

## COMMENTS FROM THE INLAND NAVIGATION SECTOR

### ON THE DRAFT COMMUNICATION FROM THE COMMISSION ON GUIDELINES FOR STATE AID FOR CLIMATE, ENVIRONMENTAL PROTECTION AND ENERGY 2022

#### Role of IWT to deliver the European Green Deal

Following its release of the European Green Deal (EGD) and the “Fit for 55” package the European Commission recognises that the realisation of its ambitions laid down in these policies require huge investments both from public and private side. Therefore, it proposes new guidelines for State Aid for climate, environmental protection and energy as of 2022.

**The EGD and its follow up Smart Mobility Strategy (SSMS) seek to increase the share of Inland Waterway Transport (IWT) by 25 % by 2030 and by 50 % by 2050. The European Commission in the SSMS underlines the importance of Inland Waterway Transport as sustainable mode of transport to realize its future sustainability goals. Based upon the Green Deal a key objective is to deliver a 90% reduction in transport-related greenhouse gas emissions by 2050.**

The IWT sector is supporting the above objectives, in particular reducing transport emissions by shifting a substantial part of the freight carried by road today to inland waterway transport (IWT). **IWT is an enabler to absorb much higher volumes and to deliver the ambitions of the EU Green Deal.** In line with the above the European Commission recently released its **NAIADES III Action Program, putting forward an ambitious ‘Inland Waterway Transport Action Plan 2021-2027’.**

The IWT sector is prepared to take the necessary steps in the transition towards zero emission and to take over much higher volumes of freight and passengers on the waterways if the right framework conditions are met. To support the energy transition of the sector state aid programs are necessary to cope with the huge investment needs.

#### Comment on the proposed State Aid Guidelines

The EGD, SSMS and the subsequent NAIADDES III communication are understood as clear commitment from the European Commission to boost Inland Waterway Transport and to provide the necessary support to materialise its full potential.

Recent studies prove that the financial gap to be bridged towards zero emission of inland vessels based on an average price scenario amount 5,22 bln €<sup>1</sup>. The high environmental and societal benefit

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<sup>1</sup> Refers to the average total accumulated Total Cost of Ownership gap (total of 30 years between 2020 and 2050) of the two transition pathways considered in the CCNR Study report “Assessment of technologies in view of zero emission IWT Edition 2” p.51-52 : [https://ccr-zkr.org/files/documents/EtudesTransEner/Deliverable\\_RQ\\_C\\_Edition2.pdf](https://ccr-zkr.org/files/documents/EtudesTransEner/Deliverable_RQ_C_Edition2.pdf)

of the energy transition of the sector justifies public funding. The transition pathway is based upon the timelines as set out in the above policies, meaning a 55 % reduction of CO<sub>2</sub> in 2030 and almost zero reduction in 2050.

The currently proposed guidelines however are not fit for the purpose of supporting IWT in its transition pathway in line with the overall policy and time frame as set out in the EGD and SSMS. They would only allow to fund zero emission vessels as of 2025 (*“zero direct (tailpipe) CO<sub>2</sub> emissions”*) or until 2025 vessels showing a 50 % reduction of emissions as defined for heavy duty vehicles. However, the criteria of zero direct (tailpipe) CO<sub>2</sub> emissions as of 2025 might exclude a significant part of the fleet given that technologies allowing to achieve this objective are either not there yet or not suitable for some fleet type, particularly for vessels requiring high energy demand.

We note that the definition of clean vessels is closely linked to the **EU Taxonomy Climate Delegated Acts** on which we submitted our comments and concerns regarding the technical screening criteria. They are currently neither adequate nor realistic with regard to the IWT sector.

Where in the EU Taxonomy Climate Delegated Acts the low-carbon potential of IWT is recognised, we pointed to the need to improve the technical screening criteria in order to make them adequate and in line with the criteria of other modes to create a level playing field (see attached position paper). The proposed guidelines would disable member states to promote implementation of energy efficiency technologies and low-emission fuels in a technology-neutral manner. Also, the recently approved "Zero Emission Waterborne Transport" partnership, of which the IWT sector is part, would be hampered in case that this misguided technical approach should be adopted for the legal framework for research, development and innovation.

**In summary it has to be noted that the proposal would limit or even hamper green vessel funding as of 2022 rather than support the further development of and modal shift towards IWT. Besides it contradicts the approaches taken in other EU climate change initiatives such as the new FuelEU Maritime Regulation<sup>2</sup> which correctly implements a technology-open assessment of life-cycle emissions and calls for a gradual reduction in GHG intensity for marine fuels.**

**We therefore call upon the Commission to adapt the funding criteria based on our proposed revisions of the EU Taxonomy Climate Delegated Acts meaning:**

- 1.** The proposed options of zero direct tailpipe CO<sub>2</sub> emissions should include the use of renewable and low carbon fuels. Such fuels will provide a significant decrease of GHG emissions during the transition and may be produced from waste, bio matter or even directly from water and air using renewable energies.

**We propose a further option allowing equipment that operates on fuels meeting at least such a GHG saving requirement to be included in the Taxonomy and therefore covered by the present guidelines.**

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<sup>2</sup> COM(2021) 562 final - REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the use of renewable and low-carbon fuels in maritime transport and amending Directive 2009/16/EC - FuelEU Maritime

2. **The Reference to heavy duty vehicles** and the application of thresholds of another transport mode (HDVs) to evaluate whether IWT activities are “green” being inadequate and misleading should be revised.

**We therefore call for a revision of the delegated act in line with article 19 sub 5 of the Taxonomy regulation (EU) 2020/852 at the earliest convenience in order to include classification criteria tailored for this sector.**

2 August 2021

### **EBU**

The European Barge Union (EBU) represents the inland navigation industry in Europe. Its members are the national associations of barge owners and barge operators of 9 European inland navigation countries (Austria, Belgium, Czech Republic, France, Germany, Luxemburg, Netherlands, Romania and Switzerland). [www.ebu-uenf.org](http://www.ebu-uenf.org)

### **ESO**

The European Skippers Organisation is the voice of the independent Inland Waterway Transport entrepreneurs. ESO looks after the interests of the barge owners at European level with representatives from six European countries (Belgium, France, Germany, Netherlands, UK and Poland)

[www.eso-oeb.org](http://www.eso-oeb.org)

### **IWT platform**

As an executive body of EBU and ESO, the European IWT platform aims at a stronger positioning of Inland Navigation in European and national transport policies by an intensified contribution to various governing bodies, working parties and standard setting committees like CESNI and ADN [www.inlandwaterwaytransport.eu](http://www.inlandwaterwaytransport.eu)