



POSITION PAPER TRANSPORT BLOCK EXEMPTION REGULATION (TBER) AND GUIDELINES ON STATE AID FOR LAND AND MULTIMODAL TRANSPORT (LMT)

The proposed regulatory changes under the Transport Block Exemption Regulation (TBER) and the LMT Guidelines are essential for European inland ports in several key areas. These ports play a pivotal role in enabling multimodal transport and connecting waterways with rail and road logistics networks, which are vital for sustainable transportation.

1. Broader Scope and Modal Shift

The LMT Guidelines expand the scope beyond rail to include all sustainable modes of land transport, such as inland waterways and multimodal transport. This is crucial for inland ports, which are key hubs for integrating waterway and land-based transportation. By supporting inland waterway transport, the guidelines encourage a modal shift away from road transport, aligning with EU climate goals and enhancing the role of ports as green transport nodes.

2. Investment in Multimodal Facilities

Inland ports will benefit from new categories of investment aid, such as support for constructing multimodal facilities. As inland ports expand their infrastructure and superstructures to support green transport, these regulations will provide financial incentives and lower barriers to building new, innovative facilities.

3. Simplified State Aid Procedures

Under the new TBER, certain forms of State aid that promote more sustainable transport modes, including inland waterway transport, would be exempt from prior notification to the European Commission. This simplification is highly beneficial for inland ports, as it allows for faster access to funding and support without the need for extensive administrative processes.



4. Supporting Green and Digital Transitions

The guidelines also include provisions for green and digital transitions, which are central to the future of inland ports. Inland ports are investing heavily in smart technologies, clean energy, and digital logistics systems to reduce their environmental footprint and enhance operational efficiency.

5. Enhanced Competition and Market Access

The LMT Guidelines introduce measures to promote market access for new operators, especially in sustainable transport modes. Inland ports will benefit from this, as it encourages innovation, competition, and investment in their operations.

These regulatory proposals will significantly enhance the ability of inland ports to adapt to the EU's green and digital priorities, streamline funding processes, and contribute to a more competitive, sustainable, and efficient European transport network.

Outstanding Questions for Inland Ports' Input

1. Recognizing the Necessity of Upgraded and New Terminals

The TBER allows for support in constructing and upgrading multimodal terminals, which are essential to realizing the modal shift. These terminals provide the services necessary for transshipping goods between transport modes and users, and their infrastructure, equipment, and facilities determine how competitive multimodal transport can be.

The Combined Transport Proposal recognizes the need for more and modernized terminals. In many cases, these will require far-reaching investments. Article 12 allows for up to 50% of the eligible costs to be covered by state aid, but this percentage is insufficient given the scale of the challenge in certain river basins or ports. **To develop the necessary terminals across the Union, a 70% threshold of eligible costs for terminal development will be needed.**



2. Fit-for-Purpose External Costs Methodology

The TBER proposal stipulates that operating aid can only be given if the supported transport reduces external costs, with calculations based on the Commission's 2019 Handbook on external costs of transport. However, the methodology in this handbook is outdated, leading to underestimations of the external costs avoided in inland waterway transport (IWT).

Although the handbook is set to be updated, there is no guarantee that the new version will fully reflect real-world conditions. Factors such as vessel type, engine, fuel combinations, and voyages must be considered. While Member States can use their own methodologies, **a common European methodology that accurately reflects the realities of inland shipping is essential.**

3. Recognizing Full Multimodal Transport

The current proposal provides extra aid (60%) for combined transport, which involves the same loading units throughout the journey. However, 80% of inland waterway goods are bulk items. The modal shift potential lies primarily in this segment, including construction materials, waste, outsize transport, and renewables, which impose a significant societal burden on road transport in urban areas. New promising markets, such as pallet transport not in intermodal units but handled by cranes, also need to be considered. Intermodal transport by inland waterways accounts for a small share of overall IWT. In some countries, conditions are insufficient to set up intermodal services via inland waterways. **Therefore, new instruments should focus on multimodal rather than strictly combined transport, as defined in Directive 92/106.**

Additionally, the proposed 50% operational aid is inadequate given the market challenges faced by inland shipping. **This threshold should be raised to 70% for all forms of inland shipping.**



European Federation of Inland Ports

4. Level Playing Field

Article 10.6 of the TBER and paragraph 96 of the LMT Guidelines apply different distance thresholds for rail and inland waterway transport (IWT) in determining eligibility for aid. For multimodal transport, the thresholds are set at 800 km for rail and 375 km for IWT, while for unimodal transport, it's 350 km for rail and 375 km for IWT.

However, real-world examples show that many IWT operations exceed 375 km before becoming economically viable. Factors beyond distance, such as load factor, transshipment costs, waiting times, and regularity, also affect viability. Inland ports, therefore, **believe that authorities should consider all relevant parameters—not just distance—when determining eligibility for state aid.**

5. Effective Support for the Greening and Modernization of the IWT Fleet

Articles 14 and 17.5 (TBER) propose measures to support the acquisition of new vessels and the modernization of existing ones. While these are crucial steps for the sector's future, two key issues remain.

Firstly, the current text restricts aid for new vessels to guarantees. This financial instrument has proven inadequate in meeting the sector's needs for securing new vessels. **The text should be amended to allow for subsidies and other financial instruments.**

Secondly, a maximum aid intensity of 20% is proposed for adapting and modernizing vessels. However, given the high costs of transport innovation and the lack of short-term returns, this aid intensity is insufficient. **We propose aligning new instruments with current state aid practices by increasing aid intensity to up to 70% of eligible costs under competitive bidding.**