

European Commission Communication on the Future of Transport

Contribution of the European Federation of inland Ports (EFIP)

September 2009

INTRODUCTION

On 24 June, the European Commission published the Communication "A sustainable future for transport: Towards an integrated, technology-led and user friendly system". With this document the European Commission is starting the debate in view of the next Transport White Paper of 2010.

The Communication sets out a vision for the future of transport and mobility until 2020, taking into consideration scenario's that may occur decades beyond this date. All interested parties are encouraged to contribute to the consultation exercise and give their view on the future of transport and on possible policy options.

The European Federation of Inland Ports (EFIP) is the official voice of nearly 200 inland ports in the EU, Switzerland, Moldova and Ukraine. Given the important role inland ports play in the European Transport System as nodal point for intermodal transport combining road, rail and inland waterway transport, EFIP wants to contribute to this consultation.

THE ROLE OF INLANDPORTS IN THE EUROPEAN TRANSPORT SYSTEM

Inland ports can play a vital role in meeting the challenges Europe's transport system is facing:

- Over the years, European inland ports have become **real intermodal nodal points**. They offer excellent traffic links to the rail, road and inland waterway and maritime networks and are located along the main corridors and industrial areas in the EU. They are as a consequence **an essential link of the co-modal transport chain.**
- The European inland waterway system benefits from the new found role of the inland ports. Inland ports are an **important instrument to increase the use of inland waterway transport** in industries supply chains.
- Inland waterborne transport itself has a double advantage: First, it can rely on a vast inland waterway network with **ample free capacity** that can be activated without or with only little financial resources. Second, looking at the external costs of transport, inland waterway transport has by far **the best environmental record**.

¹ COM (2009) 279

- Moreover, inland ports are increasingly serving as **back up and feeder for the major European seaports** and can be a part of the solution for the congestion in the seaports. Indeed, inland ports have comparable knowledge and skills as sea ports and have often a direct infrastructural link to the major European seaports via the inland waterway and/or the railway network. In some cases, inland ports are developing as a real **hinterland extension of seaports**.
- Finally, inland ports are becoming more and more clusters of logistic services. They offer logistic service providers efficient and flexible choices and allow customers to combine the different transport modes depending on the demands of the market or the goods to transport and handle.

EFIP's RESPONSE TO THE COMMUNICATION

EFIP believes that **sustainability and efficiency** should characterize the Transport system of and for the Future. To achieve this goal EFIP considers the removal of all obstacles to a better integration of the different transport modes (infrastructure, legislative, administrative, operational, and technological) as an absolute priority for the European transport policy.

EFIP strongly believes that an efficient and sustainable transport system can not be based on a one-mode policy but should be based on a successful combination of inland waterway, rail, road and maritime transport. Depending on the type of freight, the geographical situation, the distance, one combination of modes can prove to be more attractive than another combination. It is of vital importance that transport users can make a sustainable and efficient choice of transport modes and co-modal solutions and that the shift of goods from one transport mode to another can happen in an efficient way. Inland ports have a big potential in making the intermodal transport and supply chain feasible in practice.

1. The need for a fully integrated transport infrastructure network

EFIP very much welcomes the emphasis the Communication is putting on the need of developing a transport "network". Very rightly the Commission stresses the need of developing an intelligent and integrated logistic system, with the development of ports and intermodal terminals as a key element of the European and national transport infrastructure.

Until now, the TEN-T "network" was above all conceived as a set of TEN-T projects with a starting point and an end point. Too little attention was made to the starting and end point itself, to the connection between the TEN-T projects and the interconnection between the projects and the existing infrastructure. In its Green Paper on the review of the TEN-T², the European Commission has recognized the need to fill in this gap in order to realize a real "network".

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² COM (2009)44 final. See also EFIP's position paper on the review of the TEN-T guidelines

⇒ EFIP believes that the development and optimization of intermodal nodes or interconnection points with potential should be one of the main pillars of the new TEN-T guidelines and the future transport policy in general.

2. <u>Cooperation between inland ports and seaports: remove the administrative</u> and operational bottlenecks

The last decade seaports have been facing enormous growth rates in container handling. Even if the current economic slowdown is delaying this ongoing trend, more and more seaports will be obliged to look beyond their own infrastructure and facilities and will have to liaise with intermodal inland terminals in their hinterland. Besides, it is clear that an advanced cooperation between seaports and the inland ports not only offers a solution for the congestion *in* the seaports, but can also decongest the area *around* the seaport by bringing goods further into the hinterland in a more sustainable way.

Inland ports allow for de/re-consolidation of cargo flows, and can help seaports to fully exploit potential economies of scale. Services developed in inlands port can be very broad, ranging from mere nodal points for multimodal container flows, to providing logistics and administrative services (customs, container depot, goods handling, warehousing, etc...).

- ⇒ EFIP believes an enhanced cooperation between inland ports and seaports can contribute in making the freight transport system more sustainable and efficient. To achieve this goal the remaining administrative and operational bottlenecks should be addressed/removed.
- □ In that respect, EFIP asks the Commission to examine to what extent **inland ports** could also be **integrated in this "European maritime space without frontiers" concept** in order to simplify and facilitate not only the maritime transport but also the further transport flow to the inland ports.

Examples of remaining bottlenecks are:

- Diverging interpretation of European customs regulations is often hindering a seamless flow of containers from the seaport to an inland port in an other member state.
- Too long delays for loading, unloading of inland waterway transport ships in seaports

3. Urbanisation: restore the balance between logistic and housing needs

The Commission foresees a continuing increase of the European population residing in urban areas, raising to 84% in 2050. This urban sprawl does not only **imply** more transport needs and mobility problems for individuals, but above all a **fast growing demand of goods to be delivered in towns** (consumption goods, building material,...).

Historically a lot of towns were built along the water or at the crossing of two waterways for the precise reason that a waterway was needed to supply a town. Mainly due to the rapid development of road transport, river transport in towns went in decline and the river bank areas ran down quickly. During the last decades however, towns have rediscovered the attractiveness of the riverside and river banks have become the dream location for real estate and housing projects, leisure activities and other non river related use. As a consequence the space along the waterways has often lost its specific logistic function. In fact, cities risk to give away a part of the solution to their congestion problems. The inland city ports who were originally well nestled in the town and their activities are often getting squeezed and will not be able to respond in an adequate way to the growing supply and distribution needs of towns.

- ⇒ EFIP strongly believes the logistic benefits of an inland port in a town should be revalorised. Facing the challenge of increasing urban congestion, local authorities can not reserve the river and river banks for housing, offices and pure panoramic purposes only. Inland waterway transport and inland ports can contribute in finding sustainable solutions for the increasing demands in town supply and distribution of goods. This implies however a rebalancing between the different functions of the riverbanks, between the logistic needs and the housing and leisure needs. If needed, some space along the waterway should be safeguarded for logistical purposes or other river-related uses.
- ⇒ At the same time, a good access to the port area should be guaranteed.
- ⇒ EFIP finally stresses the need for the municipal and regional authorities to involve the port authorities when preparing a new development strategy for the town.

4. Internalisation of external costs of transport: waste transport as a pilot project

The internalisation of external cost plays a vital role in the European Commission's transport concepts in order to shift transport from road to rail and inland navigation. This makes sense only if transport modes are comparable in the possibilities of use.

Therefore it is important that in its Communication the Commission stresses the need to introduce correct pricing of externalities of all modes and means of transport in order to help transport users find transport alternatives that are best for the economy and the environment. This must be the basis for better cooperation between the transport modes.

⇒ EFIP understands the Commission's plea for the internalisation of external costs (congestion, health problems caused by noise and air pollution, accidents, greenhouse gas emissions, etc.), but realizes that introducing this concept as a general principle in a balanced and fair way is difficult and will need time.

⇒ EFIP encourages the Commission to use the idea of internalisation of external costs only to make transport modes more comparable for the user, not as an instrument to increase the overall cost of transport.

In fact, removing and managing the fast increasing waste amounts in towns is one of the challenges of urbanisation in Europe. Too often, the environmental advantages of collecting and recovering waste are lost because of the transport.

Over recent years, many inland ports have built up experience in finding sustainable solutions for the collection of waste or the transport of waste from the collection point to the waste recovery plants. Even if successful, these environment-friendly methods of waste removal are often more expensive than the transport by truck. Because of budgetary constraints, the use of the waterway for the removal of urban waste remains under threat. A price signal should help competent authorities and waste treatment companies in choosing sustainable solutions for the transport of waste.

- ⇒ EFIP would like to encourage the Commission and competent authorities in the Member States to start by introducing the "smart pricing" in one segment of transport, namely waste transport. "Smart pricing" should be introduced for the transport of waste, in particular between the collect centres and the recovery plants.
- ⇒ At the same time, public tenders for waste transport should include the obligation to use more sustainable transport modes.

5. A real European co-modal transport system implies better cooperation of transport modes and operators

Shifting from a 100% road transport use to an intermodal transport solution is not always an easy change for shippers. Often transport users are not aware of existing alternatives to road transport, certainly not if recent developments in infrastructure or service have made these more attractive. Therefore shippers should be informed and if necessary assisted by experts in defining intermodal solutions for the transport of their goods.

⇒ EFIP proposes that the existing Short Sea Shipping Promotion Centres should be turned into Co-modality Promotion Centres which would be looking at the whole logistic chain and consider all transport modes. The existence of this Centres should be promoted more widely.

Inland ports are the nodal points where inland waterway transport meets with road, rail and maritime transport. The quality and efficiency of an inland port often depends of its capacity to transship and combine the different transport modes. A better cooperation between operators of different transport modes and different countries is a priority for inland ports.

- ⇒ EFIP believes that a full and effective open European market in rail and road transport is an important instrument for making the intermodal transport concept work in practice.
- ⇒ Railways can be a reliable partner for inland ports if they are not hindered by unflexibility in their organization or by lack of interoperability due to differences in the regulatory framework.
- ⇒ EFIP strongly pleads for the removal of the remaining administrative bottlenecks for intermodal transport. Examples: the absence of a unified transport document for consecutive road and river transport of containers, customs bureaucracy,.....

It is often operational and technological problems that refrain transport operators of using inland waterway transport or combining different transport modes.

- ⇒ EFIP therefore believes technology is an important instrument for improving efficient solutions for a co-modal transport and supply chain.
- ⇒ In particular research should be encouraged into new possibilities for inland waterway transport: f.i. inland waterway transport of pallets by barge,...

6. Further integration with the neighbouring countries

The Commission stresses the need to ensure further integration with the neighbouring countries and believes the necessary interconnection of the major transport axes of these regions should be further promoted.

- ⇒ EFIP strongly support this approach. In terms of transport traffic flows, the EU is not isolated, and it should give **particular attention to its connections** to countries beyond its borders in order to ensure sustained development of exchanges with other important trade partners. This is more in particular the case with the candidate countries and the new neighbouring countries of the Union.
- ⇒ Moreover, EFIP is following with interest the **development of the South East Europe Core Regional Network**. From an inland waterway transport perspective some of these countries surrounding the Sava river basin (Serbia, Croatia, Bosnia-Herzegovina) offer lots of possibilities for cooperation with the European Union.