



NEWS MONITOR 14

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INDUSTRY NEWS

The future of French ports: debate and strategic vision

The 13th edition of the *Assises de l'Economie de la Mer* took place in Le Havre on 20-21 November 2017. It gathered private and public actors around the question of the French port assets and the need to define a collective strategy addressing the issues of gigantism and massification of flows.

The French Prime Minister has unveiled during this event the government strategic vision for the maritime industry: complementarity, competitiveness and improvement of seamless flows. The Prime Minister notably singled out the Port of Le Havre, the Port of Marseille and the Ports of Dunkirk-Calais as the most important port systems in France, with an international dimension.

Hervé Martel, President of the Management Board of the Grand Port Maritime du Havre (GPMH) and President of the Union of Ports of France (UPF), observed: "We have stabilized our market share because the first three French ports have been chosen by the three major global alliances".

The Prime Minister also insisted on the sustainability dimension of ports, announced that France will modify its regulations to facilitate the uptake of liquefied natural gas (LNG) as a marine fuel. This will be done by encouraging the country's ports to develop the necessary infrastructure to allow ships to bunker LNG. A revision of fiscal rules on amortizing investments in new ships or engine technology is also being considered. The Prime Minister added that France plans to ask the International Maritime Organization (IMO) to set up a low sulphur cap zone in the Mediterranean.

You can find more information [here](#) and [here](#).

Dutch Ports at the forefront of the Climate Fight

Both the Port of Rotterdam and Amsterdam have committed to implement policies to considerably reduce their carbon footprint.

The Port of Rotterdam has laid out its vision of the future in which it aims to become a zero-emissions port by 2050, according to the Port Authority's Corporate Social Responsibility program manager. The Port of Rotterdam Authority has endorsed the objectives of the Paris climate agreement, and is committed to reduce CO₂ emissions in line with the ambitions of the Dutch and European governments. In concrete terms, this means that that by 2030, the Netherlands - including Rotterdam - will need to have reduced its CO₂ emissions by 49% compared to 1990.

You can find more information [here](#).

Besides, the Port of Amsterdam seeks to reduce shipping emissions and minimise the environmental impact of shipping by working with the shipping sector. It has adopted a Clean Shipping Vision for 2030 in which the port presents concrete actions to achieve its sustainability objectives, such as the reduction of emissions of docked sea cruise ships by 50 percent by 2018. The plan also encompasses emissions associated with port activities such as loading and unloading. The port plans to invest EUR 10 million until 2021 into its infrastructure, including LNG bunkering facilities and ship-to-shore power, to achieve these objectives.

You can find more information [here](#).

UK Industry Code of Practice for Autonomous Vessels

UK's maritime sector body Maritime UK has launched a new Industry Code of Practice for the design, construction and operation of autonomous maritime systems.

Seeking to provide practical guidance for autonomous and semi-autonomous vessels less than 24 metres long, the Industry Code of Practice will provide guidelines while the more detailed regulatory framework for autonomous systems is developed.

You can find the code [here](#).



POLICY DEVELOPMENTS



MARITIME AFFAIRS, PORTS & LOGISTICS

Trans-European transport Network 2017 Facts and Figures

The European Commission has unveiled on 28 November 2017 the document "Delivering TEN-T - Facts and Figures September 2017" which summarises key data on the European transport sector and EU transport policy objectives.

It notably includes estimated investment needs for transport infrastructure, framework conditions and related impacts such as jobs.

You can find the report [here](#) and more information [here](#).

Launch by Commission of a New EU network to support freight delivery in TEN-T urban nodes

The Trans-European Transport Network (TEN-T) aims to improve the goods' and passenger flows within Europe. 88 'urban nodes' (urban areas) have been identified along the network. They face important challenges such as congestion, poor air quality, noise, and road safety risks.

To address these issues, the European Commission has launched in November 2017 the VitalNodes initiative - Building a lasting expert network that delivers evidence-based recommendations for Vital Urban Nodes along TEN-T Corridors, funded by the H2020 programme.

The network aims at enabling efficient, sustainable freight delivery across the TEN-T urban nodes (urban areas), by bringing together existing European, national and regional networks. The objective of the initiative is to improve European interconnection, while developing sustainable mobility within cities.

You can find more information about the project [here](#).

Public consultation survey on electronic documents for freight carriage

The European Commission has launched a public consultation aiming at gathering inputs from all interested stakeholders on the use of electronic freight transport documents, and in particular on the following aspects:

- reasons why transport documents in electronic format are not as yet more widely used;
- how big may be the missed potential benefits;
- possible measures to support the wide use of electronic transport documents among all transport and logistics stakeholders; and
- expected impacts of these measures.

This consultation was launched on 25 October 2017 and will run until 18 January 2018. You can find more information [here](#).

EMSA eManifest project

EMSA is running a pilot project in cooperation with the European Commission to demonstrate how an electronic, harmonised eManifest including different cargo formalities could fulfil reporting requirements in a harmonised manner via a European Maritime Single Window (EMSW). The EMSW prototype developed by EMSA is enhanced and used for the purpose of testing the eManifest involving industry representatives and the member state authorities concerned.

The objectives of the eManifest project are:

- A harmonised eManifest encompassing cargo formalities required by both maritime and customs authorities
- Reduce the administrative burden of the shipping industry by applying the reporting once principle
- Test processes which will increase the efficiency of the maritime transport
- Allow Member State authorities to exchange cargo information via SafeSeaNet
- Assess whether exchange of eManifest can minimise the reporting obligations
- Assess how the tracking of the position of the ship on a map could be supplemented with the cargo information

You can find more information [here](#).

EU cereal production is expected to recover but stay below average

The European Commission has published on 3 November the latest short-term outlook report for EU agricultural markets in 2017 and 2018.

The report shows that European Union cereal production in 2017/18 is expected to slightly recover, with an increase of 1.5% compared to 2016/17, adding up to almost 300 million tonnes of cereal. Such a level of production and increase can be considered satisfactory as the total EU area planted with cereals decreased by 1% in 2017/18 in comparison with 2016/17. However, overall levels of EU cereal production should still remain 1.6% below average of the last five years, according to the European Commission's recent.

You can find more information [here](#).



ENVIRONMENT AND SECURITY

Landmark Agreement on EU ETS between Parliament and Council

On 9 November 2017, the European Parliament and Council have reached a provisional agreement to revise the EU Emissions Trading System (EU ETS) for the period after 2020, after two years of intense negotiations following the Commission's proposal to revise the EU ETS in July 2015. This revision will contribute to put the EU on track to achieving a significant part of its commitment under the Paris Agreement to reduce greenhouse gas emissions by at least 40% by 2030.

Building on the Commission's proposal, the main improvements agreed by Parliament and Council include:

- Significant changes to the system in order to speed up emissions reductions and strengthen the Market Stability Reserve to speed up the reduction of the current oversupply of allowances on the carbon market;
- Additional safeguards to provide European industry with extra protection, if needed, against the risk of carbon leakage;
- Several support mechanisms to help the industry and the power sectors meet the innovation and investment challenges of the transition to a low-carbon economy.

The text will have now to be formally approved by the European Parliament and the Council before entering into force.

Find more information [here](#).

Industry Reactions:

Both ECSA, the European Community Shipowners' Association, and ESPO, the European Sea Ports Organisation, have welcomed the agreement reached on CO2 ETS, stressing that the industry was adamant to promote the adoption of stronger regulation concerning shipping and port operations' CO2 emissions, provided that this would be done at the right regulatory level, i.e. the global level with the IMO. In April 2018 the IMO should adopt an initial strategy for comprehensive emissions reductions from ships and in 2023 it should adopt a final strategy.

Click on the links to find more information on the [ECSA position](#) and on the [ESPO position](#).

The International chamber of Shipping (ICS) stated that this decision not to include shipping within the full scope of the regional EU Emissions Trading System (EU ETS) has demonstrated the faith of the EU in the UN IMO to address the reduction shipping's carbon emissions.

Find more information [here](#).

2018 a turning point to cut Emissions from Shipping

In 2018, the IMO will have a great responsibility when it comes to reducing greenhouse gas emissions from international shipping. IMO's Marine Environment Protection Committee (MEPC) is set to adopt an initial GHG strategy in April 2018.

The IMO's MEPC met from November 27 to December 6, gathering more than 1,500 delegates from the IMO Member States, international governmental and non-governmental organizations, and discussed the key elements of the new "Strategic Plan for the Organization" for 2018 to 2023:

- more effective rule-making and implementation processes by integrating new and advancing technology,
- increase ship safety, including addressing new emerging technologies such as autonomous vessels,

- contribution to combat climate change,
- engagement in ocean governance,
- mitigation of cyber-crimes,
- facilitation of international trade,
- consideration on the human element factor.

You can find more information [here](#).

Commission's Push for Alternative Fuels Deployment

In its [Clean Mobility Package](#) adopted in November 2017, the European Commission included an Action plan and investment solutions for the trans-European deployment of alternative fuels infrastructure. The aim of this Action Plan is to support national policy frameworks, by supporting investments in the transport network (the [trans-European transport network](#) or "TEN-T") and in urban areas. This will ensure availability of alternative fuels for road users.

The Action Plan includes new funding opportunities with up to €800 million funds being made available:

- The CEF-Transport Blending call: with a total amount of funding available for this call being increased by € 350 million for the priority "Innovation and New technologies" focused on alternative fuels infrastructure. Proposals should be submitted by 12 April 2018. More information is available on the [call page](#).
- The Commission has proposed [reinvesting up to € 450 million from the NER 300 fund](#) through existing EU financial instruments. The instruments that are foreseen to be used for this exercise are InnovFin Energy Demo Projects (EDP) and Connecting Europe Facility (CEF) Debt Instrument, and they are managed by the European Investment Bank.
- Under the CEF Regulation, the combination of CEF Grants and CEF Debt Instrument financing is possible;
- Project promoters interested in advisory services related to financing and blending opportunities may receive such advice through the European Investment Advisory Hub (EIAH) and from ELENA for transport.
- In addition, the Commission has launched a flagship initiative on batteries alongside this new proposal with additional €200 million to support European battery development and innovation from 2018 to 2020.

Please find more information [here](#).

Specifically, regarding the Connecting Europe Facility, the Transport Committee (TRAN) of the European Parliament voted on 23 November in favor of an updated and more effective CEF (opinion on the Multi-Annual Financial Framework after 2020) and have asked for an increased financing to cover all transport modes. ESPO, the European Sea Ports Organisation, has strongly welcomed this vote, taking this opportunity to make reference to the recently launched coalition of 34 European transport organisations, covering all modes and nodes, service providers, users and cargo owners, campaigning for a stronger CEF for the next financial period 2021-2028.

More information on the ESPO position [here](#) and on the Coalition [here](#).

Slow Uptake of LNG as Fuel

In 2012, DNV GL predicted that by 2020, the LNG-fuelled fleet would comprise around 1,000 vessels. Three years later, this figure was revised downwards to between 400 and 600 vessels, with low oil price and slower than expected development of bunkering infrastructure cited as key reasons.

Today, there are 117 vessels burning LNG, of which more than two-thirds are operating in Europe. A confirmed order book of 111 vessels will see that figure double. In addition, there are 114 vessels that are classified as LNG-ready.

You can find more information [here](#).



IN FOCUS

Digitalisation of Transport: towards a comprehensive digitalisation strategy

Digitalisation of transport has become a central regulatory and economic challenge in the past few years. A range of public and private partners from all transport sectors met in Tallinn to discuss the digitalisation of transport.

They adopted a **Declaration** which puts forward the following elements:

- Need of European leadership (including the allocation of sufficient EU funds) in digitalisation so as to transform the EU transport system to make it more efficient, safe, inclusive, sustainable and multimodal, in the interest of all users;
- Need to use the available digital technology enabling the safe automation and the seamless integration of all transport modes as well as increasing the capacity and quality of the different transport modes;
- Need to build trust and ensure data access, sharing and re-use in the mobility, transport and logistics sectors, including between public and private partners is essential, while ensuring a high level of data protection and privacy (General Data Protection Regulation) against cyber-criminality;
- Need to work at global level to define right governance and to find interoperable solutions;
- Need to come up with common data models and interfaces so as to facilitate paperless data sharing and thereby reduce administrative burdens, increase efficiency and safety, and help create new mobility services;
- Need to increase cooperation of all stakeholders and make this shift toward digitalisation of transport socially sustainable.

You can find the Tallinn Declaration [here](#).

Industry Reactions:

FEPORT, the Federation of European Port Operators and Private Terminals, welcomed the Tallinn meeting and Declaration as an important milestone for the EU Transport policy, raising high expectations from the industry. FEPORT recalls that digitalization is a way to improve the efficiency and reliability of the logistics chain, through the enhancement of the seamless flow of data across the supply chain and between actors, as well as ensuring the implementation of the reporting once principle.

The industry main objectives are:

- **Interoperability and Open Standards:**
 - **Open standards:** need to promote open standards at EU level in B2G (Business to Government) or B2A (Business to Administration) communications
 - **Financial support:** need for the Commission to lay the framework for technical and financial programmes which would support the development of interoperable systems by businesses;

- **Digital Transport and Logistics Forum:** need to support the DTLF in its current work, especially in regards to interoperability in supply and logistics chains.
- **Harmonization of Data and Single Windows:**
 - **Maximum data sets:** need to recognize that harmonisation is a primary objective and that it should work on a maximum data set;
 - **Revision Directive on Reporting Formalities:** proposed revision of Directive 2010/65 on Reporting Formalities should open the possibility to allow the re-use of data throughout the logistics chain; revision should focus on true data harmonisation and the creation of a maritime logistics single window
- **Cybersecurity:**
 - **IMO framework:** topic that needs to be addressed at global level. Recent amendments have been tabled to include cyber risks as an operational risk within the ISM Code (International Management Code for the Safe Operation of Ships and for Pollution Prevention)
 - **EU level:** need to start consultation of relevant actors to identify risks and threats and the solutions which could be adopted to mitigate them.

You can find FEPORT Press Release [here](#) for more information.

CLECAT, the European Association for Forwarding, Transport, Logistic and Customs Services, took the opportunity of this high-level meeting to publish its own Position Paper on Digital Transport and Logistics. In brief, the position paper welcomes the consensus built within the DTLF that the digital exchange of data within the supply chain is the way forward and underlines the following aspects:

- Need to ensure interoperability between different solutions, services or systems in order to create an environment where businesses are able to co-operate and innovate. Also, interoperability between authorities should be encouraged and if needed enforced by legal measures;
- Need to ensure the legal acceptance by authorities of digitally provided data;
- Initiatives should lead to tangible, measurable efficiency benefits and cost reductions for business.

You can find the CLECAT position paper [here](#).

The **European Social Partners**, the European Community Shipowners' Association (**ECSA**) and the European Transport Workers' Federation (**ETF**) have also taken the opportunity of the Digital Transport Days in Tallinn to call for an ambitious proposal to fight administrative burden and ease the administrative burden on shipping crew and companies.

They point out that the existing Reporting Formalities Directive (June 2016) had not achieved its goal of reducing administrative burden since rather than having a single European window, diverging national solutions were developed and even at Member States' level there is very often no single solution in place. The social partners indicate that they welcome the European Commission move to launch an Impact Assessment on a European Maritime Single Window (EMSW) environment and look forward to an ambitious proposal in spring 2018.

Find more information [here](#).

Latest development:

On 5 December 2017, the Transport European Council adopted conclusions on the digitalisation of transport, stressing again the importance of this issue for the European economy and competitiveness, and confirming the EU's ambition to become a global leader in this area.

The document proposes in particular the elimination of the obstacles to acquiring a seamless and more effective multimodal transport system in Europe. The Commission is invited to develop a comprehensive digitalisation strategy for the transport sector in the first quarter of 2019. The industry has strongly welcomed this new step. You can find the Council conclusions [here](#).

Antitrust Case: the proceedings against container liner shipping companies

Background: General Rate Increases (GRI)

Since 2009, the shipping companies have been making regular public announcements several times a year of price increase intentions, through press releases on their websites and in the specialised trade press at a time generally similar for all announcing companies.

These price announcements, known as **General Rate Increases (GRI)** announcements, were made typically 3 to 5 weeks before their intended implementation date. Announced GRI have sometimes been postponed or modified by some carriers, in a clear attempt to align them with the GRI announced by other carriers.

GRI do not indicate the fixed final price for the service concerned, but only the amount of the increase in US-Dollars per transported container unit (twenty-foot equivalent unit, "TEU"), the affected trade route and the planned date of implementation. They generally concern sizable increases of several hundred US Dollars per TEU.

The Commission was concerned that this practice was actually allowing the companies to signal future price intentions to each other, thus disrupting competition by raising prices on the market for container liner shipping transport services on routes to and from Europe in a concerted manner.

Against this background, Commission officials undertook on 17 May 2011 unannounced inspections at the premises of companies active in the container liner shipping in several Member States, on the ground that these companies could have violated the antitrust rules that prohibit cartels and restrictive business practices and/or abuse of a dominant market position (Articles 101 and 102 respectively of the Treaty on the Functioning of the European Union).

These unannounced inspections were the preliminary step before the launch of the antitrust case.

See Press Release [here](#).

Launch of the Antitrust Case

In November 2013, the Commission opened formal antitrust proceedings against several container liner shipping companies to investigate whether they engaged in concerted practices, in breach of EU antitrust rules [Article 101 of the Treaty on the Functioning of the European Union (TFEU) and Article 53 of the European Economic Area (EEA) Agreement] which prohibits anticompetitive agreements and concerted practices.

See Press Release [here](#).

At this stage, the Commission did not yet indicate which companies were concerned by these proceedings. It is only after three years of investigation, on 16 February 2016, that the Commission finally "named and shamed" the shipping lines suspected of anticompetitive behaviours.

Fifteen container liner shipping companies were identified as having regularly announced their intended future increases of freight prices: China Shipping (China), CMA CGM (France), COSCO (China), Evergreen (Taiwan), Hamburg Süd (Germany), Hanjin (South Korea), Hapag Lloyd (Germany), HMM (South Korea), Maersk (Denmark), MOL (Japan), MSC (Switzerland), NYK (Japan), OOCL (Hong Kong), UASC (UAE) and ZIM (Israel).

The carriers, who rejected the idea of having engaged in such anticompetitive practices, offered nevertheless a **series of commitments** to address the Commission concerns:

- the carriers will stop making GRI announcements, i.e. changes to prices expressed solely as an amount or percentage of the change;
- the price figures announced by carriers should be more transparent and include at least the five main elements of the total price (base rate, bunker charges, security charges, terminal handling charges and peak season charges if applicable);

- any such future announcements will be binding on the carriers as maximum prices for the announced period of validity (but carriers will remain free to offer prices below these ceilings);
- price announcements should not be made more than 31 days before their entry into force, which is usually when customers start booking in significant volumes.

The commitments proposed by the parties included two exceptions in situations that would be unlikely to give rise to competition concerns:

- communications with purchasers who on that date have an existing rate agreement in force on the route to which the communication refers;
- communications during bilateral negotiations or communications tailored to the needs of specific identified purchasers.

Market testing of carriers' commitments

In line with Article 9(1) of Regulation n° 1/2003, the Commission decided to test these commitments against the market and, based on the results of these testing, possibly adopt a Decision which would turn these commitments into legally binding provisions on the carriers. If a company would then break such commitments, the Commission could impose a fine of up to 10% of the company's worldwide turnover, without having to find an infringement of the EU antitrust rules.

See Press Release [here](#).

After carrying out a market test of the commitments, the Commission concluded that the commitments offered by the companies were suitable, necessary and proportionate, as they will increase price transparency for customers and reduce the likelihood of concerted price signaling by binding the carriers to the prices announced.

The Commission has therefore adopted a decision that renders legally binding the commitments of the carriers for a period of three years, starting from 7 December 2016.

You can find the Commission's Decision [here](#).

The Commissioner in charge of competition policy, Margrethe Vestager, said: "Container shipping accounts for the vast majority of the non-bulk freight carried by sea to and from Europe. Competitive shipping services are therefore essential for European companies and for the EU's economy as a whole. The commitments offered by these carriers will make prices for these services more transparent and increase competition".

See Press Release [here](#).


You can find all shipping lines final commitments [here](#).



PUBLICATIONS

EQUASIS Report on the world merchant fleet in 2016

This report provides a picture of the world's merchant fleet in 2016, derived from data contained in the Electronic Quality Shipping Information System (EQUASIS), which provides information on the



safety of vessels. The report examines the structure and characteristics of the fleet and its performance, grouping statistics into themes which could be of interest to the industry and regulators. The themes are as follows:

- The Merchant Fleet Population
- Classification Societies
- P&I
- Port State Control
- Vetting Programmes and Trade Associations

You can find the report [here](#).

EMSA Report on Marine Casualties and Incidents 2017

The Annual Overview of Marine Casualties and Incidents includes an analysis of accidents reported by the EU Member States on the European Marine Casualty Information Platform (EMCIP).

During 2016, there were 106 reported fatalities, 957 persons injured, 26 ships lost and 123 investigations launched.

You can find the report [here](#).

EMSA Facts and Figures 2016

EMSA facts and figures 2016 is a document designed to present a summarised version of the Consolidated Annual Activity Report, which is a comprehensive account of how EMSA implements the tasks set out in the corresponding Work Programme.

You can find the report [here](#).

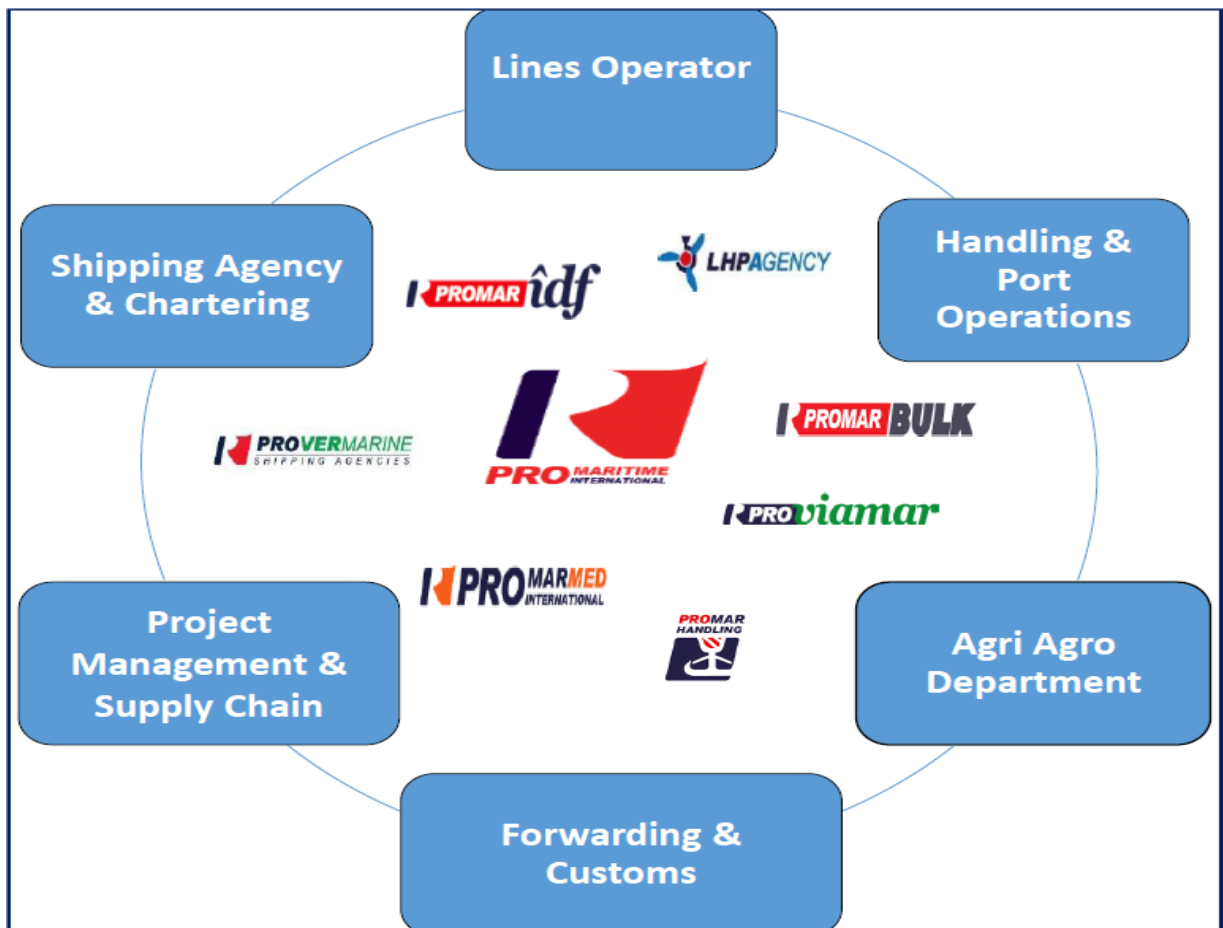
PROMARITIME AT A GLANCE



PROMARITIME was created in 1993 & is headed by Eric LELIEVRE (founder and shareholder). It had a turnover of 25M€ in 2015.

PROMARITIME awarded standards: FONABSA - LVMG - SQAS - AEO

PROMARITIME GALAXY



PROMARITIME ACTIVITIES

PROMARITIME International and its skilled staff offers tailored logistics solutions on a wide range of services including:

→ Liner services

Weekly services to Morocco (containers) and Finland / Russia (multimodal including over-gauged). Bi-monthly RORO services to West Africa, MEA and India. Weekly RORO services to North Africa, Mediterranean and Black Sea.

→ Shipping agency & chartering

Established as shipping agent in Normandy in the ports of Rouen, Dieppe & Le Havre, we provide Chartering service for heavy lifts and conventional vessels.

→ Handling & port operations

Specialized in port operations, including the coordination of port operations for heavy lifts and offshore wind fields.

→ Agri Agro department

Management and transport of food products: warehousing & consolidation shipments, solutions for full dry or reefer containers, bulk chartering...

→ Forwarding, customs & consolidation

We offer a full range of services for import and export cargoes (FCL/ LCL). Customs department capable of clearing food and all kind of goods.

→ Project management & supply chain

Chartering of different kinds of commodities. We provide complete project logistics services, especially in oil and gas activities.

