

Brussels, 12 May 2020

Dear Mrs. Vălean,
Dear Mr. Georges,
Dear Mr. Seitz,

Re: Impact of COVID-19 crisis on inland navigation and Naiades III as recovery strategy

We, the representatives of inland waterway transport operators and workers, waterway authorities and ports want to see the Green Deal as an exit and growth strategy out of the COVID-19 crisis. The impact of the pandemic on the sector has been severe and is expected to be felt long after the sanitary crisis comes to an end. In addition, it comes on top of low-water periods. The answer to both challenges - and the success of inland navigation as a core element in sustainable mobility - lie in the Green Deal follow-up policies.

We kept sailing as much as we can to provide business and citizens with essential supplies

In the days after the lockdown across Europe, waterway authorities and ports have managed to keep operations going with up to 40% reduction in staff and have been supporting the continued flow of goods by helping their customers weather this crisis. They have been working hard to meet the growing demand for berthing places as vessels are experiencing increased periods of inactivity. Inland ports also have been offering postponements of dues and rents in order to help the financial resilience of their customers.

Waterway operators and workers continued to provide services to industry and society to keep the internal market going. Important examples are the supply of pharmaceutical products by dedicated container barges to supply hospitals; the uninterrupted delivery of cereals across European waterways to guarantee the most essential food production for European citizens during this crisis; and the continuous supply of chemical products and building materials to keep up industrial production..

River Commissions did their utmost best to ensure exchange and coordination between countries for swift cross-border supplies as well as to take regulatory measures.

Not all problems have been solved, but the Green Lane Communication, the proposal for Regulation laying down specific and temporary measures in view of COVID-19 outbreak and concerning the validity of certain certificates, licences and authorisations and the postponement of certain periodic checks and training in certain areas of transport legislation and the exchange with the Commission have been helpful to elaborate step-by-step workable solutions.

Impact of COVID-19 crisis comes on top of the low-water periods

The socioeconomic impact of the crisis is vast and continues to grow. As one of the essential and vital sectors for society and industry, it has to remain in safe operational mode throughout Europe. Inland waterway transport is in full transition to attract new market segments and adapt to climate change. This requires a lot of flexibility, creativity and financial effort from the sector. On top of this, the virus outbreak has made the passenger sector (day trip and cruising) collapse in a couple of days and it is estimated that freight activities will be heavily affected. A possible reduction of transport activity of at least 25 % is estimated, based on GDP forecasts for the EU for 2020, and by comparing the drop in GDP and in goods transport during the financial crisis in 2009 with the GDP forecast for 2020. Hereby, the results will depend on the type of commodity, the type of company, and the country and region observed.¹ Inland waterway operators are micro, small and for a very limited amount medium sized companies which have little margin to face accumulating losses. Danger of imminent insolvency does exist for smaller companies (self-employed barge owners) in particular, who do not have large liquidity reserves.

Meanwhile, exceptionally low water flows are a fact on the Lower Danube, and a certain low water situation is emerging on the Rhine and Elbe². Moreover, rainfall in most European river basins has been limited in March-April. This could be an early warning for another dry summer with low water periods affecting the carrying capacity of inland waterway transport and reducing the economic perspectives even further. We also know that neither EU roads nor railways dispose of sufficient free infrastructure capacity to absorb a reverse modal shift while inland waterway infrastructure offers significant reserve capacity to take over much higher volumes on the European waterways and when there are incidents on other transport modes. Supporting the continuation of inland waterway transport is therefore key to preserve the circulation of goods in Europe. In 2018, the low water levels of the Rhine in Germany resulted in a decrease of the country's industrial production by 5 billion Euros. We cannot afford to let this happen again.

Europe needs first class inland waterways for swift and sustainable mobility

Inland waterways play a silent but essential role in EU transport, they offer rivers of opportunities. For cross-border traffic, inland waterways have a share of 54% within the Rhine-Alpine Corridor, of 38% in the North Sea Baltic Corridor, of 35% in North Sea Mediterranean and of 14% in Rhine-Danube corridors. Inland navigation is successful in conquering new market shares in chemicals, extra size goods and containers as well as in tourism, both in the day trip and river cruise business. Besides waterways in the heart of main European cities start playing an increasing role in the transport of people and the urban distribution of building materials (the most important city freight flow), waste and consumer goods which help to reduce traffic problems and emissions. The Green Deal with its modal shift and decarbonisation goals will be essential as demand and growth strategy to mainstream these new trends in all waterborne urban regions.

¹The precise effects will only be known when port figures become available for the months of April, May and June.

² BAG market observation report

Short-term measures

1. *Green lanes for safe, continuous transport and free movement of workers and proposal for Regulation laying down specific and temporary measures in view of COVID-19 outbreak and concerning the validity of certain certificates, licences and authorisations and the postponement of certain periodic checks and training in certain areas of transport legislation*

Navigable waterways connect the European continent. In response to the COVID-19 pandemic, inland waterway and port authorities do their utmost to:

- keep terminals, ports and transshipment places open and accessible for safe crew changes;
- provide a safe berth for freight vessels;
- guarantee safe passage by ensuring the servicing of locks within reasonable time periods and without jeopardising the safety of transport and staff;
- guarantee the unhampered use of infrastructure as vital part of the European TEN-T corridors.

Many national authorities issued measures, affecting those working in IWT when crossing borders. We call on Member States to follow the recommendations and guidance of the European Commission, the Danube Commission and the Central Commission for the Navigation of the Rhine and to accept a Laissez-passer or a European Travel Attestation. The cooperation of authorities at all levels is critical for safe and continuous services on board and on shore.

We call on the European Commission, Member States, intergovernmental commissions and stakeholders to cooperate. We call on the European Commission, Member States and the relevant intergovernmental commissions to harmonise the prolonged validity of certifications in time. Meanwhile, the IWT sector together with its social partners works on the safety and health conditions of crew members and is engaged in jointly finding solutions to cope with the effects of the sanitary crisis.

2. Support measures

We welcome the Coordinated Economic Response to the COVID-19 outbreak and Temporary Framework for State Aid framework. We advocate a fast-track approval of notifications of national support schemes with regard to innovation. For infrastructure and fleet, it is important that inland waterway transport and ports are part of the recovery plan, which foresees public spending in sustainable infrastructure as well as support of the fleet in its energy transition and innovation in line with the Green Deal. In addition, we plead for an extension of the eligibility period for projects costs with two years for Cohesion and CEF projects.

Many European countries have issued national economic measures in support of their industries and employees. We would like to underline that striving for balance is essential. Measures should allow to support the continuity of shipping companies and the income security for crew members.

In general, we strongly support demand-based measures that relaunch the economy on a Green Deal footing so trade and transport flows return again.

Long-term measures and Green Deal as growth strategy

The answer to this crisis and our future challenges are to be found in a concerted manner through a common European response. For inland waterway transport, this is without any doubt a follow-up to the Naiades action programme 2013-2020. The European Parliament and the Council called for a next Naiades action plan by 2020, which the Commission is preparing. We call upon the Commission to prepare a strong future-oriented Naiades action programme 2021-2027 building on the Green Deal as underlying growth strategy to stimulate the economies, create jobs while accelerating green, smart inland shipping and ports in a cost efficient way. Today, inland shipping carries important quantities of fossil fuels and iron ore. The Green deal will accelerate the green transition and a decline in these market segments. The sector is fully committed to the objectives of climate neutrality by 2050 and a growing demand for a new green economy opens up opportunities for a durable modal shift. To succeed in both, a strong policy framework is required providing legal certainty and a stable and forward-looking investment environment for Europe's industry. This should be paired with the inland shipping sector and ports' sector to be tapping into the European Green Deal Investment Plan to boost a green recovery and a just transition.

If we can scale up investments and make smart connections between sustainable multimodal mobility, renewable energy, circular economy and climate resilience, we will make inland shipping fit-for-future and ensure its much needed added value for Europe's economy and society.

We look forward to discussing this with you.

Sincerely yours,

Theresia Hacksteiner
European Barge Union

Myriam Chaffart
European Transport Workers' Federation

Turi Fiorito
European Federation of Inland Ports

Karin De Schepper
Inland Navigation Europe

Gerard Kester
European Skippers Organisation

Nik Delmeire
Inland Waterway Transport Platform

