport sectors are key to maintaining the global position of the European economy," says Martin Dorsman, ECSA Secretary-General. "This strategy comes at the right time, as the transport and mobility sectors seek to come back stronger from the COVID-19 crisis, while delivering on the objectives of the Green Deal."

Shipping is already the most CO2-friendly means of transport. It plays a critical role in the EU's ambition to be the world's first climate neutral continent by 2050, where the completion of the Single European Transport Area - not yet a reality for European shipping - will represent a significant milestone. In particular, the modal shift towards short sea shipping as a more sustainable transport mode will be crucial to help the EU reach its decarbonisation targets. The provision of adequate EU funding and access to sustainable financing such as through a more granular definition of maritime taxonomy that takes into account the huge diversity of the various European shipping segments are of high priority, so the sector can invest in its green and digital transition.

The European shipping industry is fully committed to the eradication of GHG emissions from the sector. It welcomes the references in the strategy to the importance of working closely with the International Maritime Organisation on concrete measures aimed at reaching global goals consistent with the Paris Agreement. The industry firmly believes that a global approach is preferable to regional measures such as the proposed extension of the EU ETS to shipping or the revision of the Energy Taxation Directive. A recent ECSA/ICS study on the implications of extending the current EU ETS to international shipping highlights the many downsides attached to such an extension. ECSA will continue its constructive and pro-active dialogue with the European regulators to discuss the way Europe can contribute to decarbonising the global shipping industry as quickly as possible.

Mr Dorsman also highlights the importance of a coherent approach towards the decarbonisation of shipping: "We applied the Commission's efforts to bring different legislative endeavours into the strategy. The European shipowners need regulatory coherence and long-term certainty to be able to make the necessary green and digital investments and remain competitive globally. The strategy rightly recognises that shipping has greater decarbonisation challenges compared to other sectors, due to current lack of market ready zero-emission technologies, required investments and international competition. In this regard, a consistent legislative framework also addressing the responsibilities of fuel suppliers as well as infrastructure needs is necessary".

To this end, ECSA welcomes the upcoming revision of the Alternative Fuel Infrastructure Directive (AFID) and of the Renewable Energy Directive (RED II) and stresses that any proposal on the FuelEU Maritime should be technology-neutral, goal-based and consistent with the Initial IMO Strategy on GHG emissions so that further technical and operational efficiency measures are encouraged. On the ETD, ECSA suggests to exempt all sources of energy delivered to ships from taxation, to create a level playing field between the current fuels used and the new alternative fuels and other sources of energy like electricity.

"Likewise, we think the plan to revise the Ship Recycling Regulation only two years after one of its cornerstones, the EU list of approved recycling facilities, entered into force goes against the Commission's better regulation principle, as being premature and only creating uncertainty for operators," Mr Dorsman continued.

Environmental sustainability must go hand in hand with social and economic sustainability. ECSA therefore welcomes the acknowledgement of the important role of transport workers in the strategy, and in particular the focus on seafarers. In view of the global nature of the industry, the overarching framework for human resources in shipping are the international conventions under the ILO and the IMO. It is essential that efforts are made by the EU to ensure that the MLC is wider ratified and duly enforced. Given the importance of the global level playing field, ECSA cautions against efforts that steer away from global norms.

European shipowners place a high level of importance on excellent standards of safety and security for both crews and passengers. ECSA looks forward to working with the Commission on the forthcoming revisions of the legislative framework on flag state responsibilities, port state control and accident investigation

Lastly, Mr Dorsman added that:

"Maintaining and promoting the competitiveness of the shipping sector is a prerequisite for the sector to achieve its environmental and social sustainability objectives. In addition to the need to complete the internal market for shipping and to provide access to ship financing, ensuring undistorted international competition, reciprocity and a level playing field is essential for the European shipping sector.

"ECSA very much welcomes the Commission's commitment to deepen transport relations with new and existing international partners, and will continue to support the Commission's work to ensure trade agreements reflect the needs of the European shipping industry so as to remain a vital geostrategic asset to the EU, in the face of unprecedented global challenges."

## Further reading.

ECSA-ICS Study on the "Implications of application of the EU Emissions Trading System (ETS) to international shipping, and potential benefits of alternative Market-Based Measures (MBMs)"



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Founded in 1965, ECSA promotes the interests of 20 members associations in the EU, the UK and Norway. Together with EU and national policymakers, ECSA strives for a regulatory environment that fosters the international competitiveness of European shipping.