

Director General Henrik Hololei Keynote Speech

Launch of the Inland Waterways Platform

21 January 2019, 15h00, Dutch PermRep

Dear Paul, [Goris],

Dear Christiaan [van Lancker],

Ladies and Gentlemen,

- It is a pleasure to celebrate the launch of the European Inland Waterways Transport Platform, as well as the start of a new – I wish you very successful – year.
- Let me say that I see the birth of the platform as another step forward in the long and proud history of the inland navigation sector.
- Long before the EU came about, or any of our cross-border and multilateral practices took shape, inland navigation was, in fact, already pioneering cross-border cooperation and defining multimodality.
- The CCNR is the oldest international organisation in modern history, its roots going all the way back to the Congress of Vienna of 1845. Meanwhile the Manheim document celebrated its 150th anniversary just last year. This is truly remarkable.
- In a sense, today's IWT Platform builds on this legacy of hundreds of years. Its main challenge, I believe, will be to strike a compromise between past practices and the new challenges ahead.

- This will be no easy task, but you have hired the best person for the job: please join me to warmly welcome Nik and congratulate him on his appointment as platform coordinator.
- Nik brings more than 3 decades' worth of experience from the logistics, shipping and manufacturing sectors, and an unparalleled ability to think across sectors. It is precisely this ability, to think laterally but effectively, that the sector will need more and more in the future.
- As inland navigation will need to integrate an increasingly varied service offering, keep closer ties with other modes and exploit horizontal trends in digitalisation, automation and greening.
- Multimodality, innovation, decarbonisation and digital solutions are the future of transport: the more deeply you will root these concepts in your operations, the better prepared and the more competitive you will be in the future.

IWT: Commission achievements & outlook

- On the Commission's side, we are continuing to support the sector and we want to see it succeed even more.
- Over this term, I am proud to share with you that the Commission has delivered on most of its commitments with respect to the inland waterways sector.
- Let me mention a selection of those:
 - We have advanced a more streamlined governance, by strengthening the expert groups at UNECE [UN Economic Commission for Europe] as well as through the creation of CESNI [European Committee for Standardisation in Inland Navigation], which has already proved to work effectively.

- To testify to the good work of CESNI, its support enabled us to adopt technical requirements for vessels, clearing the way for us to harmonise the so-called 'ES-TRIN Standards' at EU level.
- I also want to recall the adoption of a Directive on the recognition of professional qualifications in inland navigation, where we received good input from EBU and ESO. I take this opportunity to thank you again for your contribution. Ensuring better mobility and career prospects for a vessel's crew remains an important goal.
- Furthermore, we delivered EU funding in support of more than 55 inland navigation projects, worth around €1.8 billion – making inland waterways the largest recipient after rail.
- Most relevant to today's event: we have adopted the Decision that unleashed the use of the Reserve Fund for the safe financial operation of the IWT Platform we are celebrating today.
- Very recently, and as you well know, the Council adopted conclusions on inland navigation under the Austrian Presidency, which gave us a clear mandate to continue to step up our efforts.
- Leading up to those Conclusions, we had also published a mid-term assessment of the NAIADES II programme in September last year, as well as a report on digital inland navigation [DINA].
- I trust that taken together, this latest set of initiatives is already giving us a solid diagnosis of the sector's strengths, as well as the areas where we need to do more. This will serve as a good basis for future actions.

- On this note, let me expand further on what I believe those areas to be.

Digitalisation and technological innovation

- Firstly, I would mention digitalisation. The benefits of new business models and technological innovation to operations cannot be overstated.
- In the shipping industry, numerous initiatives on digital platforms and automation solutions are already underway, and we are working at both EU and IMO level to create a solid regulatory framework.
- However, the inland navigation sector remains 'digitally isolated' from the rest of the logistics sector. This is not ideal, to say the least, for a sector that could benefit greatly from a modal shift, and from further modal integration.
- In particular, the DINA study highlighted how a lack of up-to-date information on traffic conditions is still a problem for barge operators and fairway authorities alike.
- This results in unnecessary delays, reduced quality of service and unnecessary fuel burn to compensate for delays. However, digital solutions could largely avoid this.
- Although it is hard to quantify upfront the exact potential of digitalisation, parallel studies in road transport have shown efficiencies of around 10-20% in fuel burn alone due to better digital information management.
- This would translate into lower prices for users, increased margins for you, and greener and more sustainable outcomes for all.
- On our side, and to further support the digital uptake of inland navigation, we will be looking at revising and extending River Information Services [RIS].

- Since its inception in 2005, the RIS Directive has provided clear added value to the digital management of traffic. It has helped optimise resource management and infrastructure use, and has boosted safety levels in inland ports and rivers.
- The time has now come to look into whether the RIS Directive has delivered as much as it could or whether we must step up our game. An evaluation is due shortly.
- Inland waterways can become the most intelligent, efficient and safest mode of transport, with the best digital connections to rail, road, and deep and short-sea systems. They have the potential to be right at the heart of future TEN-T corridor development.
- However, the success of the digital transition will ultimately depend on the willingness of business operators like you to seize the opportunity. I am quite fond of the digital shift. But a 'mind-shift' can be more difficult! That is what is really required.
- So, once again, I would like to encourage Nik, and everyone present, to engage with us and with the wider transport community in further pursuing the digitalisation agenda.
- As a starting point, you might want to look at our own Digital Transport and Logistics Forum [DTLF], for which a new mandate has just been created. The Forum has, in the past, contributed to ideas that later made it into legislation and it has brought about significant improvements.
- For the term to come, the DTLF will look into highly relevant topics for inland navigation, including plans to establish a digital environment that encompasses the entire logistics sector. You surely want to have your voice heard there and at all the relevant fora.

Greening of the sector

- Greening, and sustainability, is another area where this sector has a high potential. The concept itself is too often reduced to decarbonisation alone, but it is much broader than that, and it encompasses all negative externalities on rivers, air quality and noise.
- This is not to downplay the importance of decarbonisation. Far from it. In the Commission's recently published strategy for GHG emission reductions, transport has a central role to play. The strategy clearly states that transport should aim for zero emission solutions by 2050.
- To this end, DG MOVE will continue to support the greening of the sector through CEF. We have already supported a number of deployment projects for alternative fuels through CEF innovation calls. More recently, we are about to propose the creation of a blending facility, involving the EIB [European Investment Bank], to further support the sector on alternative fuels.
- On this note, I urge the IWT Platform to explore all opportunities available to the sector and maximise the deployment of greener solutions.
- While I recognise that a total greening of the fleet will not be easy, I urge you to embrace the challenge and exploit the competitive advantage the sector enjoys here vis-à-vis other modes.
- The inland waterways sector unfortunately still lacks a common vision on future solutions and potential technologies to achieve this, and I believe that a dedicated roadmap would help immensely.
- The first goal of such a roadmap would be to turn challenges in greening and sustainability into new business

opportunities for the sector. As indeed, I see many such opportunities! Let me give you an example.

Urbanisation and new opportunities

- Ladies and Gentlemen,
- As you will know, most European countries are experiencing a process of urbanisation. In 2017, 74% of the total population in Europe lived in urban areas. In 2050, urban populations could account for 82% of the total population.
- Incidentally, this phenomenon is even more pronounced in countries such as Belgium and the Netherlands, which enjoy a strong inland navigation presence.
- The densification of urban areas has generated a significant increase and concentration of transport flows in large cities. Road transport is still by far the dominant mode of transport, and represents 76% of total freight transport in the European Union, compared with 18% for rail transport and only 6% for IWT today.
- However, there is potential for these numbers to change in your favour.
- As we all know, roads are highly saturated, and metropolitan areas are confronted with major road congestion. This generates negative externalities, such as air pollution, increased noise in city centres and fatal accidents.
- With the energy transition occurring in most European countries, and important initiatives being taken to mitigate climate change also at local level, inland navigation has a clear role to play as a more volume-intensive, but quieter and cleaner mode.

- In this context, inland waterway transport can reduce the environmental impact of freight transport in dense urban areas and can also offer interesting urban mobility solutions for passengers, adding extra revenues to the sector.
- The port of Paris, the second largest inland port in Europe, has registered healthy annual growth of 4% in 2017, and the outlook remains positive.
- I was personally very impressed on reading, in the latest CCNR market report, that – and I quote – “the flows of goods in Paris can be multiplied by 4 without adapting existing infrastructures or building new ones”. This is definitely a potential worth exploring!
- However, to reap such benefits, the sector will need to be ready on other fronts. At the risk of repeating myself: greening, digital innovation and integration with the logistic chain – as urban logistics is almost multimodal by definition.

Conclusion

- Ladies and gentlemen, I have come here today to discuss progress within the sector, exchange ideas, but most importantly to offer my heartfelt encouragement to the work of the IWT Platform.
- Beyond the roadmaps, the policy papers, the implementation strategies and whatnot, are the efforts and willingness of real people – in flesh and bone – to drive an agenda forward.
- I hope to see people who are entrepreneurial, dedicated and fully committed to make an effort for change and for the IWT sector.
- So - on top of financial and other efforts - let's also mobilise the hearts and minds, and make full use of the opportunities ahead. Inland waterway transport is a very

important transport mode and we must ensure it regains its rightful place in the transport and logistics chain.

- On this note, I would like to, once again, congratulate Nik on his new role. I am looking forward with confidence to a successful term and fruitful cooperation between us!
- Thank you for your attention.
