Motorways of the Sea: the road is open

The difficult challenge facing the European freight transport sector is how to reduce road congestion and the negative environmental impacts of transport without limiting mobility and, consequently, economic growth. One proposed policy measure is to develop Motorways of the Sea, as an alternative to long distance freight transport by road. However, turning the idea into reality is no easy thing.

Concept

Motorways of the Sea (MoS) is a policy instrument with the overall objective of establishing viable, regular and reliable maritime-based intermodal transport services as a means to reduce road traffic and concentrate freight flows on integrated sea-based logistic chains. Unlike short-sea shipping, which mainly transports freight from port to port, MoS should constitute the sea segment of a complex door-to-door service. There are many benefits to be gained from the innovative use of the untapped potential of maritime transport: improved efficiency of ports, better connections to hinterland infrastructure, mitigation of road congestion and improved accessibility of peripheral regions, to name just a few.

The vision of Motorways of the Sea dates back to the White Paper of 2001 'European transport policy for 2010: time to decide'. It recognised short-sea shipping as a real alternative to road transport and proposed that certain shipping links should be made part of the trans-European transport network (TEN-T), just like motorways and railways. The idea has been gaining importance ever since. In 2004, the revised guidelines for the development of the TEN-T introduced MoS as part of the overall transport network. The guidelines identified four maritime corridors (Baltic Sea, Western Europe, South-West Europe and South-East Europe), where the development of MoS should bring significant European added value by making sea routes more efficient, and integrating short-sea shipping with rail transport. In 2007, the European Commission created the function of a special European coordinator for MoS, to evaluate the progress of the projects and to make recommendations for their effective implementation. In 2013, Regulation No 1315/2013 on Union guidelines for the development of the TEN-T introduced a distinction between the core and the comprehensive networks. Priority was given to the development of the core network corridors by removing infrastructure bottlenecks and bridging missing infrastructure links within and between Member States and, as appropriate, third countries overseas in the Mediterranean, the Black Sea and the Atlantic. MoS are part of the core network, connecting it to the comprehensive network and constituting the maritime dimension of the TEN-T.

Financing MoS projects

The precondition for starting any intermodal service is appropriate infrastructure, which may require considerable initial investment. The EU offers financial assistance to projects co-financed by Member States. In the period 2007-2013, MoS infrastructure projects were eligible for support from EU trans-European transport network funding under Regulation No 680/2007. In total, 47 MoS projects were supported, accounting for €392.6 million in EU grants. Non-infrastructure projects could benefit from the Marco Polo programme, but this was limited to support for the costs related to the initial provision of the MoS service. For the period 2014-2020, the EU funding principles are set by Regulation No 1316/2013 establishing the Connecting Europe Facility. EU co-financing can be granted to MoS projects aimed at establishing new maritime-based links or at initiatives of wider benefit. The levels of EU co-financing are up to 30% for implementation projects (infrastructure works and facilities) and up to 50% for studies (or pilot activities). From 2014, the implementation of co-financing is managed by the Innovation and Networks Executive Agency (INEA) through yearly calls for proposals. To qualify for support, a MoS project should involve at least
two EU ports (either both from the core network or one from the core and the other from the comprehensive network) from two different Member States, at least one maritime operator and ideally hinterland transport operators. The planned connection should be intermodal with a maritime segment and should focus on transport network integration. The 2014 call for proposals is open for submissions until 26 February 2015. Together with establishing new, or upgrading existing, maritime links and improving the general safety of maritime transport, priority will be given to the issues of alternative fuels, emission-abatement technologies and on-shore power supply.

EU funding supports a broad spectrum of projects in three priority areas. In the area of environment, the focus is on meeting the requirements of international and European regulations (International Convention for the Prevention of Pollution from Ships adopted by the International Maritime Organization, and the EU’s Sulphur Directive). Attention is given to the deployment of new technologies, for instance to the installation of on-board scrubbers eliminating specific type of pollution, and to the introduction of alternative fuels, such as liquefied natural gas (LNG) and methanol, both through retrofitting of vessels and construction of related facilities. The second priority area is the integration of maritime transport into the logistic chain. Projects focus, for example, on all-year navigability, such as icebreaking and dredging operations, or on the development of transhipment, hinterland connections and the improvement of intermodal connections. The third priority covers the promotion of general sustainability and safety by introducing new systems, such as the integrated maritime management system. There are also projects developing training programmes and knowledge networks or aimed at the simplification of administrative procedures, such as the introduction of the Maritime Single Window.

Looking ahead
In his annual activity report (September 2013), the outgoing European coordinator identified several elements which could improve the deployment of MoS. He also recommended the launching of studies to better understand how to help the sector and suggested focussing on several areas, such as the benchmarking of efficiency in transport chains and nodes, the best ways to foster cooperation among ports and co-modal actors to facilitate the deployment of innovative technologies and the identification of trade patterns within the European internal market. These recommendations draw attention to how MoS services function, once established. The European Commission introduced MoS as an instrument which should ultimately function on a commercial basis, not as a public service. The underlying issue is therefore their economic sustainability. For any regular service to survive, it needs to obtain the necessary concentration of freight flows. According to analysts, this is not a problem on links running parallel to congested road connections with ports close by, such as the Zeebrugge-Bilbao service, but can prove challenging in other cases. On the other hand, barriers to smooth freight flows or increases in the costs of road transport, be it political conflicts between countries, poor road conditions or restrictive policy measures (high road tolls, driving bans at weekends), contribute to the attractiveness of MoS. Analysts also suggest that to make MoS sustainable, attention will need to be given to the internalisation of external costs across transport modes. The issue of compatibility of state aid for running services – discussed notably in relation to the Italian Ecobonus scheme of incentives for truckers to move off the roads and onto MoS, consequently increasing the demand for intermodality without directly funding vessel operators – could still come up. In order to make MoS a success, analysts suggest, several other issues will require further attention, for instance eliminating the duplication of ship and cargo reporting procedures, diversity in port financing and charging practices or harmonisation between conventions in different transport modes. Several of these points may come up in discussions on the proposed port services package, which could help solve some of the problems with MoS.

In the context of establishing strategic goals and recommendations for the EU's maritime transport policy up to 2018, the European Parliament (EP) called on the Commission to take into account (during the ongoing TEN-T review) the recommendations for the EU's maritime transport policy until 2018, notably those concerning efficient integration of 'motorways of the sea' and inland waterway transport. The EP also stressed the importance of integrating European regions more closely into the TEN-T priority axes, in particular with regard to the MoS. When co-deciding on the EU guidelines for the development of the TEN-T, the EP insisted that MoS should continue to be a priority due to their importance as the maritime dimension of the trans-European transport network, contributing towards the achievement of an EU maritime transport space without barriers, and stressed the role of the European coordinator for their implementation.