



ESPO's Roadmap to implement the European Green Deal objectives in ports

European Sea Ports Organisation (ESPO)

Docks the Future final event – 24 November 2020



GREEN DEAL: Ursula Von der Leyen: “man on the moon moment”



Green Deal: Europe to be the first net zero emission area by 2050



- More than lowering emissions => New Growth strategy
 - Transforming the economy, **“transforming the way we produce and consume”**
 - Sustainable product policy
- “Will frame everything what is happening”**



Green DEAL goals – 11 December 2019:



Green deal goals:

Net-zero by 2050

90% CO₂ emission reduction by 2050 for transport

New Climate Law: enshrining carbon neutrality by 2050 into law

CE: 55% by 2030 (tbc)

1. ESPO welcomes Europe's ambition



- European ports welcome **Europe's ambition** to be the world's first net zero emission area by 2050.
- Making it happen.
- This ambition must be delivered in **the most effective way**.
- The **competitiveness** of Europe's economy must be safeguarded.
- Achieving this objective will require **an unprecedented level of cooperation** across all policy departments and stakeholders.

2. Ports are a key strategic partner

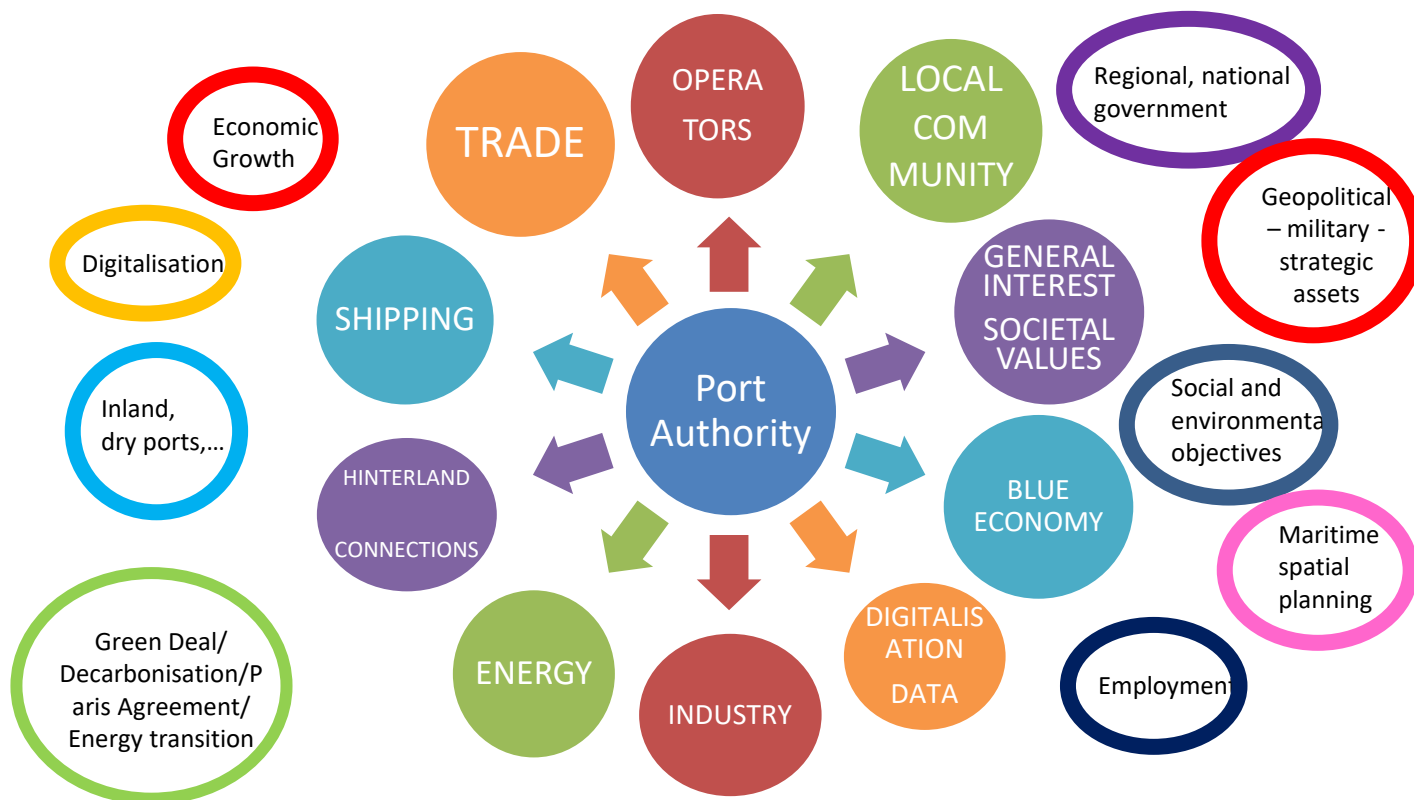


European ports are:

- at the crossroads of **supply chains**,
- clusters of **energy**,
- clusters of **industry**
- clusters of **blue economy**.

They can be a key strategic partner in making the European Green Deal happen.

The Port Ecosystem



3. The greening of the shipping sector is a priority for European ports



ESPO support the IMO target 2018. Target might not be ambitious enough in light of Green Deal.

The greening of the shipping sector is **a priority** for European ports. Responsibility lies primarily with the shipping sector.

Europe's ports are committed to playing their part in helping the shipping sector to make this transition.

Close cooperation between ports and shipping lines is required.

This cooperation is also largely dependent on decisions of **energy producers, energy providers and cargo owners.**

Ports are committed to green their own fleet and operations under their own remit.

4. European ports must develop a roadmap to prepare for the energy transition of shipping



European ports are diverse and there is no one approach which can be mandated for all ports.

Each port should develop **a detailed plan of pathways for facilitating the greening of the shipping sector**, taking into account: the markets they serve, type of vessels, geographical location, tasks and responsibilities.

Ports should assess the need **for investments in clean fuel infrastructure on the basis of concrete criteria** including:

- The complete life cycle of the fuel including production and transportation up to the point of consumption;
- Emissions of NO_x, SO_x and PM in addition to GHG emissions;
- Safety of bunkering operations, the infrastructure and the product;
- Technical maturity of fuel (beyond showcase applications);
- The financial resources required to realise the necessary investments.

5. A goal-based and technology neutral approach is needed to ensure the uptake of clean fuels for shipping



- A goal-based and technology neutral approach is needed to ensure the uptake of clean fuels for shipping, **support innovation and avoid stranded assets.**
- The current level of **flexibility** as foreseen in the AFID directive should be maintained
- **Equivalent solutions** should be possible
- Concrete criteria for maritime fuels to be considered as “**clean fuels**” needed

6. A gradual emission reduction standard for ships at berth should be part of a goal-based approach



Reducing the emissions at berth is not in itself sufficient for reducing the overall emission from shipping.

Even so, European ports are in favour of a developing a gradual approach to reduce emissions at berths with an initial focus on berths close to urban areas and a focus on particular segments such as cruise ships and ferries.

Over time, the objective of zero emissions at berths is achievable. By 2030, CO₂ emissions from ships at berth and in ports should be reduced by 50% on average and across all segments of shipping.

7. On Shore Power supply (OPS) should be encouraged as an important part of the solution



Onshore Power Supply (OPS) should be **encouraged** as an important part of the solution and **barriers should be taken away**.

Depends on segment of shipping.

However, alternative solutions which achieve the same objectives should be encouraged and allowed.

Important to consider:

- High cost of OPS solutions
- Electricity shortage (green grids)
- OPS is only addressing emissions at berth
- Price and taxation is a barrier
- OPS can only work if the vessels have the technology

Case-by-case assessment is needed and must be seen **in the context of the rapidly evolving zero-emission propulsion technologies**

8. LNG's role as a transition fuel should be recognised



One of the compliant fuels for shipping:

to meet the 0.1% Sulphur cap in SECA areas (since 2015)

the overall 0.5% sulphur cap which is in place since 1 January 2020.

Current LNG infrastructure can also be used for bio-LNG.

LNG will remain a transitional fuel at least for the near future.

ESPO's 2019 environmental report shows that **32% of surveyed ports already have LNG bunkering facilities available.** Most are mobile installations. In addition, one in four ports have ongoing LNG bunkering projects.

EU support for LNG investments must continue at least during the period 2021-2027. (legal certainty to planned investments + not to punish first movers).

9. Market-based measures and incentives



Given the international nature of the shipping sector, **a global approach** is essential if market-based measures are to succeed.

The **EU should increase the pressure on the IMO** to roll out meaningful measures by 2023.

ESPO believes that **any European proposals** such as an Emission Trading Scheme (ETS), a levy or an innovation fund **must be thoroughly examined** in view of safeguarding the competitiveness of the EU port sector.

Environmentally differentiated port fees:

- To be encouraged,
- Must remain a Port decision,
- Useful instrument to reward frontrunners, but financial impact will not change investment decisions.

10. Permanent tax exemption for all clean shipping fuels



- The review of the Energy Taxation Directive (2003/96/EC) should **support the uptake of all sustainable clean fuels**, including OPS, by introducing a permanent tax exemption for all of them.

Currently: temporary exemption OPS taxation for Germany, Sweden, Denmark and Spain. (Netherlands in the pipeline)

- Long run: **fair and just taxation**, level playing field between all modes of transport

11. Short sea shipping and pipelines are important modal shift options



ESPO fully recognises and **supports the role of rail and inland waterway transport** as sustainable hinterland modes for freight.

Motorways of the Sea and Short Sea Shipping can however be just as effective as rail and inland waterways in providing an alternative to road transport.

The **further greening of the EU short sea shipping segment** will make SSS even more attractive as sustainable modal shift option.

In addition, **pipelines** can play a crucial role in the transport of certain commodities (such as chemicals and fuels) and the implementation of certain decarbonisation technologies (such as CCS).

Pipelines as a **sustainable mode of transport**.

12. Port energy clusters and port industry clusters are important players



Many European ports are important clusters of energy and industry.

These ports are **players and partners in achieving the energy transition.**

Greening “the port” means much more than greening the transport side. All industry players in the port should have their agendas, goals and plans and the port managing body must support the industries in the port in their pathways to a more sustainable future.

Ports are **an ideal location to develop circular economy** projects.

In some cases the **governance or business models of ports will have to be reviewed.**

ESPO just created an energy network

13. Ports and waterborne transport are a priority in ensuring resilience to climate change



Seaports and waterborne transport should be seen as **a priority** in ensuring resilience to climate change.

In that respect, European ports **welcome** the European Green Deal's commitment to adopt **a new and more ambitious strategy on adaptation to climate change.**

14. Further digitalisation of the supply chain is an additional instrument in achieving the Green Deal ambition



Digitalisation will **increase the transparency in the supply chain** and can help create awareness of the carbon and environmental footprint of the whole supply chain.

By improving the communication, gathering and exchanging real-time information among different parties, **logistics processes can be optimised and transport infrastructure and means** (avoiding empty trucks, trains and ships, containers) can be **used in a better way**.

Digitalisation must be seen as **an additional instrument** to meet the Green Deal objectives.

15. A strong MFF is needed for achieving the Green Deal objectives



A strong MFF is essential for Europe to **invest in a sustainable future.**

Getting an agreement on a strong MFF must show that both **European and national policy makers walk the talk.**

Extensive support from the Connecting Europe Facility (CEF) is an absolute prerequisite for **investments in clean fuel infrastructure in ports**, especially if there are mandatory provisions on the installation of certain technologies.

Both core and comprehensive TEN-T ports should be eligible.

Support will also be important for **turning port areas into clean energy hubs and for ensuring connectivity to clean energy grids (TEN-T and TEN-E).**

Pipelines as a mode of transport

Green Deal after COVID-19?



Green Deal + COVID 19: “Green Recovery”

President von der Leyen at the European Parliament Plenary on the EU Recovery package – 27 May 2020

“We can now lay the cornerstone for a Union which is climate neutral, digital and more resilient than ever before.”

Vice PSD Frans Timmermans: ***“the European Green Deal is not a luxury, but a lifeline to get out of the corona virus crisis”***

Supporting the green transition to a climate-neutral economy via funds from Next Generation EU

ESPO: Green Deal after COVID



For ESPO it is important that this forthcoming Transport Strategy delivers on the decarbonisation and digitalisation of the transport sector. These ambitions not only need to be fully integrated in the recovery process and support measures, but they need to be sustained by a long-term strategy.

There is no time to waste: the recovery must be green. There is no money to waste: more than ever, the search for the most effective measures and most cost-effective investments to deliver the Green Deal ambitions will be important.



see: www.espo.be





Ports can be part of the solution!

Thank you!
isabelle.ryckbost@espo.be

