

EFIP STRATEGY PAPER

European Federation of Inland Ports
(EFIP)





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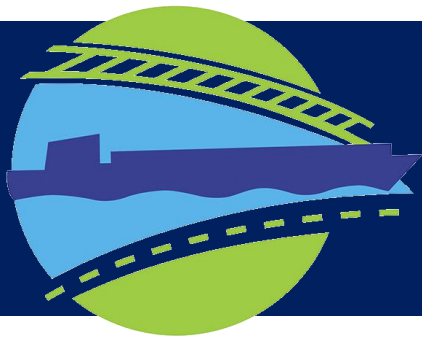
The European Federation of Inland Ports (EFIP) brings together nearly 200 inland ports and port authorities in 18 countries of the European Union, Switzerland, Serbia and Ukraine.

The voice of inland ports in Europe

Since 1994, EFIP has been the voice of the inland ports in Europe. EFIP highlights and promotes the role of inland ports. Furthermore, it actively follows all developments in the field of EU policy of importance to inland ports and represents the inland ports vis-à-vis the European institutions and other international bodies.

An important information network for and about inland ports

EFIP offers its members the possibility to exchange information, expertise and best practices with colleagues in other countries.



INTRODUCTION

The year 2019 represents the closing of one European legislative period and the start of the next. In the upcoming period, even more so than before, transport and the issues regarding climate change will be at the forefront. All the proverbial “low-hanging fruits” have in large part been addressed and what comes next will need to be even more far-reaching in order to meet the COP 21 goals. At the same time, the European political landscape is expected to become even more fragmented than it was in the previous period.

In this landscape, Europe’s inland ports need to have a coherent vision of their position within European transport. This strategy paper aims to set out that vision of inland ports moving towards 2050, because in order to reach that vision in the future, steps have to be taken now.

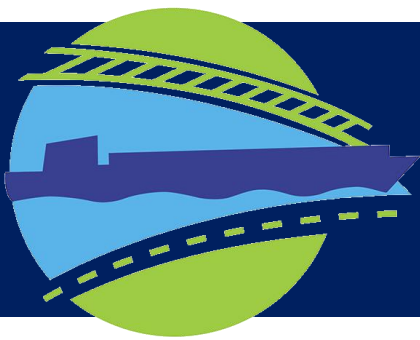
The basis for this strategy is a Membership Survey conducted in December 2018. The Survey identified the main topics, challenges and priorities for European inland ports. Their primary concerns were climate change/adaptation, infrastructure funding and development, digitalisation and multimodality. Secondary concerns observed were inland waterway transport, governance issues, port-city relations and diversification of business.

In general, these priorities differ substantially between the various inland waterway sections. The ports along the Danube have a markedly different set of challenges to tackle than those on the Rhine. The European Federation of Inland Ports (EFIP) has and will continue to take into account regional and local concerns in its work. But rather than addressing those particular concerns, this paper will provide a holistic overview of issues faced by the European port sector.

The EFIP strategy will first outline the long-term vision of European inland ports. Detailed steps and positions will be introduced in three policy pillars. The fourth section will detail internal collaborative steps and communications. Finally, a short section will explain how this strategy will be reviewed.



Port of Strasbourg (c) NewVision - Loïc Chalmandrier



VISION

Europe has set ambitious transport, environment and climate goals for 2030 and 2050. The policies and initiatives that aim to achieve these goals will be discussed in the coming years. The role and place of inland ports within those developments are essential when thinking about a strategy and approach for the coming years. Inland ports will still fulfil an essential multimodal function within European logistics but that role will become more important and more complex than it is today. This is why a clear vision of where inland ports should be in the future needs to be outlined.

A TIME OF TRANSITION

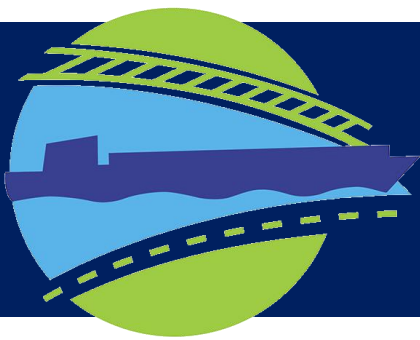
European logistics is currently experiencing a protracted period of transition. There is a move away from traditional 20th century systems and business models towards the next generation of logistics. This transition is informed by a wide range of challenges.

Chief among these challenges is that of sustainability. Over the past years, the topic of climate change has come more and more to the forefront. Events such as documentaries and student protests have put the topic clear in the mind of the general public whereas political events such as the Diesel gate scandal and the signing of the Paris Agreement have illustrated the political responsibilities. Especially in Europe this has led to necessary and ambitious targets for 2030 and 2050. Additionally, concerns regarding urban air quality have been high on the political agenda for many years and will only continue to rise in the coming years.

As a result, more funding for the tackling of these climate change targets is being made available. In general, there is a technology neutral approach but projects around climate mitigation and adaptation are given a priority when it comes to the allocation of funds. Additionally, companies or sectors that invest in climate change-related projects are met with favourable public opinion and support.

Logistics business models have been changing the market with new models in e-commerce allowing for new opportunities but also an increased demand for short-term deliveries. New commodities are gaining in popularity while traditional staples (coal, oil, and others) are decreasing in demand. These demands result in a growing need for digitalisation within the logistics sector. The efficiency gains are substantial but the need for far-reaching investments is proving to be a major challenge.

Innovations in autonomous transport provide a lot of opportunities but are still in relatively early market development stages. Once legislative barriers are reduced, the market uptake is expected to increase dramatically. Some sections of the logistics sector, such as the road sector, are ahead in digitalisation whereas IWT has to catch up.



VISION

European inland transport trends are also changing. Large hubs are fully utilising their positioning in order to grow. Their high frequency multimodal connections have proven highly attractive to industries, leading to their growth. This has been accompanied by a decrease in growth or even decline of smaller hubs. These are signs of consolidations and the forming of a “hub and spoke” system within inland transport. Additionally, the Belt and Road initiative is opening new avenues towards Asia that are expected to grow in the coming years.

INLAND PORTS TODAY

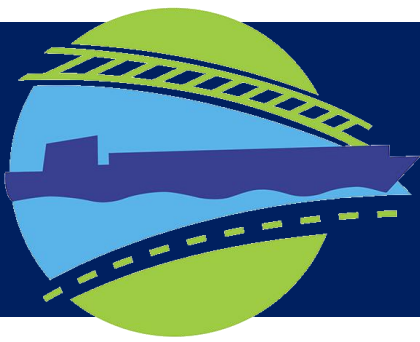
Inland ports find themselves at the heart of these developments and changes. As they are often located within or close to urban areas, sustainability questions are at the forefront. The port is a visual part of the urban area and therefore receives political scrutiny. When it comes to questions of air quality, citizens are becoming more demanding and politicians have voiced support for the banning of inland waterway transport (IWT) within city limits or the removal of their port. Inland ports tend to have a “showcase” role to the public, both positively and negatively. The port-city relationship has historically been essential and continues to be so.

The demand to reduce the transport CO2 footprint currently favours IWT and rail but as investments in clean road vehicles reach ever higher levels, IWT risks losing its climate-friendly competitive advantage. Because of the visibility of IWT to the general public, demands for the sector for further decarbonisation are inevitable. Projects and initiatives with the objective to decarbonise are being rolled out but the market uptake so far has been extremely small and not fit-for-future as new diesel engines are being developed while diesel has publicly fallen out of favour vis-à-vis renewable sources of energy.

Inland ports are grabbing onto new developments in digitalisation to optimise their efficiency and network relevancy. These include projects of data exchange between ports in order to increase trade flows and digital port management systems in order to plan multimodal transport. These projects indicate the potential of digitalisation of the sector but only constitute the first steps.



(c) SPaP Bratislava



VISION

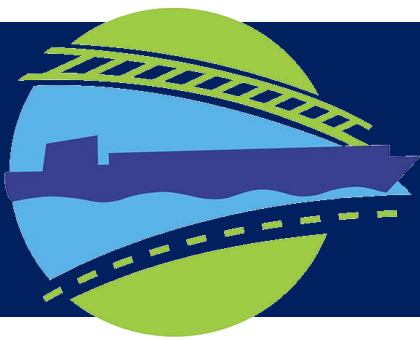
ENABLERS OF GREEN LOGISTICS

Within this time of transition, inland ports are uniquely placed to address the challenges that Europe's logistics face. European inland ports will play an important role in tackling these challenges in order to reach the EU's immediate climate goals and keep European logistics competitive.

European inland ports are located at the crossroads of IWT, rail and road; multimodality is at their core, but the potential that a true multimodal system offers has not yet been realised. As logistics demands increase, shortages in capacity will become an ever-increasing problem. With rail reaching its capacity ceiling and road transport skirting its own limits ever more frequently, IWT provides an opportunity for growth. A full multimodal approach is required to maximise all of Europe's transport capacity. With new multimodal opportunities increasing, European inland ports will further develop their hub function. They will not only rely on their role connecting seaports to inland markets but will also support interregional transport networks reaching as far as East-Asia. In this way, inland ports will have grown their regional competitive and commercial relevance.

As 2050 is getting closer, European inland ports will further develop their digital systems and support innovation. In order to stay competitive, inland ports will have deployed digital systems in order to increase efficiency and promote multimodal transport. As new innovative forms of transport will have developed, inland ports will have adapted. Autonomous vessels, trains and lorries will be active within the logistics sector and inland ports will have supported and facilitated these new technologies. Smart inland ports will have become a reality, adapting to changing commercial demands and opportunities.

As questions of sustainability and air quality increase, European inland ports recognise they are unable to tackle those questions alone. But this does not condemn them to a position of pacifism. Instead, inland ports will enable their users, clients and other stakeholders to meet sustainability challenges. This includes but is not limited to shore side charging facilities and renewable energy supply and storage (hydrogen, batteries). Simultaneously this will be accompanied by the building of renewable infrastructure in port areas. This will allow them to supply both IWT vessels, rail and trucks with renewable energy, increasing their commercial activities by the new services they provide. Inland ports will be able to utilise European funding related to climate targets to roll out of the required infrastructure.



VISION

The question of sustainability will not only be one of cost but also of opportunity. As multimodal hubs and industry spaces, European inland ports will support their local areas in adapting to the business changes of a sustainable economy. Circular economy industries favour shore side locations and can settle there. New clean industries will be attracted to both IWT and inland ports as has already been the case now. This will have allowed inland ports to diversify their client portfolios while simultaneously guaranteeing their continued logistical and local relevance.

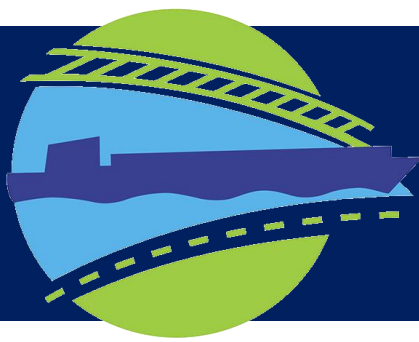
While European inland ports will be doing their part to mitigate climate change, they will also have adapted to the disruptive effects caused by even minimal climate change. Even if the COP 21 goals are achieved, low water levels and excessive floods will become more frequent. Inland ports will have adapted their infrastructure to these new realities while working together with their stakeholders.

Urbanisation in Europe will continue and city congestion will become an ever-increasing challenge; cities and metropolitan areas will be looking for solutions. The capacity availability in IWT will provide an opportunity to tackle these challenges. Consumer goods, materials and resources will be brought into the urban area by IWT and distributed from the port to the city. This will dramatically reduce cities' congestion and improve their air quality. These types of services will continue to increase and in certain cities even include a public transport role.

These components, innovations and developments will lead to European inland ports becoming **enablers of green logistics** throughout this time of transition. But in order to fully achieve this vision, regulatory, technological, innovative and developmental steps need to be taken. The remainder of this paper will outline EFIP's approach to achieve this vision.



(c) Mierka Donauhafen Krems



SUSTAINABILITY AND ENVIRONMENT

For European inland ports as **enablers of green logistics**, sustainability and environment stand at the forefront. This became especially clear from the results of the EFIP Membership Survey, identifying that a large part of the future challenges are climate change-related. European inland ports subsequently need to take a proactive role and support the tackling of these challenges.

GREENING OF INLAND WATERWAY TRANSPORT

Inland waterway transport (IWT) is currently the most climate-friendly form of transport. But other modes of transport, especially road, are investing and moving forward rapidly in decreasing their emission footprint. This development threatens IWT's competitive advantage and requires investments today in order to reach the goals set out in the Mannheim declaration¹ and COP 21².

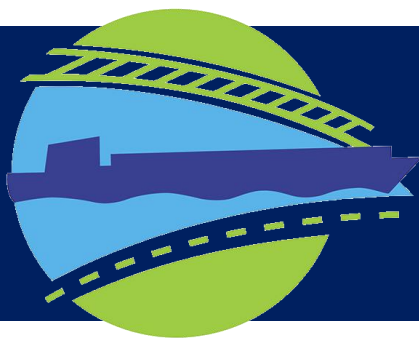
The realities of IWT are well known to European inland ports and there is a realisation that a high amount of investment will be needed, both for the development of new technology and the deployment of new vessels in the market. Steps have to be taken now by all members of the sector.

European inland ports do not own or operate their own vessels as their role is to enable the IWT sector to make the transition to zero-emission vessels in the long term. The essential component in this is that inland ports have the needed infrastructure to provide IWT vessels with sufficient alternative energy carriers. Green vessel uptake will be influenced by the availability of alternative fuels infrastructure at the shore side.

Currently there is no clarity as to what type of drive train(s) will power future IWT vessels. There are studies and pilots underway to outline and map the trajectory of IWT greening. European inland ports are supporting these studies in order to understand in which infrastructure they need to invest. According to European legislation, inland ports will need to provide the necessary alternative fuels infrastructure. But as long as there is no clarity, this will prove to be ineffective.

¹ <https://www.zkr-kongress2018.org/900-en.html>

² https://ec.europa.eu/clima/policies/international/negotiations/paris_en



SUSTAINABILITY AND ENVIRONMENT

CCNR GREENING OF IWT STUDY

In 2018, the Central Commission for Navigation of the Rhine (CCNR) together with the Dutch government initiated a study outlining the road map for the greening of inland waterway transport.

This study has two objectives:

1. Pointing out what alternative drive trains and energy carriers are most effective and attainable in order to green the inland waterway fleet. In this way a long-term goal can be set.
2. Identifying the necessary financial instruments that will be needed in order to retrofit, upgrade or replace the IWT fleet.

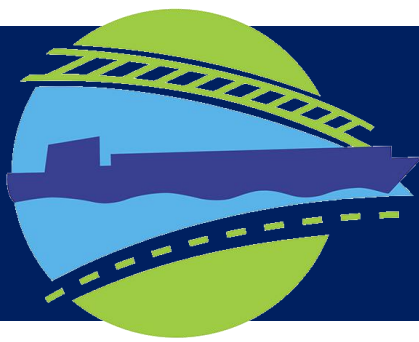
EFIP has already participated in this study and will continue to do so. Not only was the necessity for greening emphasised but also the commercial and competitive advantages the IWT sector will gain if it makes this transition. As it is being supported by the CCNR, it is expected to be an essential document for the years to come.

In order to provide even more valuable input in this process, EFIP will need to create a clear and foundational policy paper outlining its position regarding the greening of the IWT fleet. That is the only way European inland ports can make the proper investment decisions in order to enable green logistics in IWT.

Action: EFIP will publish a position paper regarding the greening of the inland waterway fleet.

CLIMATE ADAPTATION AS A CHALLENGE

Reducing climate change is Europe's greatest challenge. However, even if the COP 21 goal of only a 1.5 degrees average temperature increase is reached, there will be considerable climate change effects. In 2018 Europe was confronted with a protracted drought, heavily reducing water levels and the navigability of the waterways. Droughts are not the only challenge, as excessive flooding is also an expected consequence of a 1.5 average temperature increase.



SUSTAINABILITY AND ENVIRONMENT

Reduced navigability has a very harmful effect on the commercial activity of European inland ports. In 2018 inland ports had to cope with reduced trade flows and transshipments. Investment and planning will be needed in order to ensure that inland ports are able to adapt to this new reality.

Multimodality will be an essential tool in climate adaptation. It will be even more crucial than it is now to ensure the continued commercial viability of European inland ports. Central to this will be multimodal planning that allows for the quick and efficient movement of trade flows from the waterways to rail. In order to achieve this successfully, cross-border rail efficiency would need to be increased through cooperation between national rail infrastructure managers. European inland ports will need to continue to advocate this position.

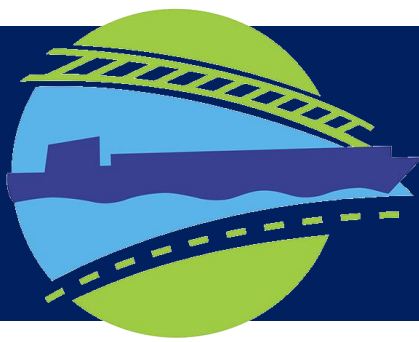
Climate adaptation will also require investments in inland port infrastructure to ensure access. It is not clear what type of retrofitting or wholly new infrastructure would be needed. An investigation will need to identify the port infrastructure necessary to adapt to the new climate conditions.

Action: EFIP will create an overview of the possible infrastructure needs of European inland ports for climate adaptation.

ENVIRONMENT AND PORT CITY RELATIONS

European inland ports are found within cities and have a visible place in society. IWT also has a very visible quality, especially while operating in the port area. The common perception is often negative from an air quality perspective. The greening of the fleet is one step to turn that perception but might not prove sufficient.

Waterborne transport has untapped potential regarding urban transport. Waterborne city logistics is a growing segment in some cities, especially for construction materials. This segment provides an opportunity for inland ports to further combat city congestion and improve the local air quality as the necessity for HGVs entering the city will be reduced. In order to make this attractive, lighter and smaller vessels will need to be developed and taken up by the market. European inland ports should support this development and position themselves as urban logistical hubs where possible.



SUSTAINABILITY AND ENVIRONMENT

European inland ports attempt to ensure that their activities have minimal negative impact on their local environment. The majority is successful in this while also promoting low emissions transport. Currently inland ports are unsuccessful in communicating what they are doing in this area. A set of common environmental benchmark criteria for inland ports will be created in order for inland ports to compare their activities and learn from each other while also underlining their role as enablers of green logistics in the city.

Action: EFIP will explore the possibility of creating a set of criteria to identify ECO inland ports.

POLICY DEVELOPMENTS

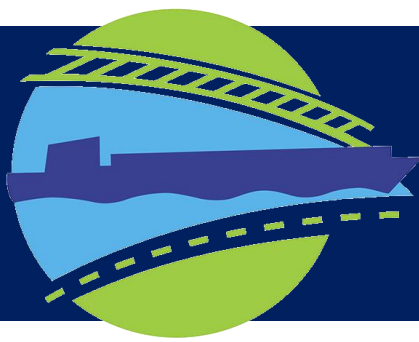
The European Union has set itself ambitious goals in order to reach the Paris climate goals. In the next European elections climate change will be one of the high priority topics. The next European Commission can therefore also be expected to have climate change as one of its main focuses.

EU 2050 CLIMATE STRATEGY

In November 2018 the European Commission proposed its 2050 decarbonisation strategy in order to meet its obligations under the COP 21. The strategy sets a target of full climate neutrality by 2050 and a total reduction of 80%.

It outlines various transition policies for the European economy and industry. A special emphasis is given to transport, including:

- Increase in vehicle efficiency and transition to low-emission vehicles;
- Long-term transition to zero-emission vehicles;
- Sufficient alternative fuels infrastructure;
- Increase efficiency in of the European logistics network.



SUSTAINABILITY AND ENVIRONMENT

In the coming legislative period, legislation will be revised and new initiatives will be proposed in order to tackle climate change. These initiatives will be ambitious and far-reaching while also being extremely complex, reflecting the problems being addressed. European inland ports will be expected to weigh in on these initiatives. When they do, it will be essential to find the balance between the future vision and the daily realities faced by inland ports.

The first major initiatives that can be expected are the recommendations coming from the European Commission study on the “Internalisation of External Costs”. This study looks at the external costs of all modes of transport. External costs are all costs (from accidents, emissions, usage of infrastructure etc.) incurred by the public for the presence and usage of a specific type of transport. This is then compared to the degree that those costs are internalised through taxes, tolls, charges and other financial tools. A large disparity between the external costs and their internalisation implies that there is unfair competition between the modes of transport. It is expected that the European Commission will propose initiatives to level the playing field.

In the study, IWT is found to have extremely low external costs with a sufficient internalisation of those costs. The upcoming European Commission proposals could impact European inland ports, however, it is unclear what role infrastructure managers will have within them. If extra charges are levied on a mode of transport, inland ports should not be given the responsibility of collecting those charges. Inland ports need to focus on providing the necessary infrastructure in order to support the greening of IWT and adapt to climate change, not act as tax collectors.

Beside upcoming legislative initiatives, the European Union will also be supporting the fulfilment of its climate goals through financial instruments. Prominently among these is the Innovation Fund³. This fund focuses on supporting innovative projects that reduce emissions and mitigate climate impact. The Innovation Fund also provides added support in the early stages of the project development and offers the possibility for funding of the operational costs. EFIP has for years utilised the Interreg and CEF instruments to finance projects but has little to no experience with this fund. As the Innovation Fund could prove to be a useful funding avenue for European inland ports to support climate change projects it should be further explored.

Action: EFIP will need to provide a coherent response to the recommendations coming from the “Internalisation of External Costs” study.

Action: EFIP will explore the possibilities of the European Innovation Fund as a funding avenue through the Sustainability and Environment Committee.

³ https://ec.europa.eu/clima/policies/innovation-fund_en

SUMMARY OF EFIP ACTIONS

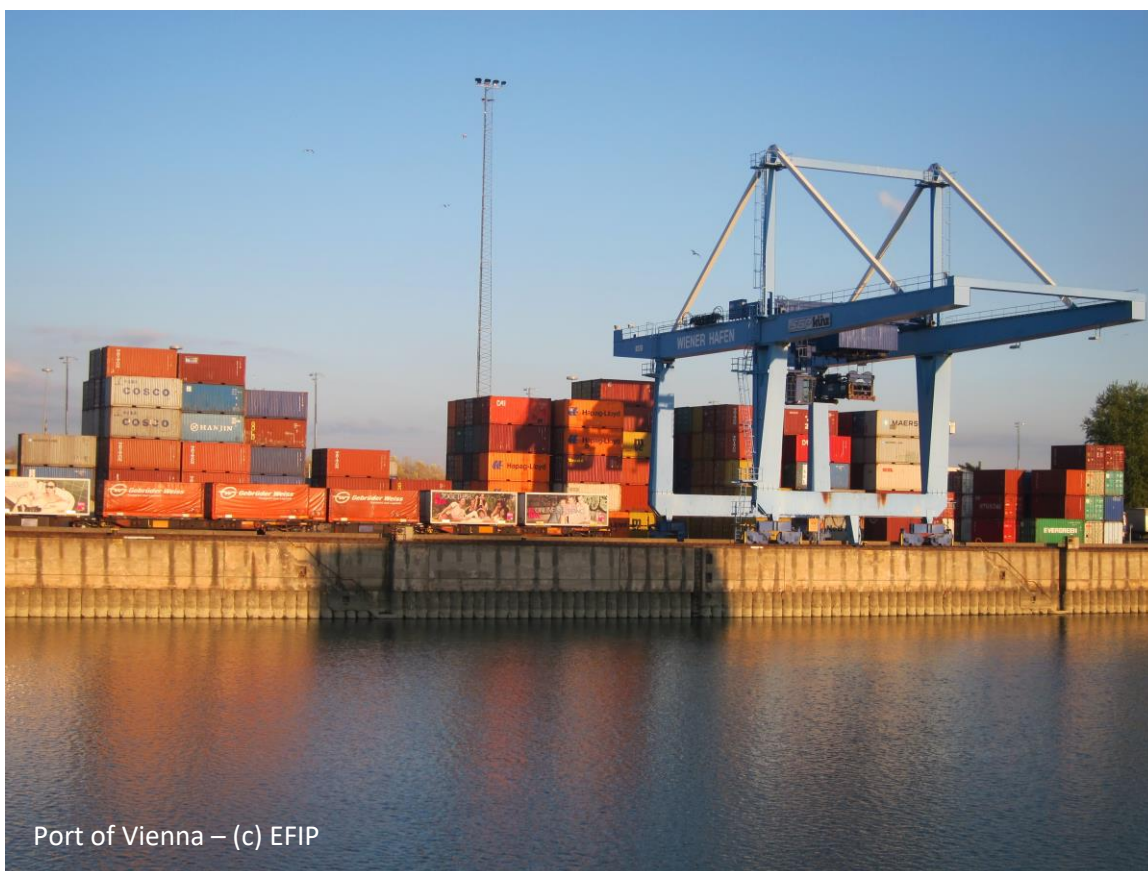
- EFIP will publish a position paper regarding the greening of the inland waterway fleet.
- EFIP will create an overview of the possible infrastructure needs of European inland ports for climate adaptation.
- EFIP will explore the Climate Innovation Fund as an avenue of funding
- EFIP will explore the possibility of creating a set of criteria to identify ECO inland ports.
- EFIP will need to provide a coherent response to the recommendations coming from the “Internalisation of External Costs” study.



INFRASTRUCTURE AND INVESTMENT

Infrastructure has and always will be at the centre of attention for European inland ports. They enable inland ports to achieve their objectives and EFIP's long-term vision. The EFIP 2018 Membership Survey underlined this continued emphasis. Inland port infrastructure in general serves to reach public objectives such as supporting local business, fighting congestion and climate adaption and much more. The demands put on inland ports are only expected to expand. As they do, new and innovative forms of infrastructure will be necessary and will require investment alongside traditional infrastructure investment.

Even though there are commercial factors, the majority of funds comes from public and semi-public sources. This is not expected to change as "return-on-investment" is very limited. Local sources of investment vary between Member States and regions. European funding mechanisms remain an important source for inland ports.



Port of Vienna – (c) EFIP



INFRASTRUCTURE AND INVESTMENT

EXPERIENCES FROM 2014-2019

In 2014, the European Union launched its Connecting Europe Facility (CEF). This funding instrument focuses primarily on investments in transport and energy, with transport having the largest portion of the 30 billion overall budget.⁴ The objective of CEF is to complete the European TEN-T Network.

The Trans European Network – Transport (TEN-T) foresees the contours and connections of the European transport network to be completed by 2050. TEN-T is divided between the core, corridor and comprehensive networks. These overlapping networks connect European Member States, optimising logistical flows, supporting business, tackling connectivity challenges and driving economic growth.

The funding through CEF operates through various calls for proposals with alternating priorities. This system of calls, although very successful, proved to be very opaque for European inland ports. Port infrastructure projects require long-term planning and preparation. Most CEF calls were announced within a period of a few months to apply. Port infrastructure projects were often either too mature or not yet mature enough to apply for funding.

The process and cost of applying for CEF funding has proven to be obstructive for European inland ports. To successfully apply for funding, a level of expertise and understanding is needed, which requires a substantial investment of resources. And this is not taking into account the level of lobbying work that is required to support the project. Consequently, success was not guaranteed as priorities have to be made within the framework of the set call priorities.

All of these factors have contributed to European inland ports only submitting around 11 projects. Of these projects, 10 have been successfully funded, showing that inland ports have a high rate of success, with currently the highest rate under CEF.⁵

Regardless of the challenges faced by European inland ports, CEF in general has been a success as concluded by the Mid-Term review.⁶ This is why EFIP together with other transport actors lobbied successfully for more funding for transport under the next funding period.⁷ Additionally, EFIP has been active on the revision of CEF, successfully addressing the concerns of European inland ports.⁸

⁴ 28 billion for transport

⁵ As of April 2019, of projects directly relating to Inland Ports

⁶ <https://ec.europa.eu/digital-single-market/en/news/connecting-europe-facility-publication-mid-term-evaluation-report>

⁷ <https://www.moreeubudget4transport.org/>

⁸ See CEF Revision Box



INFRASTRUCTURE AND INVESTMENT

CONNECTING EUROPE FACILITY REVISION

In June 2018, the European Commission published its revision of the Connecting Europe Facility regulation. This regulation outlines the general funding priorities and allocations in order to complete the TEN-T Network.

EFIP welcomed this revision and its various positive proposals. The substantial budget, the horizontal priorities and simplifications were very much needed. From a European inland ports perspective, there were more improvements possible, especially regarding the IWT co-financing rate, the cross-border definition and the need for call transparency. These points were communicated to European policy makers in the EFIP position paper.

Through an extensive 5-month lobbying process, EFIP was able to introduce all of its additions and concerns into the European Parliament and European Council positions. During the interinstitutional negotiations EFIP, together with other IWT partners, was able to secure the addition of its contributions. This resulted in:

- 50 % co-financing rate for IWT;
- Clarity of the definition of “cross-border in the field of transport”;
- Transparency of European CEF funding calls;
- Clarification regarding the functioning of “dual-use” in military transport.

This result has ensured that the revised CEF regulation is fit-for-future for inland port investment. This provides European inland ports with a substantially increased avenue for funding. The revised CEF regulation will start applying as from 2021.

A complementary possible funding that has proven successful avenue for inland ports is the Interreg programme. This programme offers funding for cross-border/interregional projects in a variety of topics. It has been especially successful for projects relating to energy and climate change. Interreg is a substantially smaller instrument than CEF, with less funding available and for smaller scale projects only. The instrument is a very good avenue for the funding of studies which can be later employed to support a CEF proposal. Interreg does require a high amount of investment as the administrative burden is much higher by comparison with CEF.



INFRASTRUCTURE AND INVESTMENT

EFIP APPROACH

From the experiences learned over the last period and from the Membership Survey, EFIP will focus on the following activities to support funding activities of its members.

CEF HELP DESK

European inland ports are given more opportunities under the revised CEF regulation through the increased co-financing rate and the improved call transparency. In order for inland ports to fully profit from EU funding, EFIP will start providing more support in the form of the CEF Help Desk.

The objective of this Help Desk is to support members in the early project consideration process and the post application period. Members that are considering and/or exploring European funding possibilities will be able to supply the Help Desk with their project details. The Help Desk will then, in cooperation with an expert consultant, evaluate the project details to concretely outline its eligibility and likelihood of success. EFIP Members will then be given a clear overview of what to expect if they decide to apply for European funding. This process will not only focus on CEF but also take into account the Interreg programme.

Additionally, EFIP will organise member sessions highlighting and clarifying upcoming calls. This will enable members to have a better sense of what to expect. This shall be done within the remit of the infrastructure advisory committee.

If the inland port decides to apply for European funding, the EFIP Secretariat will provide support in the necessary monitoring and lobbying. This will include follow-up with both INEA and DG Move and advice on how to approach the local and national decision makers. These decision makers are essential in the final step of the process of project selection.

Action: EFIP will create the CEF Help Desk with guidelines of use for members.

Action: EFIP will organise member sessions introducing CEF Calls.

TEN-T REVISION

The TEN-T regulation serves as the bedrock of the future European logistical network. In its current form, the regulation covers the vast majority of European inland ports but experience has shown that improvements are not only wanted but necessary to ensure that European inland ports are given their due place within the network.



INFRASTRUCTURE AND INVESTMENT

The European Commission has already commenced its review process of the TEN-T regulation. In 2019 there will be a general consultation and a “targeted stakeholder” consultation. EFIP will participate proactively in these consultations as there are shortcomings within the current TEN-T that affect European inland ports.

Given the complexities on the ground, EFIP will need to carry out a thorough study among its members to identify the current main concerns presented in TEN-T, keeping in mind the long-term vision of inland ports as multimodal enablers of green logistics.

This study will focus on two main aspects:

1. General issues with the legal text, definitions and practicalities of the TEN-T Regulation pertaining to inland ports;
2. Identifying local and regional deficits within the TEN-T Regulation highlighted by EFIP member ports. This can include the absence of some ports within the network, partial presence within the network and missing multimodal connections.

The results of this study will allow the creation of EFIP’s final position paper. This position paper will form the basis of EFIP’s lobbying efforts. Unlike other European legislations, this process will require a strong inland ports presence at the Member State level. The EFIP Secretariat will coordinate this process with members to ensure a strong and unified position of European inland ports.

Action: EFIP will launch an internal consultation among members in order to finalise a detailed position on the TEN-T revision.

Action: EFIP will coordinate the lobbying activities between the EFIP members within the EU Member States.



(c) Port of Szczecin and Swinoujscie



INFRASTRUCTURE AND INVESTMENT

SECURING FUNDING LEVELS

Under the “MoreEUBudget4transport” initiative EFIP has been able to initially secure the necessary European budget within the new European Multiannual Financial Framework (MFF).⁹ The MFF is currently undergoing political negotiations and there are divisions. Those politically supporting the Regional Funds want funds earmarked for transport to be moved there. This would have a detrimental effect for European inland ports.

Action: EFIP will continue to advocate for more funding for EU Transport.

MULTIANNUAL FINANCIAL FRAMEWORK (MFF)

All European spending is agreed between the European Parliament and the Member States through the Multiannual Financial Framework. This includes all the funding instruments that the EU employs such as for agriculture, research, transport, energy, education, etc.

The current MFF under discussion for the period 2021-2027 is one of the most unique in EU's history. With the UK leaving the EU but their departure not yet finalised, discussion about the budget sizes has become difficult. Member States are hesitant to increase their contribution to the EU.

While the overall budget will shrink, EU competences are being expanded. Border control is being developed through Frontex and discussions regarding military cooperation are growing. This puts a lot of pressure on the budget negotiations, especially on existing programmes. The expectation is that MFF negotiations will progress slowly and might even be delayed. This makes predicting the final outcome extremely difficult.

European calls have priorities drafted a few months before the actual call. These priorities outline what transport actors can apply for and which kind of projects can be submitted. In the past it has occurred that inland ports were excluded from calls.

Action: EFIP needs to take informal action to ensure that European inland ports are eligible within as many calls as possible.

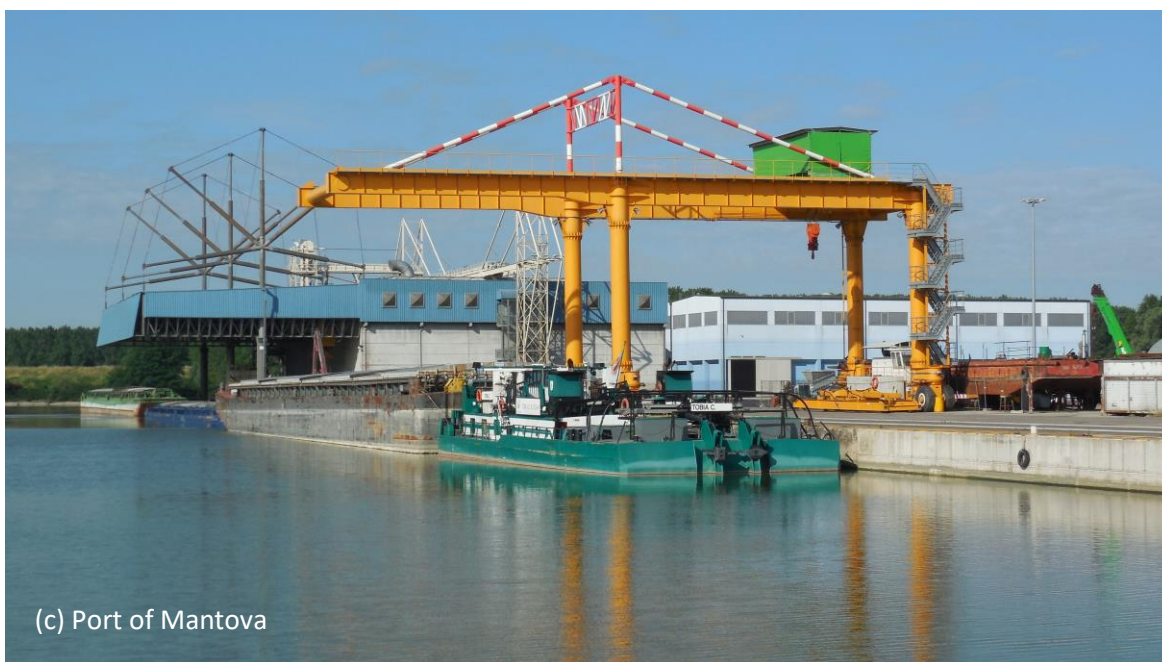
⁹ See MFF Section



INFRASTRUCTURE AND INVESTMENT

SUMMARY OF EFIP ACTIONS

- EFIP will create the CEF Help Desk with guidelines of use for members.
- EFIP will organise member sessions introducing CEF Calls.
- EFIP will launch an internal consultation among members in order to finalise a detailed position on the TEN-T revision.
- EFIP will coordinate the lobbying activities between the EFIP members within the EU Member States.
- EFIP will continue to advocate for more funding for EU Transport.
- EFIP needs to take informal action to ensure that European inland ports are eligible within as many calls as possible.



(c) Port of Mantova



DIGITALISATION AND INNOVATION

European inland ports have underlined the potential efficiency gains that digitalisation can bring. River information services (RIS) systems, port community systems and other digital innovations have or are already being rolled out by inland ports. These digital systems allow them to increase their multimodal efficiency, relevance and add value across the whole logistics system. As inland ports develop their systems, new legislative and standard challenges will arise as well as new opportunities.

New business avenues for European inland ports are growing as new business models are developing. Diversification of clients within the port area is a priority for an inland port. As regional economic hubs, gaining new types of business brings employment, economic growth and regional relevance.

DIGITALISATION

The process of digitalisation is only the first step for European inland ports. The destination is the realisation of smart inland ports. Smart inland ports will have intelligent information systems that collect and distribute data for the operations of the port. This will include the ability to forecast changes in trade flows as to, among other things, optimise the multi-modal transshipment process. Finally, artificial intelligence (AI) will enable real time and autonomous adaption within the port and between the different transport modes.

Before getting to that point there are still many obstacles to address. One of the main issues stifling inland ports and inland shipping digital development is the absence of standardisation of data. Currently, the standards for data in IWT vary wildly between different Member States and even regions. This results in a general loss of efficiency due to increased administrative time and hampers the development of smart ports. Without the standardisation of data, the digitalisation of IWT data will be difficult if not impossible and paperless IWT will not be reached.

Action: EFIP will keep lobbying for the standardisation of IWT data and a strong digital IWT agenda within the upcoming RIS revision and DINA.



DIGITALISATION AND INNOVATION

DIGITAL INLAND WATERWAY AREA (DINA)

The Digital Inland Waterway Area is a concept to interconnect information on infrastructure, people, operations, fleet and cargo in the inland waterway transport sector and to connect this information with other transport modes.

An architecture is proposed that allows for the controlled sharing of this information which can serve as platform for future developments:

- DINA builds on existing investments and developments such as existing components of River Information Services.
- A digital environment ('data platform') for barge operators is needed to allow them to control data on their vessel, voyages, cargo and crew.
- A new on-board toolkit (e-IWT) will be needed to connect barges with this digital environment and provide functionality for skippers as one of the end-user categories.
- Standardisation and governance: providing adequate governance mechanisms to develop and maintain the standards used in DINA.

AUTOMATION

Current developments across the logistics sector are changing how goods are being transported across Europe. Automation stands at the forefront of these new changes. Currently there are already many pilot and research projects looking at automation of locks, inland waterway vessels and port infrastructure.¹⁰ Automation will allow for large efficiency gains for both IWT and European inland ports.

Support from inland ports for autonomous IWT is self-evident due to the possible efficiency and commercial gains. In a semi-autonomous/autonomous IWT sector, infrastructure demands will change and lead to more investment. European inland ports will need to know what data, services and infrastructure they need in order to support this change and profit from it

Action: EFIP will update its Digital position paper and outline its position including considerations on autonomous shipping.

¹⁰ For example: http://www.unece.org/fileadmin/DAM/trans/doc/2018/sc3/ECE-TRANS-SC3-2018-inf_06e.pdf



DIGITALISATION AND INNOVATION

NEW BUSINESS MODELS

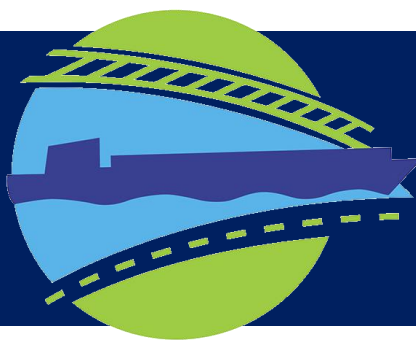
European inland ports thrive on ensuring that their port area boasts a diverse set of businesses and industries. As logistics challenges increase, new logistical business concepts are being piloted and tested. These include new last mile urban logistics models in which goods and parcels are delivered to distribution areas at the edge of a city to be distributed. Depending on their relative position, this can prove to be a good opportunity for inland ports. This is especially the case when distribution is done through the urban waterways.

New players are also entering the distribution market. Companies such as UBER freight¹¹ are trying to change the freight forwarding models currently in use. These types of models could have a space for inland ports as well. This is an avenue that should be explored.

Action: EFIP will actively seek contact with new business models or companies that could profit the European inland ports.



¹¹ <https://www.uberfreight.com/>



COLLABORATION AND COMMUNICATIONS

The bedrock of both the success of EFIP and the achievement of the objectives set out in the previous chapters is its members. The necessary on the ground expertise, experience and business understanding lie in European inland ports. In the past it has been proven that using the member's expertise leads to achieving legislative and lobbying success in Brussels.

The results of the EFIP Membership Survey has shown that current forms of communication are very satisfactory. However, the Survey results do highlight that a significant group among members asks for more collaboration and exchanges of expertise.

COLLABORATION

ADVISORY COMMITTEES

Through the second half of 2018, the EFIP Secretariat utilised the CEF advisory committee in the Members' Only area of the EFIP website. This proved to be successful to ensure a coherent and foundational position for the CEF negotiations. This essential contribution made EFIP's lobbying success possible. Following this success, three new advisory committees will be created. These new committees will correspond to the three policy pillars set out in this strategy paper and address the issues set out therein.

Participation to the advisory committees will be open to all full members. The EFIP Secretariat will ensure that the participants of each committee reflect the geographic differences within the EFIP Membership.

The advisory committees will function in two ways. The first way will be in the Members' Only area, primarily for written discussions and largely around working texts. The second way will be through dedicated workshops. These workshops will allow committee members to engage in a detailed exchange of ideas on a given topic. Given the EFIP membership geographic extend, traveling to a workshop is not always feasible or practical. Therefore, a digital platform will be used in order to stream the meetings and allow participation and a good exchange.

Action: EFIP will create three advisory committees to address the topics of:

- Sustainability and environment;
- Infrastructure and investment;
- Digitalisation and innovation.

Action: EFIP will utilise an online platform to ensure representative input from its Members.



COLLABORATION AND COMMUNICATIONS

NATIONAL MAPPING

A conclusion of the EFIP Membership Survey was the need for a look at the national IWT and inland port policies. European member states take differing initiatives in the field of IWT and port development that can wildly vary between member states. National policies can constitute both opportunities and threats to European inland ports. A better understanding of what is happening within the different EU member states helps EFIP members plan and respond to developments in their own country. Additionally, this will foster better understanding of the national differences between European inland ports

Action: EFIP will initiate a policy mapping exercise between European Inland Ports.

COMMUNICATIONS

The EFIP Membership Survey showed that in general communication between the Secretariat and the Members is very satisfactory. Especially the EFIP Memos are very appreciated and followed. There were some suggestions however, focusing on the layout and delivery of the Memos. Those suggestions have already been incorporated into the EFIP Memos since the start of 2019.

There were a number of requests for more communications in a condensed or newsletter format. In order to not overcrowd the information to the members, a biannual newsletter will be introduced. The objective of this newsletter will be to provide a short overview of the last developments both in the European sphere and within the EFIP member ports. This will provide a condensed account of EFIP's activities but will not have as detailed information as the EFIP Annual Report.

Action: EFIP will introduce a biannual newsletter.

Up until now EFIP has not had a comprehensive digital communications approach. The various digital and social media platform could enable another channel of communications with its members, while doing the same toward policy makers and sector colleagues. Because of this, EFIP will draft an internal social media strategy.

Action: EFIP will create a social media strategy.