

Caroline Nagtegaal, EBU event 21 June 2021

Introduction

First of all, thank you very much for giving me the opportunity here to talk about a sector that is incredibly dear to me. And let me explain you why.

In light of the pandemic, I have had a lot of conversations (online) in the past year with people from every corner of the inland waterway sector and one thing really stands out for me: the sector was already and is **still** fully energised to take on the challenges of tomorrow **hands on** - both in view of the energy transition, in digitalisation, as well as claiming their central role in the **multimodal transport system** and innovative business development. And I admire that greatly.

That's why I took the initiative to come up with an own-initiative report in the European Parliament with recommendations laying down the path towards a future-proof inland waterway transport sector in Europe. The report, of which the negotiations now enter the very final phase before the vote in the Transport Committee next week, shows the clear potential and added value of inland waterway transport for further synchromodal mobility development as well as for the TEN-T core and comprehensive networks. I feel this is often forgotten about in the transport debate and therefore I felt the need to reclaim the well-deserved spot of inland navigation.

Modal shift

And for that we need an efficient and smoothly running transport system, in which the modal shift plays a role. The recently published smart & sustainable mobility strategy sets a target to boost the modal shift and increase the share of inland waterway transport by 25% in 2030 and by 50% in 2050. And important prerequisites for these goals to be accomplished (and beyond hopefully ;-)) are a clear focus on digitalisation, efficiency improvement and the needed energy transition. That way, the inland waterway sector will become a strong competitor to other modes of transport, such as road transport. The technological developments in the road sector are going fast, so we need to take a sprint **starting today**. And I know, it may sometimes feel as a sprint up the staircase, but we should not give up, so that we will champion by working together. Cooperation is essential to meet tomorrow's challenges, and I am well aware that you cannot do this on your own!

Another important prerequisite is a fully upgraded inland waterway infrastructure network as well as a smart connection and integration between the inland waterway core and comprehensive networks. We need to explore and make use of the untapped potential of smaller waterways, lakes and canals, also for urban and regional logistics as it helps to relieve the current heavily congested roads. And more and regular investment in expanding and updating the physical as well as digital infrastructure of European inland waterways (think of locks, bridges and interoperable deployment of digital technologies **across borders**), is key in order to boost the competitiveness and market share of the sector, and to improve its long-term performance and continued reliability. Transport over water provides a great deal of opportunities if you ask me, and it would be a loss to not make use of this potential. This will seriously boost the modal shift and make transport over our European rivers, canals and lakes as well as the **entire** transport system more efficient! :))

Sustainability & Financing

Alternative fuels, AFID & role TEN-T

And the *green sprint* we should take together also focuses, and perhaps especially, on sustainability.

Inland waterway transport plays a major role in achieving the green ambitions in the European Green deal and the necessary energy transition is a major challenge in this respect. Really a challenge, because it will not be easy. And the burden shouldn't only be carried by the shippers themselves, but it should be done together, including all the partners throughout the supply chain. In the end, there is a tremendous potential for future-proof growth here.

We also need to learn lessons from the experiences of the past, such as with LNG, where we waited too long to build infrastructure and the relevant safety regulations came too late for commercial inclusion, which led to a slow start in use. We need to do this differently now in the upcoming revisions of legislation on alternative fuels. And I believe that the role of the infrastructure for alternative fuels should concentrate on a network approach, being via the TEN-T network. This way, we can effectively make freight transport in Europe sustainable. It is important to have an efficient and smartly planned, tailor-made infrastructure based on the demand and market characteristics of inland and sea ports, so as to avoid oversupply.

I do see the risk that Brussels wants to roll out an infrastructure plan for the whole continent as a kind of **very detailed** 'blueprint' for the installation of refuelling points or shore side electricity installations, but to be honest I am not convinced of that. The local situation should be leading as every port has different characteristics.

And we should also think about the types of fuels which help us towards reaching our goal of a climate neutral economy in Europe. After all, leadership is not only setting the goals, but also setting out the steps that lead towards those goals, and alternative fuels and propulsions is one of the tools to get to our end destination. And, yes, zero-emission inland shipping and a fossil fuel-free inland navigation is our final destination. I think that's something we can all agree on. However, ships can operate for decades and let's face it: zero-emission fuels for inland navigation are very promising, but still in the early stages of development and it is neither available on a large scale nor affordable. This will take time! We therefore need to make use of the available technologies we can use now, think of LNG, hybrid and dual fuel propulsion systems as well as blending with sustainable biofuels - the latter needing a clear framework that prevents fraudulent practices and ensures a level playing field. In short: there isn't just one fuel providing the silver bullet solution for inland navigation, we should be open to a range of different solutions which suits best for the ship type concerned, and also taking into account the route a ship operates. And until zero emission alternatives, such as battery electric propulsions and fuel cells with hydrogen or methanol, are market ready, these are one of the alternatives to dirty heavy fuel oil.

A European inland waterway fund

I can feel the question coming: nice story Caroline, but how are we ever going to get there? In Brussels, I always stress the importance of a stronger inland waterway transport, which must come out of the crisis more sustainable, with waterways prepared for a digital future. At the same time, we are asking a lot from the sector. The sector consists mostly out of self-employed workers and smaller family businesses who literally sail on their pensions! Then you can't just ask them to buy a new engine, let alone a completely new ship.

That is why I want to work towards a European inland waterway fund. Such a fund must be a

dedicated instrument for inland waterway transport and could be financed though, amongst others, the reserve funds, and supplemented by Member States, and including the possibility of fund blending with other national and European funds, such as CEF and the Structural Funds.

The fund must also be accessible, **exactly** for those smaller entrepreneurs, and assist with advice and action if necessary - without having to hire an overly expensive consultant. This way, we are investing our way out of the crisis and ensure that inland waterway transport becomes more resilient and able to compete better.

And don't get me wrong: inland waterway transport is already on the way to becoming a more sustainable and efficient sector, and local, regional, national and European governments should further encourage this. We must invest our way out of the crisis! The will for greening is there, but investment security and a solid business case is needed. That is why I keep stressing: make sure to give inland waterway transport a prominent role in the recovery plans, because of the added value of the sector. The experiences e.g. with new fuels and propulsions could create a real catalyst for eventual usage in deep sea shipping!

Conclusion

In short, a collective push in the right direction is needed. If we tackle it in a smart way, if we green the sector, and our entire economy, it will be the biggest step forward we will ever see and the quality of our lives will improve substantially. That is why we should not see it as a 'must', something that we 'simply have to do', so that we can tick it off the list and continue. No, we must see it as a basket full of opportunities, and something that EVERYONE benefits from in the end. Waiting any longer will eventually come back like a boomerang, in a very negative way. We have the ingredients and the knowledge here in Europe, so let's take the leap together and make it a great success.

That is why I say: let's navigate full speed ahead. I also count on you, so let's raise the sails to the highest position for *green and smart growth* in inland waterway transport!