



European Community Shipowners' Associations **ECSA**

GREEN PAPER TOWARDS A FUTURE MARITIME POLICY FOR THE UNION ***A submission by the European Community Shipowners' Associations (ECSA)***

ECSA appreciates the initiative of the Commission to develop an integrated EU maritime policy through a broad exchange of views leading to an overall European maritime policy based on the Green Paper on a Future Maritime Policy for the Union. The efforts towards an integrated EU maritime policy are fully supported.

ECSA also appreciates that the five underlying themes for a future maritime policy brought forward in its submission of June 2005, notably

- Ensuring the potential for growth in Europe through adequate transport capacity,
- Ensuring a stable and competitive environment for EU shipping,
- Keeping regulation global,
- Supporting a positive development of shipping in the EU,
- Taking an environmental approach with a global perspective

have been largely taken into account in the Green Paper and feels that they should be considered key themes.

Therefore, the comments and suggestions made by ECSA in this detailed submission to the Green Paper reflect these themes.

I STATING THE FACTS: EUROPEAN SHIPPING KEY FOR EUROPEAN AND GLOBAL TRADE

The unique features of mobile means of production (the ship) and open registries, combined with liberal market access, have made shipping the first and most globalised industry in the world. For decades, European shipping companies have been operating in a market characterised by global factors of production (capital, labour and technology) and free market access.

The global character of the shipping industry has also placed it in the "avant-garde" in terms of global governance and regulation. Comprehensive sets of Conventions and recommendations applicable to shipping concerning safety, environment, liability and compensation as well as -more recently- also security, have been developed and are continuously updated through the UN organisations International Maritime Organisation (IMO) and International Labour Organisation (ILO).

This competitive global market has delivered safe and ever more efficient maritime transportation services. Efficient and safe maritime transportation at ever lower cost has been one of the driving forces of the globalisation of the world economy.

ECSA is encouraged that the Green Paper explicitly recognises the significance and the economic potential of the maritime dimension of Europe, notably:

- Shipping services play an essential role for the European economy and for the daily life and the wealth of EU citizens.
- Ships carry 90% of European external trade and over 40% of its internal trade.
- The European maritime clusters are highly successful and global market leaders. They are, in itself, a key European sector in relation to employment and turnover. Maritime transport is the core for the maritime clusters.
- Maritime transport and ports link the EU single market to the world economy. Their efficiency is crucial for the competitiveness of the EU in a globalising world.
- Shipping services and ports are sectors with high growth potential and key elements of the Lisbon Policy, making Europe the most competitive trading entity in the world.

For the maritime sector as a whole, it would be helpful if more EU citizens were aware of these facts.

In fact, the essential role that shipping and ports already play in serving the needs of the present European economy and global trade can be further enhanced by a number of ways that are also identified in the Green Paper:

- Securing a level playing field in open and efficient global markets.
- Keeping a competitive framework for doing business in EU aiming at a competitive shipping environment including the full maritime cluster.
- Congestion in ports and other bottlenecks that hinder efficient services should be addressed.
- Investments in ports and in hinterland connections should be made to provide efficient and seamless logistical chains throughout Europe.
- The growth of short sea shipping during the last decennium should be further enhanced in an integrated European transport system.

In accordance with the revised Lisbon Policy the purpose and the aim of an integrated approach to maritime policy must be to maximise the long term value and employment potential of the European maritime industries and marine resources. In ECSA's view such an integrated policy must be based on the following elements:

1. A proper balance between the economic, social and environmental dimensions of sustainable development must be struck.
2. The shipping industry is a global industry. This should be taken into account when considering the competitive position of European shipping, safety and environment rules, and the global labour market in which shipping operates.
3. Action at EU level should be undertaken only when it contributes clear added-value.
4. An efficient and effective EU maritime external relations policy should safeguard a good working international framework for shipping and all maritime industries.

1. ACHIEVING THE RIGHT BALANCE BETWEEN THE ECONOMIC, SOCIAL AND ENVIRONMENTAL CONSIDERATIONS OF SUSTAINABLE DEVELOPMENT.

This means, in particular, that policy making must recognise the environmental advantages of shipping in comparison with other transport modes. This applies especially when evaluating the environmental impact of infrastructure development either in the ports or in the port-hinterland connections or when establishing the levels of air emissions from ships. In the same context, the indispensable role of maritime services for the European economy should be taken into account. In the development of a Trans-European sustainable transport system, for the overall benefit of the EU citizens, some sacrifices can be required at local level. Practical criteria should be adopted to ensure a balanced approach to these questions.

2. THE GLOBAL CHARACTER OF THE SHIPPING INDUSTRY

Competitive position of European shipping

The shipping industry provides services in a global market place. Players from around the world compete with one another. In this contest, European industries must not be disadvantaged. To ensure sustainable development – protecting the environment and resources while fostering economic growth – the global character and nature of shipping services has to be taken into account. As the Green Paper recognises, sustainable development necessitates developing globally applicable rules. European policy must be compatible with international rules to ensure that European companies can compete and succeed.

The Guidelines on State Aid to Maritime Transport as revised in Dec 2004, for example, are a reflection of the global competitive environment in which shipping operates. They helped reverse the severe decline that shipping experienced during the 1980s. The EEA (European Economic Area) has since become a global market leader, controlling 41% of world merchant fleet and dominating international liner services. The Guidelines remain essential

- For ensuring the availability of high quality, economically efficient and safe maritime transport to serve the EU and World trade
- For ensuring the viability of this important economic sector in the EU and its contribution to the balance of payment and keeping the maritime cluster vibrant in the EU.
- For providing job opportunities for the maritime professionals in the maritime cluster and to acquire experience and expertise which are required by the European society in many areas ashore. A broad range of opportunities exist for i.a. maritime lawyers, engineers, seafarers and other specialised shipping educated professionals.
- For maintaining a European based shipping as a strategic asset.

Before 1997, EU shipping policy was mainly based on a wrong premise, i.e., “avoiding unbalanced competition of different EU flags in the internal market”. The success of the 1997 Guidelines lies in changing that target to “making it

possible for EU companies to survive and to progress in the extremely competitive international market". It is essential to maintain this approach for the future on all fronts. The results speak for themselves.

Global Governance for a Global industry

EU Member States and the EU have a very important role to play in contributing to building strong institutions for global governance. In this respect, ECSA believes that it is important that maritime administrations of individual EEA and EU Member States take an active part in the work of IMO and ILO. Maintaining the expertise, technical resources and the quality in the individual Flag States is also an important contribution to the competitiveness of the national maritime industry clusters.

IMO

The shipping industry is one of the few industries having a global safety and environment regime developed and endorsed by a United Nations agency, i.e., the International Maritime Organisation (IMO). It would be counterproductive to jeopardise such a well-functioning system. In this context, one should be extremely cautious on the possible creation of blocks in the IMO. The long-standing expertise of the flag state administrations should not be weakened. The expertise of the EU Member States in the IMO is of high repute and has a major influence in the decision making process. Their reputation and influence would be seriously damaged if they would not play the role in the IMO discussion process they had up to now.

ECSA shares the view expressed in the Green Paper that Member States should ratify internationally agreed Conventions and ensure that they are properly enforced. In this respect, ECSA feels that the EU should refrain from enforcing IMO Conventions not yet in force through EU Regulations, as this process may inhibit individual ratifications by Member States. Instead, the EU should take a more active role in promoting ratification. There is clearly room for improvement taking into account the ratification record of EU Member States in some areas coupled with the fact that some international Conventions e.g. the HNS-Convention would come into force if more EU Member States had ratified it.

Ratification of international Conventions is a fundamental element to protect the global environment and the people working on the ships. At the same time, International Conventions are the simplest way to avoid substandard shipping. It should therefore be an integrated part of an EU maritime policy. **ECSA therefore suggests that Member States and the Commission should play a more active role in the ratification of the international Conventions in the EU as well outside the EU.**

In the first instance, this should be supported within the EU by measures such as:

- The Commission establishing a monitoring, for Transport Council meetings, of the ratification status of all Member States of the most important international maritime Conventions such as: IMO Anti Fouling Systems (AFS) and Ballast Water Management (BWM) Conventions, MARPOL Annex VI (prevention of atmospheric pollution), the Limitation of Liability of Maritime Claims

Convention (LLMC), the Liability and Compensation for Damage in Connection with the Carriage of Hazardous and Noxious Substances by Sea (HNS) Convention, Bunker Oil Spills Convention (BOC) and the ILO (ConMarCon)

- EMSA establishing a ratification working group, where Member States could exchange their experience and problems regarding ratification. Such a working group should report on a regular basis to the Transport Council on the main problems aiming at quick ratification in the EU.

In respect of non-EU-countries the following way forward should be considered:

- Ratification of international Conventions should be an integrated part of EU external relations policy. This could be done in a number of ways e.g. in the Commission's transport dialogue with i.e. Brazil and China where EU should encourage ratification and enquire the status of the ratification process.
- Supporting "maritime governance" should become part of EU aid programmes to developing countries allowing them to implement international Conventions. This e.g. could be done through development aid for education and human resources to implement international Conventions.

ILO

In addition, the International Labour Organisation (ILO) has adopted a number of Conventions and recommendations applicable to shipping. These have now been updated and consolidated in the new and comprehensive 2006 ILO Maritime Labour Convention (MLC). The MLC provides a solid, comprehensive and global basis for worldwide employment standards. **ECSA urges ratification by EU Member States and its strict enforcement within the EU.** ECSA is in negotiations with its social partners with a view to having EU legislation transposing the MLC via a Social Partners Agreement.

WTO

Generally speaking, international shipping currently enjoys liberal market access. ECSA agrees that an important aim of WTO negotiations on services must be to guarantee market access through an international WTO agreement. Though the Doha Round negotiations have been suspended, the maritime standstill agreement, preventing new protectionist measures by WTO members, should remain in force.

UNCLOS

ECSA is of the opinion that the United Nations Convention on the Law of the Sea (UNCLOS) provides a careful balance of interests on a variety of sensitive issues -- including Exclusive Economic Zones (EEZ) and international straits -- at a global level that should be preserved. Any attempt to modify this balanced system at a regional (e.g. European) level will undoubtedly reopen discussions and have a wider international impact and undermine the objective of global uniformity which has been carefully developed over many years.

ECSA wishes to underline that UNCLOS permits coastal states to protect their marine environments through the development -- under the auspices of IMO -- of measures such as vessel traffic monitoring, reporting requirements to coastal states and designation of 'areas to be avoided'.

Furthermore, ECSA notes with interest the suggestion that more cases might be referred to the International Tribunal of the Law of the Sea by a reference to this mechanism in agreements with third countries. A greater use of this UN Institution could be supported particularly when the compatibility of actions by flag states or coastal states with UNCLOS is in dispute.

3. NO COUNTER PRODUCTIVE MEASURES, CONCENTRATE ON ADDED VALUE

In line with the policy promoted by Vice President Verheugen, the Green Paper stresses that action at EU level should be undertaken only when it contributes added value. Additional bureaucratic layers and counterproductive measures are to be avoided. This should be taken into account when considering questions such as on an optional European Register, a European Coast Guard and a Common European Maritime Space.

European Register

The attempt to rekindle the old discussion on a European register is not helpful. A European register would improve neither the quality of European shipping nor the competitiveness of European shipping companies. Already, EU ship registers are of high quality and are continuously improving. Moreover, a European register implies harmonising taxation and social security systems, the competency for which remains with individual Member States. Member States will resist the interference with their competencies as the EUROS discussion in the 1980s demonstrates. Reopening this discussion, which largely seems to be driven by a desire to create European symbols, ties up resources that could be better spent on other aspects of maritime policy.

ECSA believes that the State Aid Guidelines are a much better tool to strengthen European-owned fleets. As mentioned in one of the annexes to the Green Paper notes (SEC(2006) 689), the "Community State Aid Guidelines have been instrumental in reversing the trend and encouraging a re-flagging of the EU merchant fleet." Adopted in 1997, they allow Member States to take the necessary measures on taxation and employment costs to improve the competitive position of their maritime industry versus global competition. The system is flexible allowing Member States to respond to their specific situation.

This system has worked well and the Guidelines have been extended in 2004 for a period of seven years. **The present Guidelines should be maintained and the application should be flexible.**

Suggestions have been made to use a European Register as a symbol of quality rewarded by less controls. The idea of rewarding quality shipping through fewer

controls is fully in line with suggestions made by the industry for a long time. In fact, it is already included in the proposal of a recast Directive on Port State Control currently under discussion in the Parliament and the Council. However, this should be valid for all quality registers and ships and not only for European ships.

European Coast Guard

This is also a suggestion that has been brought forward repeatedly and which is mainly an issue for Member States. The way that the activities, that are supposed to be part of the tasks of a Coast Guard, are dealt with is different in all 27 Member States. Moreover, most of the tasks belong to the sole competence of individual Member States. Seen from the shipping industry point of view it is important to keep focus on the real issues and seen in that light a European Coast Guard appears not to be needed. **The focus should be on close cooperation between such entities of the different Member States particularly on issues such as immigration, drug trafficking, etc. A large number of co-operative arrangements already exist from Med Frontex, to Dover Straits to North Cape.**

In cases where this cooperation is not working well, the focus should be on improving it.

Common European Maritime Space

It is unclear what the European Commission means by or intends with the concept of a Common European Maritime Space. Different Commission papers such as the White Paper on a Future Transport Policy, the Paper on Logistics and in the Green Paper on a Future Maritime Policy refer to a Common European Maritime Space. However, none of these papers clearly defines the concept or states its purpose. Statements by officials of the Commission in which reference was made to regional measures on safety, environment, Euro Cabotage, employment conditions on ships, etc, have further increased the confusion.

However, it is evident that considering the EU as one country conjures up the spectre of regionalism and protectionism. Regionalism and protectionism would seriously jeopardise the competitiveness of European maritime industries, which are operating in an international environment:

- This example could result in similar measures by third countries or groups of third countries. In this respect, it should be recalled that EU shipowners control 41 % of the global fleet and that many European operators do mainly business outside the EU in cross trades.
- The global system on safety and environment to which ECSA has referred to repeatedly in its previous submission on the Green Paper will be undermined by regional measures which by their nature work to the detriment of safety and the environment.
- Protectionist measures in the maritime labour market would have counter-productive effects of higher costs and job losses, possibly driving companies out of business.
- Transport that is artificially more expensive would hamper the promotion of short sea transport and the growth of European trade, and be in clear contrast with existing EU policies, including the Lisbon Policy.

- Expanding the scope on national cabotage to European cabotage will be seen as a hard-core protectionist measure on the international scene. It would seriously undermine the efforts for free market access in which the EU is involved in trade negotiations and WTO. Together with Commission and Member States, the shipping industry has for years tried to open the market for cabotage in other countries to the advantage of EU shipping, which reflects the role of EU being the leading service provider in the world in shipping. It would be a sad development when the EU spent many years to eliminate cabotage in the EU Member States and would then reintroduce cabotage rules in the EU. Furthermore, it should be remembered that some EU Member States have today completely free access for cabotage including for non-EU-ships.

ECSA therefore hopes that the industry has misunderstood what is meant by a Common European Maritime Space. ECSA strongly advocates and that a Common European Maritime Space should focus on measures with added value to the EU such as the laudable suggestions of reducing administrative burdens for short sea shipping. This would perfectly fit in with the Lisbon Policy and the efforts towards better regulation.

In this context, one should note that the constructive work by DG TREN on short sea shipping has not yet given the expected results. The updated bottleneck exercise on short sea shipping is highlighting the outstanding issues. ECSA is fully prepared to take up these issues once again with DG TAXUD having the key to solutions.

4. AN EFFICIENT AND EFFECTIVE EU MARITIME EXTERNAL RELATIONS POLICY SHOULD SAFEGUARD A GOOD WORKING INTERNATIONAL FRAMEWORK FOR SHIPPING AND ALL MARITIME INDUSTRIES.

Fundamentally, an EU external policy should be built on the primacy of international law and international institutions. Through its economic and political might, the EU has a special role to play in developing international law and international institutions. However, this role must not lead to regional, insular policies.

The economic and political clout of the EU should continue to be used to further improve a global free market environment for shipping services, through tools such as WTO or shipping bilateral agreements such as the one with China. On the many maritime issues and developments at play around the world, ranging from legislative and purely practical and operational constraints, the ongoing positive cooperation between the industry and the Commission services and Member States on appropriate action to be taken should be further enhanced.

An EU development policy should contribute to developing maritime skills and modernising maritime infrastructure in third states. This in effect could be a significant contribution to raising environmental standards. As mentioned above the EU external relations policy should ensure international rules for a global industry and better application of international Conventions.

II INTEGRATION OF MARITIME POLICIES

Taking these principles as a basis, ECSA believes that the areas where an integration of the maritime policies could be useful are:

1. Developing Skills and Employment in the Maritime Industries
2. Environment
3. Research, Development and Innovation
4. Investment in Infrastructure

1. DEVELOPING SKILLS AND EMPLOYMENT IN THE MARITIME INDUSTRIES

ECSA fully recognises the importance of maintaining European maritime know-how. Such expertise is relevant and crucial not only for the shipping industry itself but for the entire maritime clusters, which in turn are vital to the economic and social interests of the Community. In this respect it has to be acknowledged that most European maritime jobs are ashore, notably in maritime administrations, ports, shipping offices, financial institutes, shipbuilding, production and development of maritime equipment, etc. Education and qualification should take the high quality requirements ashore into account.

The employment of seafarers must be made compatible with the increasing reality of globalisation that presents particular challenges in the area of maritime employment, given the generally high labour costs in Europe. As mentioned above, ensuring that European shipping companies can continue to effectively and fairly compete in this global market must be the cornerstone of any EU policy in this area. This is fully consistent with the EU Lisbon Agenda, which aims at making the EU the most competitive economy in the world. A key element of this is a recognition that increased labour flexibility is in the interest of Europe's longer-term sustainable growth.

The alternative approach -- promoting restrictive and/or labour protectionist measures -- would have the opposite effects to those intended: it would lead to a lack of competitiveness of the European shipping industry, to a loss of markets, to reductions in the size of EU fleets and, inevitably, to a loss of European jobs. One should also note that the main employment of European citizens in the maritime industries is ashore and not at sea. Therefore, ECSA encourages the Commission to pursue a policy which reflects this view and, within its area of responsibility, to take a pro-active stance towards any action taken which undermines this approach.

As such there are a number of actions being pursued both at national, Community and international level which can usefully be built upon; and there is an important role for the social partners in this regard. Together, they will make a significant contribution to enhancing European maritime know-how and the employment opportunities of EU seafarers. The following, consistent with Council Conclusions on Maritime Employment of December 2005, can be cited:

- **Supply and Demand of Seafarers.** Past studies conclude that in many Member States there is a current or forecast shortage of EU junior officers; quite what the situation is today in each EU Member State could perhaps benefit from further examination. Considerable analysis needs to be undertaken nationally before increasing the supply as it is clearly economically and socially undesirable if those undergoing training are likely to find it difficult to find employment on completion of training.
- **The role of maritime clusters.** The possibilities of shore-side employment for former seafarers can be an important factor in attracting persons into a seafaring career. In this context, the ECSA/ETF Career Mapping project should be helpful in demonstrating the possible career planning opportunities for European seafarers in order to make shipping an attractive career option. The concept should be promoted and used nationally. However, ship operators should not be charged with the full burden of training and the emphasis on shore-based opportunities provides a strong argument for advancing to 100% public funding of maritime training.
- **A stable and competitive environment for EU Shipping.** An appropriate EU framework providing stimulating elements for the maintenance of competitiveness of Member States' fleets and the promotion of European shipping know-how and maritime training, as well as the employment of European seafarers, is essential for shipping and has positive effects for the whole maritime cluster. A key element is that the structural operational environment should be able to meet global competition. Therefore, the right approach should be to provide incentives through positive measures for the employment of EU seafarers through the State Aid Guidelines instead of imposing restrictions to the employment of non/EU personnel.
- **Maritime Labour Standards.** The 2006 ILO Maritime Labour Convention (MLC) concluded on a tripartite basis and adopted unanimously provides a solid, comprehensive and global basis for worldwide employment standards. ECSA urges ratification by EU Member States and its strict enforcement within the EU. ECSA is negotiating with its social partners exploring the possibilities for transposing the MLC or parts of it into EU legislation via a Social Partners Agreement.
- **National Action and Exchange of Best Practice.** Member States are of course best placed to identify the particular problems in relation to maritime employment being faced nationally and how those issues can be most suitably addressed in the local circumstances. Examples include the national supply and demand situation, and particularly the action necessary to train the required number of seafarers for their national needs. Nevertheless, there is considerable scope for EU action; improving the awareness and the perception of shipping by appropriate campaigns tailored to meet the national circumstances is an integral part of this process. As set out in a UK Presidency paper of December 2005, there are many innovative and comprehensive initiatives being taken throughout the EU, and a greater emphasis on the exchange of best practice would be well worthwhile. ECSA will play its full part in this context.

ECSA believes that in most of these fields of labour and training, an overall EU maritime policy may have a benefit.

2. ENVIRONMENT

As acknowledged in the Green Paper, shipping is the most energy efficient and environment friendly mode of transport and should have an enhanced role in a future efficient and sustainable transport system in Europe. Continuous technological development as well as the pressure from high energy costs have enhanced this development. Nevertheless, the shipping industry is aware of the unprecedented expectations both in the EU and internationally for the industry to improve safety and environmental standards, such as lower emission limits than those recently made mandatory by MARPOL Annex VI.

It is against this background that the shipping industry is committed to further improving its environmental performance where there is a quantifiable benefit backed up by thorough impact assessments. In doing so, the sector believes that international solutions offer the most sustainable long-term way forward.

The industry is investigating different options to reduce emissions such as improved fuel, exhaust scrubbers, shore electricity, gas driven ships, fuel cells, engine modifications, direct water injections, humid air motors, exhaust gas re-circulation, selective catalytic reduction, optimisation of hull and propeller design, emission trading, etc. Air emissions are an area where EU financed R&D can contribute significantly if dealt with in a targeted way so that overall workable solutions are brought forward.

While fully sharing the overall objective of the Thematic Strategy on the Protection and Conservation of the Marine Environment, ECSA believes that sustainable development must be accompanied by the goals of promoting competitiveness and economic growth and development across Europe. In the latter regard, the principle of freedom of navigation is a fundamental requirement for free trade and competition together with unrestricted port access.

Moreover, air pollution in general is a complex issue. Reducing one pollutant may increase the emission of other pollutants. The industry therefore believes that a holistic international approach to find an overall environmental benefit at global scale for the long term is the only solution. Credible long-term action must be based on sound environmental, technical as well as socio-economic assessments. In this regard, all measures to reduce maritime emissions must be cost-effective and not result in a modal shift in Europe from waterborne transport to a less environmentally credible mode of transport.

In this context, there is scope for regional action:

- **On the international front:** via the possible creation of SECAs after thorough assessment of environmental vulnerability. It should, however, not be overlooked that it is unsustainable for EU ships to be subject to a myriad of differing levels of emission control in different ports around the world.

- **On EU level:** ECSA acknowledges that from an environmental point of view, it may be sensible to subdivide the overall marine area of EU into regions in order to establish what is required for each region (the so called marine spatial planning), acknowledging that what is necessary or best in one region may not be necessary a priority in another region.

However, from the perspective of international shipping, operating ships in all European regions, it is important to ensure that this approach does not result in a myriad of varying rules for shipping within the EU. Such a situation would not be operationally feasible for the shipping industry.

3. RESEARCH, DEVELOPMENT AND INNOVATION

As the Green Paper recognises, R&D activities are essential for “*remaining at the cutting edge of knowledge and technology*”.

The EU and Member States are already investing significant community and national funds in R&D programmes, but the priorities and procedures can still be improved in order to ensure the future competitiveness of the European maritime industries, namely by;

- Focusing on technologies that have better prospects of turning knowledge into improving the competitive position of the industry.
- Facilitating the participation of companies of all sectors and sizes to these programmes.

In this regard, an integrated approach from the EU maritime industries, integrating the needs and experience of builders and users of ships and equipment manufacturers, could provide advantages, especially by:

- Providing the Commission and Member States with the right R&D priority objectives: by continuing the work of the Waterborne Technology Platform (TP) identifying both general objectives and specific research targets, which should be the basis for the Commission Framework Programmes.
- Facilitating regular communication between technological centres and universities with the industry.

All the above-mentioned objectives could possibly be co-ordinated, as suggested in the Green Paper, by a European Marine Research Network. However, the emphasis should be put on getting practical results and not on creating a new administrative body with additional non-productive bureaucracy, etc. Therefore, experience with the Waterborne (TP) should be gained first.

4. INFRASTRUCTURE INVESTMENT

Much of the policy discussion concerns “software” issues such as tuning the regulatory framework or cost and competitiveness issues. A future maritime policy

should also address the issue of “hardware”, i.e., the infrastructure requirements for the various industries. Under current forecast scenarios, world trade will continue to grow at high rates. Maritime transport by container is forecast to grow at even higher rates. To accommodate such growth, significant investments in infrastructure will be required.

The essential role that shipping and ports already play in serving the needs of the present European economy and global trade can be further enhanced by a number of ways that are also identified in the Green Paper and to which we already referred in the introduction of this paper:

- Congestion in ports and other bottlenecks that hinder efficient services should be addressed urgently.
- Investments in ports and in hinterland connections should be made a priority to provide efficient and seamless logistic chains throughout Europe; container terminals will be running out of capacity from around 2010, when demand will exceed capacity.
- The remarkable growth of short sea shipping during the last decade should be further enhanced in an integrated European transport system.

III THE WAY FORWARD

The ECSA comments and suggestions to the Green Paper on a Future Maritime Policy as well as the replies to the questions raised are evidence of the benefit that ECSA sees in the initiative towards an integrated maritime policy. As mentioned in the introduction the five themes brought forward by ECSA in its submission of June 2005 should remain the basic goals:

- Ensuring the potential for growth in Europe through adequate transport capacity.
- Ensuring a stable and competitive environment for EU shipping.
- Keeping regulation global.
- Supporting a positive development of shipping in the EU.
- Taking an environmental approach with a global perspective.

The indispensable role of maritime services for European and global trade and for the daily life of European citizens should be a fundamental premise in the search for the right balance between the economic, social and environmental dimensions of sustainable development.

The global character of shipping services has to be taken into account on all fronts particularly with regard to the competitive position of the European shipping industry, safety and environment issues, and a policy for maintaining maritime know how in Europe.

The Lisbon Policy aiming at making of Europe the most competitive trading entity in the world should be a constant theme in the holistic approach towards a future European maritime policy.

European Community Shipowners' Associations

By its mere existence, the Green Paper has the benefit of stressing the importance of the maritime industries for European and global trade as well as underlining its global character. ECSA strongly believes that the Green Paper should lead to an EU maritime policy aiming at maintaining and enhancing in the EU the world's biggest maritime clusters. To achieve this ambitious goal, the follow up to the Green Paper should not necessarily result in new rules but rather in some principles to guide the policy in the coming years.

ECSA will analyse with interest the comments that will be made by all stakeholders and looks forward to a dialogue with them and with the EU Institutions on an integrated maritime policy. During this process, ECSA may come forward with additional comments and suggestions.

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ECSA, formed in 1965, comprises the national shipowner associations of the EU and Norway. ECSA works through a permanent secretariat in Brussels and a Board of Directors, as well as a number of specialised committees. Its aim is to promote the interests of European shipping so that the industry can best serve European and international trade and commerce in a competitive free enterprise environment to the benefit of shippers and consumers.

European shipping controls 41% of the world merchant fleet and is a key-player in the full range of shipping services, intra EU, between the EU and third countries and between different continents.

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