



COMMISSION OF THE EUROPEAN COMMUNITIES

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**COMMISSION STAFF WORKING DOCUMENT**

**Summary of the Impact Assessment**

**Communication from the Commission to the Council, the European Parliament, the  
European Economic and Social Committee and the Committee of the Regions**

**Mid-Term Review of the Programme for the Promotion of Short Sea Shipping  
(COM(2003) 155 final)**

{COM(2006) 380 final}  
{SEC(2006) 923}

## Summary of the Impact Assessment

This report commits only the Commission services involved in its preparation and does not prejudice the final form of any decision to be taken by the Commission.

### **1. THE PROBLEM**

Fast growth of heavy road transport and related congestion, accidents and pollution are the main economic, social and environmental problems that the policy to promote Short Sea Shipping is expected to address. Furthermore, the efficiency and sustainability of the mode are in focus. Europe needs an efficient logistics transport system combining the benefits of all modes to maintain and increase European competitiveness and prosperity in line with the Lisbon agenda and the mid-term review of the White Paper on European Transport Policy.

Short Sea Shipping is developing fast but could develop even faster in optimal circumstances. A number of factors, however, are slowing down its development:

- It has not yet reached full integration in the multimodal door-to-door supply chain;
- It involves complex administrative procedures;
- It requires higher port efficiency and good hinterland accessibility.

### **2. AFFECTED PARTIES**

Everyone is affected by these issues. Road transport results in congestion, accidents, noise and environmental pollution that affect the citizens and industry. Building land-based infrastructure needs careful land-use planning. The short-sea cluster is an important source of employment. These concerns are also evident at political level.

Europe at large is affected because its transport system is not used in a balanced way but emphasises the road component even over longer distances. European competitiveness and prosperity can suffer when the transport system is not used optimally. Road transport will always be needed because shipping cannot reach everyone's doorstep but better complementarity of modes in co-modality<sup>1</sup> should produce more efficient results.

### **3. FORESEEN EVOLUTION OF THE PROBLEM**

Things remaining equal, without further measures, Short Sea Shipping would lose its current momentum, its development would start stagnating, and it would not be able to fully respond to the challenges of the mid-term review of the White Paper on European Transport Policy and the Lisbon agenda.

### **4. SUBSIDIARITY AND PROPORTIONALITY**

The policy to promote Short Sea Shipping is based on Article 80(2) of the Treaty.

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<sup>1</sup> 'Co-modality' means the efficient use of transport modes operating on their own or in multimodal integration in the European transport system to reach an optimal and sustainable utilisation of resources.

National policies might not always produce interoperable transport solutions that are needed for Europe to work optimally together in an area without borders. Substantial results can only be achieved by the European Commission working with the Member States and industry towards a coherent framework covering the whole of Europe.

Individual legislative measures that might follow from the Short Sea Shipping policy would have to be examined one by one from the point of view of subsidiarity. However, the only new legislative action referred to in the mid-term review of the 2003 Promotion Programme and this impact assessment is that of bringing the annexes to Directive 2002/6/EC (IMO FAL)<sup>2</sup> in line with the IMO measures adopted in 2005 when these have entered into force. This work will be done under a comitology procedure as provided for in Article 5 of the Directive. All other measures indicated are either soft measures or measures in support of ongoing legislative initiatives (such as the proposal on intermodal loading units<sup>3</sup>). Subsidiarity, proportionality and fundamental rights are fully respected.

## **5. STAKEHOLDER CONSULTATIONS**

Consultations with the Member States (Short Sea Shipping Focal Points<sup>4</sup>), the industry (Maritime Industries Forum - MIF) and Short Sea Promotion Centres<sup>5</sup> started in October 2005. Written comments were requested by January 2006. The Commission organised a further meeting with the parties in May 2006.

The received contributions confirmed that Short Sea Shipping needs to be encouraged and promoted. They were, in general, positive and enforced the benefits of the original Programme for the Promotion of Short Sea Shipping. Progress since the presentation of the 2003 Promotion Programme has been positive. The actions in the Programme need to be fully implemented.

## **6. GENERAL POLICY OBJECTIVES**

The 2003 Programme for the Promotion of Short Sea Shipping set out 14 actions that have the objective to enhance the mode and overcome obstacles to its development.

The overall policy objectives in terms of expected results are to increase the efficiency of Short Sea Shipping and shift goods from road to short sea in order to diminish the unsustainable trends indicated above. European competitiveness and prosperity need to be maintained and increased, and Short Sea Shipping is an essential part of this process. Furthermore, Short Sea Shipping enhances cohesion and links to peripheral areas and islands.

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<sup>2</sup> Directive 2002/6/EC of the European Parliament and of the Council of 18 February 2002 on reporting formalities for ships arriving in and/or departing from ports of the Member States of the Community, OJ L 67, 9.3.2002, p. 31.

<sup>3</sup> Proposal for a Directive of the European Parliament and of the Council on Intermodal Loading Units, COM(2003) 155 final, 7.4.2003, as amended by COM(2004) 361 final, 30.4.2004.

<sup>4</sup> Short Sea Shipping Focal Points are representatives of national maritime administrations and responsible for Short Sea Shipping in their administrations.

<sup>5</sup> Shortsea Promotion Centres are business-driven entities that offer neutral, impartial advice on the use of Short Sea Shipping to meet the needs of transport users. These 21 national Centres are networked at European level into the European Shortsea Network (ESN).

The objectives seen in the light of **SMART criteria**:

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Specific: Further develop the efficiency of Short Sea Shipping and its integration in the multimodal logistics chain door to door.

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Measurable: Can be measured in terms of the annual growth of Short Sea Shipping; number of abolished concrete bottlenecks; political priority given to Short Sea Shipping; and industry interest.

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Accepted: The consultations on the Programme for the Promotion of Short Sea Shipping clearly show that both the Member States and industry support the Community promotion policy.

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Realistic: Short Sea Shipping is currently the only mode that has growth rates comparable to those of road transport. The original list of bottlenecks (161) has been reduced to 35 today. The political and business momentum has been maintained.

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Timed: The actions in the original Promotion Programme of 2003 indicate specified deadlines that have been followed.

The Community policy to promote Short Sea Shipping is fully in line with the objectives of the Lisbon agenda (prosperity and competitiveness; improving the regulatory environment; minimising costs of regulation to the business community) and the mid-term review of the White Paper on European Transport Policy (co-modality, competitiveness, sustainability, safety, and bypassing land bottlenecks).

## 7. ANALYSIS OF IMPACTS

This impact assessment examines the impacts of different policy options to enhance the development of Short Sea Shipping now that the Promotion Programme has been running for three years. More in detail it examines the impacts of alternative options, including that of presenting a mid-term review of the Promotion Programme with four new or re-targeted measures. The short-listed options are:

- Abolish EU promotion of Short Sea Shipping;
- Do nothing new, but continue the ongoing Promotion Programme as it is;
- Review the 2003 Programme for the Promotion of Short Sea Shipping by presenting a new Commission Communication that combines new and re-targeted soft measures with a legislative framework.

The options are assessed against a baseline (stable, neutral option) which is the situation in 2006 until possible new action.

The evaluation criteria used to assess impacts are: positive (++), slightly positive (+), neutral (0), slightly negative (-) and negative (--).

The time perspective is considered to be from short to medium-term.

## 7.1. Overall impacts of the general approach

<b>Summary table of impacts</b>			
	Economic impact	Social Impact	Environmental impact
Abolish EU promotion	--	-/--	-/--
Do nothing new	0/-	0/-	0/-
Review the 2003 Promotion Programme by presenting a Commission Communication	+	0/+	0/+

## 7.2. Specific impacts of possible new actions or measures

### 7.2.1. Amending annexes to the Directive on certain reporting formalities for ships to arrive in and/or depart from ports in the Member States (IMO-FAL) – new action

<b>Summary table of impacts</b>			
	Economic impact	Social Impact	Environmental impact
Abolish EU promotion	0/-	0	0
Do nothing new	0/-	0	0
Include this action in the option 'Review the 2003 Promotion Programme'	0/+	0	0

### 7.2.2. Making Motorways of the Sea operational – new action

<b>Summary table of impacts</b>			
	Economic impact	Social Impact	Environmental impact
Abolish EU promotion	--	-	-
Do nothing new	0/-	0/-	0/-
Include this action in the option 'Review the 2003 Promotion Programme'	+	0/+	0/+

7.2.3. *Extending the scope of Shortsea Promotion Centres (SPCs) to multimodality in inland logistics solutions – new action*

<b>Summary table of impacts</b>			
	Economic impact	Social Impact	Environmental impact
Abolish EU promotion	--	--	--
Do nothing new	-	0/-	0
Include this action in the option 'Review the 2003 Promotion Programme'	+	0/+	0/+

7.2.4. *Re-targeting the image of Short Sea Shipping – re-targeted action*

<b>Summary table of impacts</b>			
	Economic impact	Social Impact	Environmental impact
Abolish EU promotion	--	-	-
Do nothing new	0/-	0/-	0/-
Include this action in the option 'Review the 2003 Promotion Programme'	+	0/+	+

**7.3. Ranking the options**

These aggregated impacts arise from the impacts in chapters 7.1 and 7.2 with a weighting factor of one applied to each impact.

<b>RANKING THE OPTIONS</b>	
	<b>Aggregated impacts in total</b>
Abolish EU promotion action	From slightly negative to negative
Do nothing new	From neutral to slightly negative
Review the 2003 Promotion Programme by presenting a Commission Communication	Slightly positive

**7.4. The preferred option**

The preferred option is to present a Commission Communication reviewing the 2003 Programme for the Promotion of Short Sea Shipping. In line with the approach used in 2003, this review should combine soft measures with a legislative framework.

## **8. MONITORING AND EVALUATION**

### **8.1. Core indicators of progress**

The last Spanish and Dutch Presidencies (2002 and 2004 respectively) gave a priority to Short Sea Shipping and organised informal meetings of EU Transport Ministers on the subject. The Finnish Presidency (second half 2006) has announced that Short Sea Shipping will constitute a Presidency priority.

It is important for the Member States, industry and Short Sea Promotion Centres to learn about the overall progress achieved and target further actions. This will, on the one hand, encourage the development of Short Sea Shipping and, on the other, help concentrate on solving the main problem areas.

The core indicator of progress is to maintain the positive tail wind that Short Sea Shipping is currently enjoying.

Progress on the development of Short Sea Shipping could be measured by the relative growth of the mode in relation to road transport. Currently the growth of Short Sea Shipping is very close to that of road.

Another plausible measurement could be the weight that Member States give to Short Sea Shipping in their transport policy. This weight is currently substantial. Also, the priority that the Member States give to Motorways of the Sea projects under TEN-T, vis-à-vis other modes, could be considered in this context.

A further measurement could be the level of acceptance of the actions to promote Short Sea Shipping. This acceptance is currently high.

A reasonable measurement could also be the progress achieved in different actions of the 2003 Promotion Programme.

### **8.2. Broad outline for possible monitoring and evaluation**

The Commission, together with the Member States, industry and Shortsea Promotion Centres will continue encouraging the mode, following progress and evaluating the results of the Programme for the Promotion of Short Sea Shipping. This will be done in the regular meetings of the Short Sea Shipping Focal Point, industry and Shortsea Promotion Centres chaired by the Commission.

A further Communication can be expected in 2008 drawing conclusions of the Programme and showing the way forward.