



OPINION

European Economic and Social Committee

NAIADES III

Communication from the Commission to the European Parliament, the Council, the European
Economic and Social Committee and the Committee of the Regions
NAIADES III: Boosting future-proof European inland waterway transport
[COM(2021) 324 final]

TEN/752

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1. **Conclusions and recommendations**

- 1.1 The Committee believes that inland waterway transport (IWT) still has untapped potential. The Communication takes into account the significant problems of developing this mode of transport and, in principle, the EESC supports the proposed goals and objectives therein.
- 1.2 In view of the changes in demand for transport and the upwards trend in seaport turnover, it is necessary to continuously adapt European transport to current and future needs. The EESC calls for this to be done on the basis of the principle of multimodality and smart shipping, which implies making the best possible use of the advantages of the various modes of transport to achieve the best possible results, while at the same time increasing safety and reducing the environmental burden.
- 1.3 Regarding the Communication, putting the proposed changes in order of priority is recommended. The EESC believes that it will be easier to achieve the objectives if the two main priorities are set: (1) long-term – development and maintenance of waterway infrastructure, and (2) short-term – development of IWT in cities.
- 1.4 In the EESC's view, the planned changes will not be effective unless there is appropriate infrastructure underpinning the development and maintenance of this mode of transport. Without the prospect of improving navigation conditions on waterways, shipowners will not take the risk and not invest in a modern fleet, and the local authorities of individual countries will not be interested in creating intermodal terminals.
- 1.5 Implementing the short-term priority on the development of IWT in cities requires specific conditions. The most important are: creating infrastructure for the "last mile" by IWT and passenger transport, extending to passenger transport in IWT the preferential treatment given to other urban or regional transport modes, giving preferential treatment to zero-emission IWT in cities, and digitalisation. At the same time, it is important that the development of IWT in cities contributes to an improved quality of life.
- 1.6 It is important to ensure adequate financial support mechanisms. Funding for infrastructure and innovative technologies should be ensured under current and future EU programmes. Such instruments are crucial given the specificities of the industry, including the dominance of SMEs. This is all the more important given that pro-environmental policies create significant challenges and can have an impact on the sector.
- 1.7 Significant emphasis should be placed on issues related to the situation of crews. New technologies require new skills. Investments in skills and qualifications are needed. The lack of action poses threats relating to the safety of workers, crews and passengers. The EESC therefore underlines the need for Member States to properly implement Directive (EU) 2017/2397 on the recognition of professional qualifications in inland navigation. Furthermore, employment conditions including working time rules, adequate social protection legislation for the posting of workers and occupational health and safety in the sector need to be improved.

- 1.8 The problem of low wages in the sector, particularly in Central and Eastern Europe, remains relevant, which makes IWT an unattractive employment prospect. We can see that crews are ageing, as young people are not interested in working in the sector. At the same time, the sector is not of interest to women. This leads to understaffing and limits the prospects for development. Multi-level social dialogue and collective bargaining in this sector that are properly carried out and supported by public authorities, should be key in developing solutions in this area.
- 1.9 The EESC also points out that many announced and planned actions have so far not been implemented. It is therefore essential that the European, national and local authorities be fully involved and determined to achieve these objectives, having regard to the respective competences of the EU, the Member States and local authorities. This also applies to funding sources, which should take into account both European and national funding. Unfortunately, the EESC is disappointed to note that investment in IWT features only to a limited extent in the national recovery plans submitted by Member States.

2. **Context**

- 2.1 In its Communication the European Commission underlines the importance of IWT in building low-carbon and modern transport in the European Union. It points out that building more environmentally friendly transport is part of the European Green Deal, indicating the aims linked to this: inland waterway transport and short-sea shipping should increase by 25% by 2030 and by 50% by 2050¹.
- 2.2 The Communication notes that unsatisfactory progress has been made in increasing the share of IWT in the EU within the modal transport structure. At the same time, it highlights the untapped potential both along the TEN-T corridors and in cities.
- 2.3 In view of the above, additional measures have been proposed to make this transport sector more attractive. According to the Commission, there should be two key objectives: shifting more freight transport to IWT, and setting the sector on an irreversible path to zero-emissions, underpinned by a paradigm shift towards further digitalisation, as well as accompanying measures to support the current and future workforce.
- 2.4 These objectives are to be achieved through eight flagship initiatives planned for the 2021-2027 period. The outlined plan includes initiatives on infrastructure (flagship initiatives 1 and 4), multimodal transport (2 and 5), zero-emission vessels (6, 3, 8) and crews (flagship initiative 7). In this regard, the EESC's believes that all flagship initiatives are important, but consideration should be given to setting priorities which are a precondition for achieving the set objectives.

3. **General comments**

- 3.1 The EESC would like to underline that, as in its previous opinions, it supports initiatives aimed at strengthening IWT, considering it to be one of the most sustainable forms of transport with

¹ Sustainable and Smart Mobility Strategy – putting European transport on track for the future, COM (2020) 789 final.

still unexploited potential. Unfortunately, the data shows that IWT, like other modes of transport, has suffered as a result of the COVID-19 crisis².

- 3.2 In view of the changes in demand for transport and the upwards trend in seaport turnover, it is necessary to continuously adapt European transport to current and future needs. Given the need to reduce the environmental burden and to ensure safety, it is important to reduce the congestion caused by road transport. The EESC calls for this to be done on the basis of the principle of multimodality, which implies making the best possible use of the advantages of the various modes of transport to achieve the best possible results. It will also be important to exploit the potential associated with smart shipping solutions.
- 3.3 The EESC suggests putting the proposed changes in order of priority. It would be easier to achieve the objectives if the two main priorities are set:
 - I. long-term – development and maintenance of waterway infrastructure, which will provide a sustainable basis for the development of inland waterway transport and make it more competitive;
 - II. short-term – development of IWT in cities.
- 3.4 In the EESC's view, the actions will not be effective unless there is appropriate infrastructure underpinning the development and maintenance of this mode of transport. In addition to natural conditions, it is the infrastructure that determines the development of IWT in each country. Without at least the prospect of improving navigation conditions on waterways, shipowners will not take the risk and not invest in a modern fleet, and the local authorities of individual countries will not be interested in creating intermodal terminals. All other actions relating to IWT are subordinate to this priority.
- 3.5 Implementing the short-term priority on the development of passenger and freight services in cities requires specific conditions. The most important are: creating infrastructure for the "last mile" by IWT and passenger transport, extending to passenger transport in IWT the preferential treatment given to other urban or regional transport modes, giving preferential treatment to zero-emission IWT in cities, and digitalisation. At the same time, it is important that the development of IWT in cities contributes to an improved quality of life, e.g. reduced congestion, lower risk of accidents, reduced air pollution and noise.
- 3.6 It is also important to ensure adequate financial support mechanisms. The way the industry is structured, which is dominated above all by SMEs, reduces the possibilities to access finance. Financial support for investment in infrastructure and innovative technologies should be ensured under current and future EU programmes. Solutions related to taxation of the sector should also be considered. Such instruments are crucial given the long lifespan of the fleet and thus long-term planning in the industry. This is all the more important given that pro-environmental policies create significant challenges and can have an impact on the sector.

² Central Commission for the Navigation of the Rhine (CCNR), Market Insight, Inland Navigation in Europe, April 2021.

- 3.7 The EESC also draws attention to the need not only for concrete action but also for adequate involvement and determination of the European, national and local authorities in implementing these measures. There is a need for a clear policy by the Member States to support the development of IWT.
- 3.8 The EESC is aware that the role and commitment of the Member States in implementing individual actions and objectives is crucial. The participation of Member States in investment is a particular expression of their full commitment. The EESC therefore calls for European funding to support IWT to be supplemented by national measures, having regard to the respective competences of the EU and the Member States. Unfortunately, the EESC is disappointed to note that investment in IWT features only to a limited extent in the national recovery plans submitted by Member States.

Specific comments

- 3.9 As previously indicated, infrastructure development is a key factor in the successful development of IWT. The communication acknowledges this problem and draws attention to the TEN-T network. However, it should be borne in mind that: (1) not all major EU waterways that have significant potential are included in the TEN-T network; (2) some waterways that do not currently meet the requirements of the TEN-T core network may form an important link of multimodal connections in transport corridors; (3) some sections of waterways not included in the TEN-T could, after development, remove bottlenecks in the surrounding areas of maritime ports located in transport corridors.
- 3.10 Achieving this long-term priority relies on the creation of the organisational and financial conditions to support development of waterway infrastructure. First, it is necessary to coordinate the TEN-T waterway network with the AGN Agreement (UN Economic Commission for Europe) and to revise TEN-T by including, in the TEN-T network, AGN waterways with significant potential or certain waterways that may form an important element of the international intermodal connections in the transport corridor.
- 3.11 More possibilities should also be created to help finance the development of IWT. This applies not only to waterways which are already successfully used for transporting goods within the TEN-T network, but also to those which are currently of little importance and are not part of this network³. IWT is used for more than just transport and should therefore be developed in a comprehensive manner. Taking into account all the functions of waterways in the development process means providing a longer period for planning and carrying out infrastructure investments, and increasing investment costs. Therefore, alongside revision of the TEN-T network, another solution could be to create a fund to support the development of waterways that are not part of the TEN-T network. Without specific support, the development of waterways across the EU will be uneven and, in many cases, limited to small-scale modernisation investments which do not provide a sustainable basis for developing this transport mode.

³ EC, Assessment of the Potential of Maritime and Inland Ports and Inland Waterways and of Related Policy Measures, Including Industrial Policy Measures, Final Report, 2020.

- 3.12 It is particularly important to stress the need to coordinate the activities of all institutions linked to this sector. The EESC highlights that, when the Communication makes reference to governance, it includes UNECE among the main governing structures relevant to IWT. However, when it refers to entities with which the European Commission will cooperate, this institution is overlooked. The EESC believes that efficient cooperation between the European Commission, UNECE and other stakeholders is necessary.
- 3.13 Actions to enhance the role of IWT in urban transport should involve the inclusion of this mode of transport in the supply system, where infrastructure needs and costs are not significant as they mainly concern point infrastructure. In addition, it would make sense to include inland waterway transport in the urban public transport system, where possible. The EESC points out the fact that the preferential system for urban road public transport means that passenger transport by inland waterways is unattractive in terms of price and that it is therefore necessary to level the playing field. The involvement of local authorities is particularly important in this case.
- 3.14 The EESC would like to stress that both the transport of passengers and freight in cities does not require high-end waterways, meaning that the infrastructure investments needed to develop IWT transport are small and include point infrastructure – ports and transshipment facilities – and infrastructure for use of renewable fuels for modern zero-emission vessels.
- 3.15 The EESC also believes that the development of IWT in cities would be an excellent incentive to speed up the process of trying out new solutions including those relating to zero-emission energy sources, given the fact that development of IWT requires the use of smaller vessels for which there are fewer infrastructure requirements. However, positive incentives for investment are needed.
- 3.16 The Commission Communication very accurately describes the problems of digitalisation and development trends in this area. It includes only a suggestion about waterways relevant to tourism (European Recreational Inland Navigation Network – AGNP). The dynamic growth of nautical tourism means that an information system should be set up on navigation conditions on recreational waterways. Such systems have been set up in different countries. It would be worth suggesting that such activities be coordinated or that common standards be set in this regard.
- 3.17 The EESC points out that the use of new energy sources for IWT and the application of new technologies, including digital, have an impact on the circumstances of crews. Investments in skills and qualifications are needed. The lack of action poses threats relating to the safety of crews and passengers. The EESC therefore underlines the need for Member States to properly implement Directive (EU) 2017/2397 on the recognition of professional qualifications in inland navigation by 17 January 2022.
- 3.18 With regard to employment, the EESC agrees with a number of the Commission's findings and proposals. The highlighting of the problem of a genuine link between the business owner/operator and the rights of the worker should be welcome. We believe that the legal framework in this area needs to be carefully reviewed. Effective implementation of the working time rules set out in Directive 2014/112/EU remains crucial. In addition, it is important to

introduce adequate social protection legislation for the posting of workers and to ensure and consider, in the implementation process, adequate occupational health and safety in IWT vessels.

- 3.19 Low wage levels in the sector are also still a problem. The EESC draws attention to the existence of a significant wage gap in the sector between Western Europe and Central and Eastern Europe. This results in labour migration to the west and staff shortages in Central and Eastern Europe. However, recruitment difficulties can be seen all across Europe. The ageing of crews also contributes to this. Working on inland vessels is not attractive to younger people. The sector is also not of interest to women. In addition, shipowners are looking for more and more specialised personnel who are not easy to find on the labour market⁴. All these issues call for appropriate steps to be taken, having regard to the respective competences of the EU and the Member States.
- 3.20 The EESC appreciates that the Commission Communication draws attention to social dialogue mechanisms in this sector. The Committee highlights the important potential of social dialogue and collective bargaining, especially in times of major economic problems and during a period of major structural changes linked to digitalisation and the transition to a green economy. As the work on IWT carried out by the European Sectoral Social Dialogue Committee on ports (SSDC for inland water transport) shows, the social partners recognise the challenges facing this sector. In order to make full use of the potential of social dialogue, adequate support is needed for social partners at different levels. The Commission and the Member States are therefore called upon to fully commit and provide equal support to parties when they so request.

Brussels, 19 January 2022

Christa SCHWENG

The president of the European Economic and Social Committee

⁴ CCNR, The European Inland Navigation Sector, Labour Market, 2021.