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COMMUNICATION FROM THE COMMISSION
TO THE COUNCIL, THE EUROPEAN PARLIAMENT
AND THE ECONOMIC AND SOCIAL COMMITTEE

*TOWARDS THE IMPLEMENTATION OF A
COMPREHENSIVE APPROACH FOR THE MARITIME
INDUSTRIES:*

THE FIRST TANGIBLE RESULTS

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I. INTRODUCTION

In the Commission's first communication on the maritime industries "New challenges for maritime industries"¹ the importance of maritime questions was underlined and the issue was examined under the different economic and political aspects. The Communication followed a general and horizontal approach dealing with the entire maritime dimension. As one of the results of this Communication the Maritime Industries Forum was created and started its work on 28.01.1992. The Forum brings together all maritime industries (shipping, shipbuilding, marine equipment, ports, fisheries and related industries and services), trade unions, research institutes, members of the European Parliament, the Economic and Social Committee, representatives of the Member States and the Nordic EFTA countries and the EC Commission. The objectives set for the Forum's work are :

- to define the scope for the global and horizontal approach by identifying the priority areas and actions of common interest in order to strengthen the competitiveness of the EC maritime industries within the Community and worldwide;
- to assess the appropriate methods for the implementation of those actions;

The aim of the Forum is to maintain an ongoing dialogue with the Commission, to supply information and to give its point of view. This has no implications for the institutional role of the Commission in particular with respect to its competence to make proposals.

The creation of the Forum stimulated the debate between the different parties involved in maritime questions - a debate which did not exist before - and developed a constructive dialogue between the industry, the Member States and the Commission.

In October 1992, the Forum adopted its first report at the Genoa plenary session. As part of the 2nd Communication "The European Maritime Industries: Further steps for strengthening their competitiveness"² the recommendations of the Genoa report were appreciated by the Commission.

Based on the most important issues three Panels were created :

- Panel 1 - "short-sea shipping"
- Panel 2 - "marine resources"
- Panel 3 - "ship financing"

The Panels were organised by the maritime industries with the Commission providing a supporting role.

On 27 and 28 June 1993 at the plenary session in Athens the second report of the Forum was presented to the Commission and the Member States emphasizing, however, that further work needed to be done. This means that the Athens report has to be seen as a step in an ongoing dynamic debate. This report elaborates in more detail some of the recommendations of the Genoa report and makes a number of new concrete recommendations for action. A résumé of the Forum's recommendations is attached to the present Communication.

¹COM(91)335 final, 20.09.91

²COM(92)490 final, 18.11.92

Within this dialogue between the industrial and the political level, the Forum has invited the Commission and the Member States to give their views on its recommendations and to inform the Forum on activities and initiatives on national or community level in fields covered by both reports (Genoa and Athens). The next plenary session of the Forum will be held in the first half of 1994.

Given the importance of many of the elements and recommendations in the Athens report, which concerns the fields of responsibility of either the maritime industries concerned or the Commission or the Member States, the purpose of this Communication to the Council, the European Parliament and the Social and Economic Committee is threefold :

1. to state the progress made so far within the Community maritime approach;
2. to present an assessment of the Athens report;
3. to inform the Council on the development of the dialogue with the industry.

II. TOWARDS A COHERENT MARITIME APPROACH

In the 1991 document "New challenges for maritime industries" the Commission set the framework in which a coherent approach to the maritime industries should be implemented. It was clear from the outset that the role of the Commission should in no case substitute efforts which lie solely within industries' responsibility. It is up to each industry to take the necessary and timely decisions that will ultimately allow them to remain active in the market.

On the other hand, it is the role of the Commission and public authorities to create the appropriate business environment in which companies might strengthen and grow in an open and competitive framework.

During the implementation of this approach to the maritime industries, the Commission has upheld to these basic principles that are enshrined in its concept of an industrial policy³.

Whilst listening attentively to the problems and issues raised by industries, the Commission stressed the importance of making use of instruments and policies of a horizontal nature which promote the right business environment and a positive adjustment, as opposed to sectoral defensive instruments. Reference to some of the former policies is highlighted below.

³COM(90)556-final 16.11.90

TRANSPORT POLICY

In December 1986 the Commission adopted four Regulations setting the basis of the maritime policy⁴ which was followed in 1992 by the Regulation applying the principle of freedom to provide services to maritime transport within Member States (maritime cabotage)⁵.

In its White Paper "on the future development of the Common Transport Policy"⁶ adopted in December 1992, the Commission has committed itself to promote, within the new approach of sustainable mobility, a set of actions aiming to reduce the geographic and modal imbalances in the EC. These actions will lead to :

- the reduction of disparities between modes of transport and the promotion of competition and inter modal integration;
- the development of trans-European transport networks to favour the interconnection and interoperability of national networks, while respecting environmental constraints;
- the improvement of safety conditions in maritime transport while bearing in mind actions taken by the international organisations (IMO and ILO) and adding to these as necessary;
- strengthening of the external dimension of the common shipping policy.

The combined effect of the single market, the EEA agreement and changes in Central and Eastern Europe are expected to lead to a significant increase in the demand for transport services.

In this context the promotion of short-sea shipping has been considered as a vital element of this strategy. Although Short-sea shipping represents one third of the transport of goods between Member States its potential could be more fully realised in a transport market which is characterised by free and fair competition between modes of transport.

Coastal transport is considered as an environmentally-friendly mode of transport (though there is still scope for further improvement) a cost effective mode of transport as regards the relation between investment in infrastructure and equipment and in terms of energy consumption per tonne/km, and as having a good safety record. Short-sea shipping in particular could contribute to the development of peripheral regions in the Community, by stimulating ports and their surrounding areas.

⁴Council Regulations (EEC) N° 4055/86 : applying the principle of freedom to provide services to maritime transport between Member States and between Member States and third countries, N° 4056/86 : concerning the application of the competition rules of articles 85 and 86 to maritime transport; N° 4057/86 : concerning unfair pricing practices, N° 4058/86 concerning actions of third countries restricting access to cargoes in ocean trades OJEC L378 of 31.12.1986.

⁵Council Regulation (EEC) N° 3577/92 of 07.12.92, OJEC of 12.12.92

⁶COM(92)494-final 02.12.92

Maritime Safety & Environment

The Community is to a large extent dependent on reliable, cost effective and safe shipping services. Its maritime transport policy must therefore ensure that such services are undertaken at a minimum level of risk for all directly or indirectly concerned and for the Marine environment.

In this context, the Commission's declared objectives contained in the Communication "A common policy on safe seas"⁷ are to enhance safety at sea and to prevent or reduce operational and accidental pollution by ship. Other forms of pollution of the seas (such as land-based pollution) are addressed in the 5th Programme⁸ of policy and action in relation to the environment and sustainable development.

The preparation of the action programme proposed in the above Communication for the fulfilment of these objectives is well advanced and includes :

- measures to establish a convergent implementation of existing international rules in the Community;
- measures to ensure a tighter and more effective control of ships by the State in ports. They include uniform enforcement by coastal States of international rules on vessels of all flags when they are operating in Community waters;
- measures to promote coherent and harmonised development of navigational aids and traffic surveillance infrastructure, with specific attention to environmentally-sensitive areas;
- measures to support international organisations enabling them to strengthen their primary role in international standard-setting.

Adherence to this policy is dictated by the need for the broadest possible application of standards guaranteeing a high level of safety world-wide in order to improve the competitive position of the fleets respecting such standards compared to substandard ships.

Research and Development and Demonstration

With respect to R&D, the Commission's proposal concerning the 4th Framework Programme of Community activities in the field of research, technological development and demonstration⁹ covers a broad spectrum of R&D&D themes identified by the Forum.

⁷COM(93)66 final 24.02.93

⁸COM(92)23-final 27.03.92

⁹COM(93)276-final 16.06.93

Although the Commission's proposal is implemented through specific programmes addressing generic themes of multisectorial application, it contemplates the set-up of operational approaches in order to establish an effective interface and co-ordination between these cross discipline research programmes and the needs of specific industrial sectors, such as the maritime industry. The Commission's working document concerning the scientific and technological content of the specific programmes implementing the 4th Framework Programme COM(93) 459 has a very large and comprehensive coverage of most of the issues of relevance to the maritime industries. This is the case, for example, for materials and manufacturing technologies under the programme "Industrial Technology", telematic applications under the programme "Information and Communication Technologies", aquaculture under the Programme "Life Science and Technologies, off-shore energy research, renewable energies, off-shore wind farms, wave and tidal energy and corresponding demonstration projects under the programme "Energy", strategic research for a multimodal transeuropean network and optimisation of networks under the programme for a "European transport policy". Consultation with industry, public bodies and users is seen as particularly important to ensure that research activities take account of priority needs.

The work of the Maritime Industries Forum and of the subsequent Panels on "Short-Sea Shipping" and "Marine Resources" can, in particular, provide a significant contribution towards the definition of the technical content of these specific programmes. Within this context, it should be taken into account that the requirements of the maritime industries are so broad that it is in their interest to have access to a wide range of relevant R&D programme. By contrast, a single dedicated programme, as been suggested by the Forum, could reveal itself to be very limiting.

Synergy between the Community's activities and EUREKA will be enhanced as a means for supporting R&D activities which are nearer to the market. Improving the dissemination of results amongst enterprises, particularly small and medium size enterprises, and co-ordination between national programmes will also be priorities for Community action.

Social aspects

Training related to the use of high technology can be of major importance for the maritime industries. If industrial restructuring of maritime industries is to succeed, measures have to be taken to recycle and upgrade the skills of the workforce and consequently to promote their access to continuous vocational training in order to face, in a competitive way, the introduction of the new technologies and new forms of work organisation. The new objective 4 of the European Social Fund aims to provide funds to recycle, reconvert and upgrade the skills of employees. The Commission suggests that all those concerned (social partners, public authorities) take full account of the possibilities offered in this context to combat the negative consequences of restructuring - unemployment - and, at the same time, to improve competitiveness of industry.

Equally important are measures to improve training and qualification of crew so as to address the problem of human error, which remains the main cause of accidents at sea. In May of this year the Commission submitted a proposal to the Council and the Parliament concerning minimum training requirements for seafarers. It is the intention of the Commission to address the questions of fatigue and working and living conditions on board ships taking into account the discussions in IMO and ILO.

External dimension

Present negotiations on Maritime Transport services in the General Agreement on Trade in Services concern the question of the definition of a maritime service supplier from another party and above all the willingness to make specific commitments regarding market access and national treatment in the fields of international shipping, auxiliary services and the access to and use of port facilities. The Community is looking for broad commitments of all participants in these areas which represent a standstill and a substantial rollback of restrictions as compared to the present situation. It is willing to commit itself to an important degree of liberalisation, provided other parties, and in particular the US, are also ready to commit themselves in this direction.

The negotiations on shipbuilding within the OECD aim at re-establishing normal competitive conditions in the sector by eliminating all practices distorting competition which are disturbing the market and have done for many years. In this sense the obligation taken by the Commission to eliminate progressively, aid to shipbuilding can only be conceived in the framework of a satisfactory, balanced and global agreement. This implies the need for an efficient instrument against dumping, for the elimination of the Japanese home credit schemes and for a settlement of the questions related to the American Jones Act.

III. THE COMMISSION'S ASSESSMENT OF THE RECOMMENDATIONS OF THE REPORT OF THE MARITIME INDUSTRIES FORUM (ATHENS 1993)

1. GENERAL ASSESSMENT

One important aim - the setting-up of a constant dialogue between the maritime industries - has been fully achieved. This is important, as before the Forum the communication between shipowners, shipbuilders and equipment suppliers, ports, fisheries and related industries and services, trades unions, etc., was sometimes limited. Today, the different parties talk to each other offering the possibility of a better understanding and a better customer-tailored product while taking into account maritime safety and environment, social policy, R&D, competition and international policy aspects.

Another Forum aim - a constant dialogue between the industry and the political level - has equally been achieved whilst respecting the relevant responsibilities of the EC institutions according to the provisions of the Treaty. The High Level Panel meets regularly offering a way for the industry as well as for the Commission to keep constantly abreast with relevant developments in the maritime field. Member States are equally involved in this process as participants of the Forum's plenary sessions.

This dialogue has however only become possible because the maritime industries have come together and have succeeded in defining their priorities, aims and strategies. In short, the industry has found a way of co-operation, allowing the hitherto dispersed and fragmented sector to present itself - through the Forum - as an important and competent industrial partner. This has created synergies which will help to further increase the competitiveness of the maritime industries.

Another achievement of the Forum is that the maritime industry, which suffered for too long from the image of a declining industry, has improved its image, presenting itself as a dynamic high-tech sector eager to face world-wide competition. Substantial progress has been made in improving the business framework - and a change of policy and mentality away from defensive measures towards initiatives aimed at higher competitiveness.

The Commission welcomes the fact that the report of the Forum covers areas of concern to different maritime sectors and proposes positive, future-oriented measures. A number of new recommendations (such as elimination of restrictive practices in ports, simplification of administrative procedures, R&D activities) can indeed contribute to improve the competitive position of the maritime industries.

Furthermore some participants of the Athens meeting have expressed their view that social aspects should be further taken into account in the Forum's work. The Commission invites the Forum to consider this request.

With respect to maritime safety and environment the Communication's on "A policy on safe seas" should give rise to a great deal of consultation amongst the parties involved. In addition this subject should be kept on the agenda of the Forum.

2. SHORT-SEA SHIPPING

The Commission welcomes the practical and constructive recommendations on Short-sea shipping put forward by the Forum. The Commission intends to submit in the near future a Communication on the further promotion of Short-sea shipping in the Community to the Council of Ministers, the European Parliament and the Economic and Social Committee. This Communication - largely based on the work of the "Short-sea shipping" Panel - will include an action programme with recommendations to the Member States' national, regional or local authorities, and to the industries, as well as initiatives which can be taken at Community level. In this context, the principle of subsidiarity will be taken into account and implemented in the appropriate manner. Initiatives or actions to be developed within the context of promoting Short-sea shipping should not, however, lead to artificial advantages favouring this mode of transport. The Commission will ensure that the principle of free and fair competition between modes of transport is fully respected.

Port efficiency

The Commission recognises that the efficient operation of ports is of vital importance to the reliability and overall competitiveness of the shipping industry. Port services can be improved if the following basic principles are taken into account: namely efficient administration, adaptation to customer requirements and increase of productivity. The Commission is at present analysing the degree and the effect of certain restrictive practices in European ports which may hinder growth and development and may also adversely affect intra-Community trade. A study has been commissioned to investigate this matter.

Port projects in various Member States benefit from the Structural funds and more specifically from the Regional fund. An important initiative concerning the future Community financing of port projects in the four Cohesion fund Member States (Greece, Ireland, Portugal and Spain) is already in an advanced stage of preparation. Furthermore, the Commission will submit before the end of the year its proposal for a trans-European port network plan.

As far as the plan for the inclusion of ports into the framework of the trans-European networks initiative is concerned, the objective is to develop a strategy to improve the position of ports in the multimodal transport chain and the efficiency of their operations. A Member States' working group is assisting the Commission in the identification of port projects of common interest. The choice of port projects to be included in the trans-European port network plan will be based upon a set of operational criteria which have been developed. Financial support if requested can be made available in particular for feasibility studies, loan guarantees and interest rate subventions related to the realisation of these port projects. It is the intention of the Commission to present its proposal on the trans-European port network plan by the end of 1993.

Multimodal aspects

The Commission recognises that the extent to which Short-sea shipping will be able to exploit its advantages will depend largely on its ability to link itself to other transport modes. In this context, the Commission favours the creation of a multimodal transport concept including Short-sea shipping. Studies will be launched to examine this matter in close co-operation with the industries. Moreover, the Commission shares the Forum's opinion that the setting up by the industry of new Short-sea-shipping trade routes or even new landsea routes with longer sea legs may in some cases need studies prior to their establishment in order to determine whether they are commercially viable. The relevant Commission departments are therefore examining the possibility of granting financial support to various types of pilot schemes aimed at promoting Short-sea shipping in the framework of multi-modal transport.

Administrative and control procedures

The Commission notes with interest the Forum's recommendations concerning intermodal technical compatibility. These relate to issues such as: the UN's work on the alignment of dangerous goods requirements; the acceptance of normal commercial documents for customs purposes; the new VAT regime and the new veterinary controls; and the adaptation to the IMO Facilitation Convention of requirements on the documents to be presented in ports as well as the adoption of a standard declaration relating to a ship safety certificate.

The Commission believes that procedural hindrances should be eliminated. Procedures should be restricted to real requirements, duplication of work and information should be prevented, and requirements should be harmonized where appropriate. A number of problems are being examined in areas within Commission competence, such as VAT matters and veterinary controls. The Commission is considering the possibility of initiating a study on documentary and administrative procedures in all Member States in order to determine where the hindrances lie and recommend changes.

Electronic Data Interchange (E.D.I.)

The Community will need a modern and efficient information infrastructure. An appropriate policy has to be formulated, a system for information exchange has to be created on Community level and a new form of partnership has to be developed between the public and private parties.

The Commission believes that EDI has a crucial role to play in linking the different modes of transport and improving the position of Short-sea shipping in the transport chain. Community financial support to contribute to the setting up of EDI systems in ports located in peripheral regions where such infrastructure does not exist could be considered. The Commission welcomes the Forum's recommendation on this matter and its decision on the creation of a specific Panel on EDI.

The Panel has the objective :

- . of reviewing the usefulness and the application of existing EDIFACT messages and user manuals;
- . of recommending any changes which are considered necessary;
- . of monitoring the programme or the creation of EDI system partially not yet covered by the system and to recommend steps to stimulate it.

Like the other Panels this Panel will also be organised by the industry.

Technological innovation

As far as technological innovation is concerned the Commission notes the consistency of the research requirements identified by the Forum with the general themes of research included in its proposal for the 4th Framework Programme. This will ensure that the maritime industry will find in this proposal a clear contribution towards strengthening the position of Short-sea shipping as an integrated component of the trans-European transport network and the technological basis needed to meet the ever more demanding market challenges.

Work will include not only the technologies to support the development of more cost-effective and environmentally friendly ship concepts and systems with specific functionalities adapted for short-sea requirements, but also all the intermodal operational infrastructure, including efficient and flexible transshipment facilities, multimodal logistic information systems and traffic management systems. This against a background that should take into consideration the need for a highly adaptive structure for cargo and passengers, as well as an optimal intermodal interchange and interoperability.

The consideration of this matrix of complex problems will be mainly covered by the spectrum of activities proposed within the themes Information and Communication Technologies, Industrial Technologies, Energy and Research for a European Transport Policy, taking into account the multisectorial application of their scientific and technological base.

Furthermore, the specific activities addressing the dissemination and optimisation of the results of ongoing Community RTD activities, in particular, in the scope of programmes such as EURET, BRITE-EURAM, ESPRIT and within COST and EUREKA activities, will create the basis for the effective utilisation by the maritime industries of leading-edge technology and for the promotion of synergies with industries which interface with transport.

In order to bring together the main actors involved in the maritime field, a workshop was organised by the Commission on 18-19 October 1993, to debate general demand for research in waterborne transport.

3. MARINE RESOURCES

The Commission takes note not only of the thorough examination of the opportunities offered by the exploration of the marine resources, but also of the comprehensive and concrete recommendations for the further RD and technological innovation required.

The marine environment and its resources are seen as a vast challenge and a potential source of immense amounts of raw materials, food, and energy that could be exploited provided appropriate technology exists. Furthermore the marine environment plays a very important role in the global climatic balance. The exploitation of the marine resources, ranging from traditional fisheries to the technologically demanding harvesting of minerals on the deep ocean floor or utilisation of thermal gradients, poses challenges not only to the conscientious management of the resources and the protection against pollution - issues of worldwide concern - but also to the technological development.

In fact the technological development should be seen as a vehicle for providing more efficiency to the traditional exploitation of the well-known resources, facilitating the exploitation of new resources, as well as supporting and enabling their conscientious management.

3.1. Energy

The Commission is favourable to the fact that the Forum has taken up the important issue on energy exploitation and production and has concentrated its work on offshore hydrocarbons and on renewable energies.

Offshore hydrocarbons

The Commission shares the Forum's views that oil and gas will remain, at least during the next decades, a basic source of energy worldwide. The expected growth in world demand for hydrocarbons will drive interest in the commercial exploitation of marginal and deep fields, as an essential contribution to the security of Europe's supply. An economic exploitation of these fields, within a perspective of extended field life, requires continuation of efforts presently undertaken under existing demonstration energy programmes in order to implement more cost-effective exploration techniques and production systems to be developed, together with adequate surface and sub-sea infrastructures for transport, inspection, maintenance and repair. These new systems should operate under conditions of improved safety, including enhanced systems for hazard prevention and control, and increased automation, enabling higher standards in both working conditions and environmental impact.

To meet these goals, research is needed to address a wide range of complementary technological and logistic issues, underpinning the distinct phases of offshore activities, namely exploration, development of the field and production. This includes, in particular, a broad range of generic technologies such as robotics, advanced materials and communications, which can create the basis to support innovation necessary in a more competitive global market.

Renewable energies

The Commission notes with satisfaction the fact that the Forum has included the importance of renewable energies for the future.

The increasing demand for energy from industrial countries and especially developing countries, has to be considered in a perspective for sustainable development. The exploitation of renewable marine energy resources, including wind, tides, waves and currents has a significant potential to contribute towards these growing requirements, whilst ensuring reduced environmental impact by comparison with traditional sources.

Based on the integration of existing technologies and prototypes and those currently under development (e.g. wave, tidal or current converters), the main objective will be to prove the economic feasibility of specific applications via large scale pilot projects. These should enable a real assessment of performance regarding effectiveness, efficiency and safety of operation.

Within this context, particular emphasis should be devoted to the demonstration of feasibility of multi purpose Marine Energy Utilisation (MEU) plants, combining within the same infrastructure, facilities for production of energy, gas, freshwater and food. This implies a cross-fertilisation between technologies relevant to the utilisation of both renewables and hydrocarbons.

3.2. Fisheries

The Commission appreciates the profound analysis undertaken by industries of the situation and existing problems of the fishery sector, which emphasises the fact that the fishery sector forms an important part of the Maritime Industries, sharing with them several common features.

The Common Fisheries Policy aims to provide for rational and responsible exploitation of the Fisheries resources and those of Aquaculture. A balanced exploitation of resources is a sine qua non condition to strengthen the viability and competitiveness of the industry.

At present several important fish stocks are in a very poor condition due to overfishing. The objective of the structural policy in the fishing sector is therefore to restructure the fishing fleet and to improve the balance between capacity and available stocks.

One of the instruments essential to its implementation is the system of Multiannual Guidance Programmes which aim at a gradual reduction of the fleet in tonnage and engine power.

As regards Aquaculture, the Common Fisheries Policy, and in particular the structural policy, aims to improve cost effective production methods to meet the diversified demands of the market and the environmental requirements.

The recommendations of the Forum as regards safety and environment are of high importance for the fishery sector. The dependence of fisheries/marine aquaculture on the quality of the marine environment is rightly a determining factor world wide.

Furthermore the Commission has examined the proposals of R&D projects of the Forum particularly as to whether they contribute to the objectives of the Common Fisheries Policy. It is to be noted that several proposals are already covered by present research schemes or will be taken into account in the future 4th Framework Programme.

3.3. Minerals

Deep-sea floor mining remains a longer term objective. Most of the technologies that are required for mining and processing sea-bed mineral deposits already exist. However, their efficiency and reliability must be improved to ensure competitiveness with land-based exploitation.

A possible approach could be to focus on a range of enabling technologies such as, improved methods for the assessment of underwater mineral resources, advanced materials, new sensors, robotics and remotely operated vehicles (ROV) and the design of dedicated vessels, and on their integration within the scope of pilot installations. These should enable the demonstration of the economic viability of the concepts, under real operating conditions, including the assessment of environmental implications.

3.4. Technological Innovation

Regarding technological innovation the Commission welcomes the research requirements identified by the Marine Resources Panel as a positive contribution to the establishment of research priorities for the relevant R&D programmes.

Research in this area should aim to support the creation of the technological basis for a wider, although more rational, exploitation of marine resources, whilst ensuring the long term competitiveness of European industry in traditional and emerging markets.

Given the limitations in financial resources available and the wide range of application areas, including offshore hydrocarbons, renewable marine energies, aquaculture and fisheries, minerals and fresh water, as well as the overheads and constraints imposed by a harsh environment and the international competition, there is the need to be selective and adopt a strategy leading to multisectorial benefits.

This strategy should build upon the common development of enabling technologies and, where relevant, of complex systems of multi-resources exploitation. Furthermore, it should encompass demonstration projects, enabling full assessment of technical and economic viability of specific applications, whilst accounting for their environmental impact. These projects should evolve from a system approach, through an extensive trans-European collaboration of equipment producers, operators and regulatory authorities, in order to devise solutions that can provide a better balance between exploitation and conservation needs.

Research work on most of the issues involved has already been initiated under several specific programmes of the EC, such as JOULE, MAST, BRITE-EURAM and THERMIE. The proposal of the 4th Framework Programme will allow this R&D to be extended and complemented, in particular, within the activities considered under the themes Information and Communication Technologies, Industrial Technologies, Environment, Life Science and Technologies and Energy.

These activities will cover aspects such as technologies for the improvement of quality, reliability and performance of materials and products, technologies for cleaner and more efficient production and use of energy or the application of life sciences and technologies in aquaculture and fisheries. They will provide industry with the necessary core technologies to support innovation, and hence ensure its long time competitiveness in global markets.

3.5. Structural Funds and Cohesion Fund

The Commission is prepared to examine further the possibility of using the existing Structural Funds and the Cohesion Fund for projects which are of importance for the marine resources industries. This can cover, for example, infrastructure projects or fishery and aquaculture projects. It will however be vital that Member States include these priorities in their overall plans presented to the Commission.

4. SHIP FINANCING

The Commission is of the opinion that the aim of reaching a multilateral agreement in the OECD - respecting normal competitive conditions - is one of the first priorities in terms of policy objectives. The Commission appreciates the fact that Industry has also endorsed this objective.

The Commission takes note of the decision of the Forum to consider the current conclusions as having an interim character, and further analysis is required.

The Commission also takes note of the fact that the industries - in this special case the shipowners and the shipbuilders - discussed and analysed intensively together the question of ship financing, especially as these two industries do not necessarily have convergent points of view.

4.1. Harmonisation of Home Credit Scheme

The recommendations concerning this issue are addressed to Member States. However, the Commission wishes to stress, that in compliance with the requests presented by the Community in OECD negotiations, these types of measures should be phased out if and when this agreement enters into force.

4.2. E.I.B. (European Investment Bank) and E.I.F. (European Investment Fund)

Maritime transport can benefit from the financial means which were approved in favour of trans-European networks (in particular transport) at the Edinburgh summit and which were enlarged at the Copenhagen one. It is recalled that according to these decisions the financing from the EIB covers - in derogation from the usual criteria - up to 75% of project cost with its own financial means. In case of co-financing with the Structural Funds, the cumulated financing can reach 90% of the project cost. The insertion of the maritime industry in the framework of the trans-European networks would involve that the activity of guarantee of the new European Investment Fund (EIF) would cover this sector.

4.3. Fiscal measures

The Commission is aware of the importance of fiscal measures to shipowners. The Commission took note of and agrees with, the recommendation of the Forum that these measures should be neutral in their impact on shipowners' choice of builder.

The Commission took further note of the discussions on the compatibility of different fiscal measures with the international negotiations. There is not yet an agreement between the industry and the Commission. Additional consideration on this issue is therefore welcomed in order to obtain further clarification.

In the framework of the Commission's proposal for a Community ship register (EUROS) and other positive measures, the Commission is working at present on further ways of aiding EC shipping to face competition from substandard ships and ships registered under a flag of convenience.

4.4. Ship scrapping

The Commission appreciates the recommendation as far as scrapping is concerned and in particular the opinion that the issue should be dealt with according to market mechanisms. With respect to the recommendation of assistance to third countries in order to upgrade the necessary facilities the Commission will scrutinize the ways and means available to reach this objective.

Activities connected to shipping and maritime transport are included in the cooperation fields set up by the Lomé Convention, which is the framework for Community support to 69 African, Caribbean and Pacific developing countries. Therefore, cooperation could be available in the field of the scrapping activities mentioned in the report if the beneficiary countries would include them in their national indicative programmes and subject to the criterias set up in the Convention.

5. CONTINUATION OF THE DIALOGUE

Future of the Forum

It is widely accepted within the maritime industries that the Forum has been useful in giving a clear picture of the challenges faced by the different industries and has contributed to fostering a better understanding between them. The Commission recognises the importance and the value attributed to the Forum by the industries concerned and the need to pursue discussions between the parties to maintain the impetus towards a further integrated approach. In this context the mutual informal exchange of views and information will continue within the High Level Panel.

As the work of the Forum has proven to be successful and constructive, the Commission notes with interest the Forum's decision to create for one of the Panels a permanent secretariat. After having gained some experience with this secretariat and in order to ensure the coordination of the work of all existing Panels and to create a contact point for all Forum members from the different industries, it should be considered to enlarge this secretariat for the entire work of the Forum.

The Commission favours a pragmatic and realistic approach and stresses the primary role to be played by the maritime industries.

Cooperation between the maritime regions in Europe

The European Parliament which accompanied the Forum from the beginning has welcomed its work. The European Parliament proposed to create the "Association of Maritime Regions in Europe" in order to emphasize the regional dimension. This association has committed itself to complement and reinforce the work of the Forum by adding a regional public authority dimension and by contributing to a further integrated approach while avoiding duplication of work.

The Commission takes note of the position taken by the European Parliament and considers that the addition of a regional dimension will be useful for the work of the Forum. It notes that various regional associations are being set up to promote more active collaboration between maritime regions and draws attention to the need for increased coordination between these associations.

IV. FINAL REMARKS

The Commission welcomes that an active dialogue is taking place within the maritime industries Forum. The goals fixed for the work of the Forum are well advanced:

- priority areas and various concrete types of action have been identified;
- while fully respecting the mutual responsibilities the adequate level for action (Community, Member States or Industry) has been defined;

After two years of dialogue within the Forum there is the need to take stock of the work of the Forum. The Commission intends to actively continue this dialogue, *inter alia*, by making available the necessary information concerning the actions and initiatives taken in its own sphere of responsibility. Member States are invited to consider a similar contribution.

The Commission:

- invites the Council to approve these orientations and to give support to the approach towards maritime industries followed by the Commission;
- invites the Member States to actively pursue the dialogue with the Forum;
- intends to send this communication to the European Parliament and the Social and Economic Committee for their information;
- requests these Institutions to co-operate, in their own fields of competence, in the implementation of this approach.

RESUME OF THE RECOMMENDATIONS OF THE MARITIME INDUSTRIES FORUM (ATHENS REPORT)

1. Policy issues

On the basis of the work of the 3 existing Panels, the Forum has formulated recommendations addressed to the Commission and to the Member States. These can be resumed under the subjects dealt with by the different Panels.

1.1. Short-sea shipping

The Forum is concerned about restrictive practices which are harmful to the efficiency of ports and believes that Member States should ensure that governmental offices at ports are open whenever required and justified by port users, if necessary by way of special arrangement. In addition strengthened Port State Control should be introduced.

Various governmental requirements are listed in the report which create difficulties integrating Short-sea-shipping in the concept for intermodal transport. Ways to end these difficulties should be considered. Suggestions were made for research relative to short-sea shipping to include this in the 4th Framework Programme and the next stage of EURET. In addition the amendment of existing study programmes should be considered with a view to facilitating their use to encourage land-sea combined transport.

The objective that each mode of transport should meet in full its infrastructure costs should be pursued.

1.2. Marine Resources

The Forum examined in some details the possibilities for exploration and or production of off-shore hydrocarbons, renewable energies, minerals, fresh water and fisheries. It is suggested to consider the possibility of creating within the 4th Framework Programme a separate coherent theme covering maritime research and technological development projects. This theme should be allocated a substantial increase in research money. In addition the use of existing Structural Funds and the Cohesion Fund for maritime and marine projects should be considered.

1.3. Ship Financing

Subject to the overall objective of the OECD negotiations on shipbuilding, the Member States which are supporting their shipbuilding industries, should consider amending the terms of their Home Credit Schemes to produce conditions which reflect the best practice of current schemes. The EIB and EIF are invited to consider developing and extending their role in ship finance.

The possibilities of fiscal measures to shipowners which are neutral in their impact on a shipowner's choice of shipbuilder should be considered.

Within the aid programme to developing countries, appropriate measures to expand ship scrapping facilities in these countries should be considered in Member States.

2. Organisational Issues

The dialogue between the maritime industry and the Commission within the High Level Panel will continue.

The existing Panels should continue their work for another year and an additional Panel should be set up for the development of EDI.

The question of creating an overall secretariat should be considered at the next Forum in the light of the experience of the Secretariat instituted by the Panel on "Marine Resources". The Forum should meet again in the first quarter of 1994. Its agenda should include progress reports on research and on safety and the environment. All those involved in the Forum's work should inform the other parties on the actions and initiatives taken with respect to the recommendations of the Athens and the Genoa report.

FINANCIAL STATEMENT

The financial implications of the Community Policy for strengthening the competitiveness of the maritime industries for the years 1993-1995 is set out in the financial statement which is part of the Commission's Communication "The European Maritime Industries : Further steps for strengthening their competitiveness" Doc COM(92)490 of 18.11.1992. The present Communication has no financial implications which imply major changes or which go beyond the financial needs identified in Doc COM(92)490 for the years 1993-1994. The degressivity will be respected as the financial burden of the organisation of the Forum's work is increasingly taken over by industry. However, as the work done by the Forum is still increasing, it is expected that the Commission's support will have to go on in 1995. It is therefore proposed to foresee, for 1995, the same amount for studies and staff and administrative costs as for 1994. As to 1996 it will depend on the development of the ongoing work if organisational support by the Commission is still needed. This cannot be predicted at this stage. In the following the amounts foreseen in Doc COM92(490) for the years 1993 and 1994 are recalled and the new figures for 1995 are given.

	1993	1994	1995
B-5411 <u>Operations relating to industry</u>			
Studies on the competitiveness of the industries and technological development	50.000	20.000	20.000
A-1178 <u>Technical and administrative assistance in support of different activities</u>			
Secretariat (1 man/year '93, 0,5 in '94/95)	50.000	25.000	25.000
External person providing services (equivalent : 0,5 man/1 year) category A expert in maritime matters	40.000	20.000	20.000
A-250 <u>Meeting of experts</u> : 15 in 1993, 6 in 1994 and 1995 each 650 ECU	9.750	3.900	3.900
A-2550 <u>Conference organisation</u> (one annual plenary session 2 representatives per Member State (24 x 483 ECU)	11.600	11.600	11.600
Experts (universities and non-governmental domains) (5 x 650 ECU)	3.250	3.250	3.250
A-260 <u>Studies and consultancies</u> : linked to the functioning of panels	30.000	10.000	10.000

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