

INLAND WATERWAY TRANSPORT SECTOR POSITION ON THE PROPOSED REVISION OF THE GENERAL BLOCK EXEMPTION REGULATION (GBER)

The Inland Waterway Transport (IWT) Sector takes the opportunity to reflect on the Commission proposal to revise the General Block Exemption Regulation. As stated in the proposal the purpose of the amendments subject to this public consultation is to modify the GBER in a targeted way that ensures that it complements well the relevant State aid Guidelines being revised in parallel and to ensure that the rules cater appropriately for market and technological developments and the new Commission priorities, in particular the European Green Deal and the Industrial and Digital Strategies. By further simplifying and clarifying these rules, the amendment will improve legal certainty and facilitate Member States' implementation of aid measures promoting the green and digital transition, while limiting possible competition distortions to the minimum.

IWT plays an important role in the European Green Deal and the Sustainable and Smart Mobility Strategy and is considered as sustainable mode that should take over much higher volumes of freight to be shifted from road. IWT is an enabler to absorb much higher volumes and to deliver the ambitions of the EU Green Deal. In line with the forementioned strategy, the European Commission recently released its **NAIADES III Action Program, putting forward an ambitious 'Inland Waterway Transport Action Plan 2021-2027'**. NAIADDES III focuses on two core objectives: shifting more freight transport to inland waterways, and setting the sector on an irreversible path to zero-emissions accompanied by a paradigm shift towards further digitalisation, as well as accompanying measures to support the current and future workforce. In its Action Plan NAIADDES III under point 33. Emphasizes to facilitate the efforts of stakeholders and Member States to create a fund complementing EU and national financial instruments.

The IWT sector is prepared to contribute to the above objectives and to take the necessary steps in the transition towards zero emission as well as 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 and to support the implementation of the NAIADDES III Action Plan. To cope with the challenges ahead towards zero emission and in financing the energy transition it is thus strongly depending on EU and Member State funding.

Comment on the proposed GBER revision

The EUGD, 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 the IWT's sector full potential.

Where we support the aim of the proposed revision of the GBER to align it with the above mentioned policies, we however believe that the criteria for aid for environmental protection are not aligned with the overall policy and time frame as set out in the EUGD and SSMS.

The transition pathway in IWT is equally based upon the timelines as set out in the above policies, meaning a 55 % reduction of CO₂ in 2035 and almost zero reduction in 2050. 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 €¹. To bridge the financial gap public funding support will be needed in the coming years to support the sector in its greening endeavour.

We therefore suggest a couple of amendments of the proposal. They relate to definitions (art. 2) as well as to support the greening of the sector and investment aid for clean or zero emission vessels (new article 36b).

Article 4 GBER Definitions

The current definition as laid down in 102 (d) and (e) would only allow to fund zero emission vessels after 2025. These criteria might exclude a significant part of the fleet from funding as of 2025, given that technologies allowing to achieve this objective are either not available yet or not suitable for some fleet type, particularly for vessels requiring high energy demand. It is therefore unclear why after 2025 aid would no longer be possible for vessels for both passenger and freight transport. In addition it is equally important to include possibilities for renewable fuels to allow transitional pathways to reach the final emission goals. Clearly, a longer transitional period is needed to allow for the energy transition.

We suggest to amend the definitions in Article 2, point 102 (d) and (e) as follows:

e) ~~until 31 December 2025,~~ an inland vessel for passenger transport that has a hybrid or dual fuel engine deriving at least 50 % of its energy from renewable sources, zero direct (tailpipe) CO₂ emission fuels or plug-in power for its normal operation;

d) ~~until 31 December 2025, a craft within the scope of directive (EU) 2016/1629 an inland vessel for passenger transport that has a hybrid or dual fuel engine deriving meeting at least the emission values of regulation (EU) 2016/1628 where applicable, and capable of~~ deriving at least 50 % of its energy from renewable sources, zero direct (tailpipe) CO₂ emission fuels or plug-in power for its normal operation;

~~(e) until 31 December 2025, an inland vessel for freight transport with direct (tailpipe) emissions of CO₂ per tonne kilometre (g CO₂/tkm), calculated (or estimated in case of new vessels) using the International Maritime Organization Energy Efficiency Operational Indicator (EEOI), 50 % lower than the average reference value for emissions of CO₂~~

¹ 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

~~determined for heavy duty vehicles (vehicle subgroup 5 – LH) in accordance with Article 11 of Regulation (EU) 2019/1242;”~~

Article 36b new: Investment aid for the acquisition of clean vehicles or zero-emission vehicles and for the retrofitting of vehicles

The new article 36b introduces a competitive bidding system which in our view hampers access to state aid for our sector that not only consist of bigger companies and undertakings but also of SMEs. Such a system would impose additional administrative burdens and barriers and lead – contrary to the intended improvement of legal certainty - to legal uncertainty when applying for funding.

We therefore suggest to add the current aid criteria and increase the aid intensity by the following amendments:

Article 36b GBER

[...]

4. The aid intensity shall not exceed 50 % of the eligible costs. The aid intensity may be increased by 10 percentage points for aid granted to medium sized undertakings and by 20 percentage points for aid granted to small undertakings.

5. Where aid is granted in a competitive bidding process as defined in Article 2, point (38), the aid intensity may reach up to

- 100 % of the eligible costs for the purchase or the leasing of zero-emission vehicles or the retrofitting of vehicles allowing them to qualify as zero-emission vehicles;
- 60 % of the eligible costs for the purchase or the leasing of clean vehicles, or of the retrofitting of vehicles allowing them to qualify as clean vehicles.

Competitive bidding, as defined in Article 2, point (38), should fulfill all of the following additional conditions:

~~4. Aid under this Article shall be granted in a competitive bidding process as defined in Article 2, point (38), which fulfils all of the following additional conditions:~~

We thank you very much for taking these proposals into consideration and remain at your disposal for further explanation.

8 December 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

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

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