

Parallel interactive session 1: Infrastructure and New Markets

Pim Bonne, Flemish Ministry of Mobility and Public Works (moderator)

Theresia Hacksteiner, EBU - Alexander van den Bosch, EFIP - Willem Buitenkamp, ESC



State of play

Pim Bonne briefly introduces two activities launched by the Commission to support infrastructure and markets. Programme support action ‘Assessment of market potential for inland ports and inland waterway transport business’ (LOT1) aims at assessing the current potential and future flows including the waterborne industrial and circular economy development, while Programme support action ‘Good Navigation Status’ (LOT3) will follow-up the work of Platina 2 activity on waterway maintenance and substantiate the concept of good navigation status referred to in the TEN-T Guidelines in order to develop a broadly accepted concept. In addition, Programme support action ‘Towards the Digital Inland Navigation Area and digital multimodal nodes’ (LOT2) has been launched help develop strategies for inland waterways and ports as part of the Digital Single Market Strategy.

Key statements

European Barge Union

The examples of Nutricia, Mars, Heinz, Heineken, Bavaria prove that inland waterway transport is capable of taking new markets in an innovative way. Not only long distances and bulk, but short distances and continental transport. In the field of passenger transport, ferry services offer important congestion-free connection in the secondary road net; in the Netherlands alone they contribute to annually save 333 million detour kilometres and € 5,6 mln environmental cost to society. Not to forget the important role of cruises for tourism, a booming market in Europe, that requires the necessary facilities in cities that are often forgotten. However, the way how inland waterway transport can increase its actual share and explore new markets strongly depends on the state of the infrastructure. The new TEN-T policy must guarantee, as explicitly stated in the latest report of Court of Auditors, a strong role of waterways in its multimodal corridor approach.

European Shippers Council

Infrastructure and new markets can have a close relationship. Certain infrastructure improvements could well have the consequence that inland waterway transport comes into the picture of shippers. Whether the new market is a shift of a suitable product from road to water or even a new type product; the shipper is keen on opportunities in the infrastructural segment. The cost factor plays of course a dominant role.

For shippers, container terminals and inland ports are part of the required infrastructure and a co-deciding factor to use inland waterway transport. Modal shift depends heavily on that. Infrastructural quality of waterways is paramount for quite a range of products, because allowing the use of larger vessels and thus a better control of costs.

European Federation of Inland Ports

Inland ports are an integral part of the overall transport and logistics system. Inland ports are multi-modal hubs bringing all transport modes together. For an efficient system, transport infrastructure capacity in the hinterland must be matched seamlessly to the development of ports. In order to facilitate new markets and create value creation in the logistic chain, port development depends heavily on the availability of good infrastructure. The reach of the port, and its competitive position to facilitate new markets (e.g. bio-economy, circular economy), is determined largely by the quality of its connections with road, rail and inland waterway networks. The inland port is therefore a crucial crossing point and intermediary that facilitates the market with the best infrastructural options.

Market potential

The audience sees new potential, new markets can be tapped (even in NL where already 40% goes over water). Remember that IWT is competitive for distances under 300 km. Shippers underline the need for a door-to-door approach. Inland ports are at the crossroads supporting an integrated approach. In addition to traditional bulk segments and consumer goods, the emerging circular economy creates new opportunities for the EU economy and sustainable transport

when it happens without silo thinking, as it covers the chemical, health, agro and energy industry.

Other opportunities cover city logistics and passenger transport to contribute to sustainable transport and regional development. Handling processes in seaports need to be streamlined logistically to avoid delays and lack of space because it has a knock-on effect on the entire logistics chain and increase emissions.

New promising markets require a stable investment climate in terms of land use planning, legal interpretations of waste, taxation and environmental regulations. We need to gather critical mass for activity clustering, public incentives for smaller players as well as anticipation to the NIMBY syndrome. All these elements point to the need for public coordination to steer such developments and industrial frontrunners who act as ambassadors to increase visibility and rally unfamiliar and small shippers who together handle the majority of the volumes.

To convince shippers, it is important to run through the entire decision procedure and address the correct decision levels with smart negotiation (e.g. use buy days) and offer solutions. Next to logistics managers, procurement managers and board members have to be lobbied because currently cost, reliability and lead times remain the most important decision factors. Counselling for shippers is time-consuming but crucial and requires public support.

Infrastructure

The good navigation status of the waterways, maintenance and upgrades, adequate loading and unloading facilities in ports, access roads to waterways are paramount for a cost-efficient door-to-door approach. Lack of reliability kills the business case and destroys all efforts to a modal shift. A full overview of infrastructure needs across Europe has to be created. Sufficient mooring and berthing places should not be overlooked so that we can accommodate all the vessels if the sector grows.

Governmental representatives regret that quality connections are under pressure due to budget restrictions. Locks and weirs are ageing, expert staff is reduced. User charges could be a logical next step. For users, charging should be addressed with utmost care, it should not undermine the primary goal of shifting cargo to waterways & innovation and it should be fully transparent.

Next to the physical infrastructure, shippers underline the importance of digitalisation.

Conclusions and recommendations

Public decision makers need to steer sustainable and promising market developments more effectively with better coordination, infrastructure investment and they need to create of a stable investment climate through a supportive, integrated and transparent legal environment.

Logistics players need to address all relevant decision makers in companies.

Infrastructure

- ❑ Reliability of infrastructure. In order to be competitive, we need investments in infrastructure and maintenance (and legal rules).
- ❑ We should not focus on IWT alone, but the whole chain: terminals, roads going there, etc.
- ❑ Sufficient mooring and berthing places so that we can accommodate all the vessels if the sector grows.

New markets

- ❑ There is a lot of potential (even in NL where already 40% goes over water). However, tapping new markets will take some time. We need to invest time and effort in that. Cost (and time) remains decisive factor for shippers.
- ❑ Not only address shippers, but also sales and logistics procurement managers. They co-decide on how they ship goods.
- ❑ Not only focus on frontrunners but also on smaller shippers (not only big brands – majority cargo is transported via small shippers).
- ❑ Remember that IWT is competitive for distances under 300 km.