

Workshop:

EC actions on marine equipment and potential of Trans-Eurasia Region

“The Policy Context of Marine Equipment”

W.M. van Gulpen –

Chairman of the European Marine Equipment Council

Istanbul 26 May 2010

(Check against delivery)

The one who adapts his policy to the times prospers, and likewise that the one whose policy clashes with the demands of the times does not. Niccolo' Macchiavelli

A. The general context

The marine equipment industry is operating in an increasingly challenging context, due to economic, environmental and political circumstances. This context offers marine suppliers the opportunity to provide European policy makers with valuable contributions towards the solution of the issues on the table.

A difficult economic climate. the financial and economic crisis that opened in 2007 looks far from being over. Its potential impact on the shipbuilding industry has already been explored: activities are expected to progressively slow down in the coming years, as new orders decrease. Furthermore, in the light of the recent Greek crisis (and the possible developments in other EU Countries) a new assessment of the economic environment should be made. Yet, equipment suppliers see not only the threats emerging from the crisis, but also the opportunity that opened for the shipbuilding industry to tackle structural issues, such as overcapacity. Likewise, the decrease in new buildings may lead to the development of other strategically relevant markets, such as maintenance and repair and, as environmental targets become more and more important, retrofitting. In any event, European suppliers are called to a prompt reaction to maintain and increase their competitiveness against a difficult economic climate.

Tackling the environmental challenge. The difficult economic situation is only one of the challenges the marine equipment industry has to face. Notwithstanding the failure of the Copenhagen Climate Conference in 2009, the environment and climate change stay high on the political agenda. Manufacturers face the task, and the duty, to provide the shipping industry with ever more efficient marine equipment, contributing to the reduction of emissions of GHG and other pollutants and to the efficient use of energy. Furthermore, as the recent BP accident shows, environmental safety can never be taken for granted: the risk of natural disasters cannot yet be ruled out from maritime activities and society rightly expects regulators and the industry to create a regulatory and operational context where compatibility between human activities and the marine environment is ensured.

Revising the EU Industrial policy: the Europe 2020 objectives. As the European marine equipment suppliers prepare their answer to the crisis and the environmental challenges, the EU has outlined its policy objectives towards 2020, based on smart, sustainable and inclusive growth. These objectives shall be achieved through seven “flagship” initiatives, aimed at i) improving conditions and access to finance for RDI, ii) improving education and training of young labour, iii)

EMEC a.s.b.l.

159 rue Belliard,

B-1040 Bruxelles

Tel: +32 2 230 90 64

Fax: +32 2 280 30 01

www.emec.eu

secretariat@emecweb.eu

speeding up the achievement of the digital single market, iv) supporting the efficient use of resources, v) improving the business environment for SMEs, vi) modernising labour markets and vii) ensuring social cohesion. The European marine equipment industry has the capacity of providing a significant contribution towards the achievement of the global EU objectives and to benefit, in return, from the policy initiatives that may be adopted in the pursuit of the 2020 strategy.

Defining the future maritime policy. Changes in the economy and the environment have an impact also on the new EU maritime policy. The EU Institutions are putting a greater attention on the management of maritime resources. Maritime transport represents not only an asset for the global economy, but also a possible solution to the challenges posed by the changes in the environment. Both the EU Commission (with its Communication on the EU maritime transport policy until 2018) and the European Parliament (with its Report on Strategic goals and recommendations for the EU maritime transport policy until 2018) agree on the need of supporting maritime transport in a framework where sustainability, safety, competitiveness and social cohesion can be combined and pursued together.

The marine equipment industry is a strong and competitive industry, with a capacity to innovate and develop new ideas to the benefit of an increasingly efficient maritime transport and supporting knowledge-based employment and know-how. It can claim its front seat in the development of the future EU policies for the maritime industry. As it will be shown below, EMEC - as a representative body for European marine equipment suppliers - shall bring the voice of the industry to the EU Institutions with a view to fostering the role of suppliers in the shaping of the maritime policy principles.

B. Some key policy and legislative initiatives

Several key policy and legislative initiatives took place or advanced in 2009: the European Parliament and the Council approved the 3rd “Erika” Package, which includes Regulation (EC) 391/2009 and Directive 2009/15/EC. The said Regulation will pave the way for a new approach to the definition of standards, promoting harmonization of class rules and of the interpretation of international conventions, possibly leading to the general application of mutual recognition of certificates. Meanwhile, the European Commission has kick-started the revision of the Directive 96/98/EC (the Marine Equipment Directive), the instrument governing the use of the wheelmark with a view to facilitating the free movement of marine equipment and improving maritime safety: the Commission has asked the industry to provide its contribution on this piece of legislation in order to enhance its effectiveness.

The European Commission is continuing the development of the Integrated Maritime Policy, as defined in the “Blue Book” of 2008. The European Commission has adopted , in January 2009, the Communication on the EU maritime transport policy until 2018 and, on 15 October 2009, it presented three further documents on an Integrated Maritime Policy: a [Progress Report](#), which enumerates the past two years’ achievements of the EU’s Integrated Maritime Policy and outlines priorities for the future; the [Communication on the integration of maritime surveillance](#) and the [Communication on the international dimension of the Integrated Maritime Policy](#).

The Leadership 2015 initiative is being brought forward by the industry and the Commission, with a view to revitalize the overall strategy for shipbuilding and to integrate the environmental policy objectives into the general framework for the industry, in preparation for the Copenhagen conference of 2009. Stakeholders reviewed the direction of LeaderSHIP 2015, and worked to find an agreement on how to address the long-term competitiveness of the sector as well as the additional problems raised by the economic crisis .

EMEC a.s.b.l.

159 rue Belliard,

B-1040 Bruxelles

Tel: +32 2 230 90 64

Fax: +32 2 280 30 01

www.emec.eu

secretariat@emecweb.eu

The Swedish Presidency of the EU defined, in the Lund Declaration of June 2009, the “Grand Challenges” for the EU Knowledge Society. These challenges redefine the way the EU shall approach the development of knowledge, adopting a horizontal approach that shall cut through sectors and disciplines in order to meet objectives that are relevant to society as a whole. In this context, the investments SMEs make for RDI and the protection of IPRs assume a more general relevance, calling for more incisive advocacy initiatives.

Climate change emerged as one of the main policy issues in the both the maritime and the global arena in 2009. While political actors, including the EU, defined their general objectives with a view to striking a deal at the Copenhagen conference, the IMO prepared its 26th General Assembly Session: the IMO’s Marine Environment Protection Committee adopted, in July 2009, a package of measures to tackle climate change in the maritime industry and considered market-based industry to reduce the carbon footprint of maritime transport. The Committee further considered the introduction of Trade Emission Scheme for maritime transport.

It is against this backdrop that EMEC’s working groups carried out their policy activities, developing the initiatives in line with 10 policy priorities:

C. 10 policy priorities for the marine equipment industry

1. **Efficient Class: development of an efficient certification system and better regulation**
2. **Environment: highlighting the role of marine equipment suppliers in the protection of the environment, the fight against climate change and promotion of energy efficient solutions**
3. **SME’s: creating awareness on the role of SME’s in the marine equipment industry and the policy initiatives they need to continue thriving at the global level**
4. **LeaderSHIP**
5. **Maritime transport and “Motorways of the sea”**
6. **Maritime governance: integrated maritime policy**
7. **IPRs and trade**
8. **Public intervention: revision of EU State Aid frameworks relevant to shipbuilding and EIB lending policy**
9. **Research, development and innovation: meeting the Grand Challenges**
10. **Maritime Safety: the priority, always**

A last but not least remark it is on the role of society in influencing the policy context. Societal needs are taken more and more into consideration (including the consumers’ perspective) by regulators. The key societal needs in the maritime transport are expressed in the request of a more sustainable and environmentally friendly maritime transport. It is clear that the policy initiatives are trying to combine the societal needs and the business approach. The point of contact is represented by sustainability. Sustainability goes in hand with quality. This is why it should be clear that in the maritime sector any of the challenges ahead (set by regulators or driven by societal needs) can only be met by an engagement to quality in the shipping but also the shipbuilding industries. **“No quality shipping without quality shipbuilding”** should be the new motto worldwide when it comes to safe and clean seas. If the European Maritime Policy adapt to ‘these

EMEC a.s.b.l.

159 rue Belliard,

B-1040 Bruxelles

Tel: +32 2 230 90 64

Fax: +32 2 280 30 01

www.emec.eu

secretariat@emecweb.eu

times' Europe may continue to prosper also in the maritime field and our industry would play an essential role in this prosperity.

*The one who adapts his policy to the times prospers, and likewise that the one whose policy clashes with the demands of the times does not. **Niccolo' Macchiavelli***



EMEC a.s.b.l.

159 rue Belliard,
B-1040 Bruxelles

Tel: +32 2 230 90 64

Fax: +32 2 280 30 01

www.emec.eu

secretariat@emecweb.eu