



COMMISSION OF THE EUROPEAN COMMUNITIES

Brussels, xxx  
SEC(2007) 1351

**COMMISSION STAFF WORKING DOCUMENT**

*Accompanying document to the*

**COMMUNICATION FROM THE COMMISSION**

**The EU's freight transport agenda:  
Boosting the efficiency, integration and sustainability of freight transport in Europe**

{COM(2007) 606 final}  
{SEC(2007) 1320}  
{SEC(2007) 1321}  
{SEC(2007) 1326}

## COMMISSION STAFF WORKING DOCUMENT

### Consultation on a European maritime transport space without barriers reinforcing the internal market for intra-European maritime transport

#### I. OBJECTIVE OF THE CONSULTATION

As a part of the actions taken by the Commission to improve the efficiency of freight transport logistics in Europe, and following to the Communication on a integrated maritime policy for the European Union<sup>1</sup>, the Directorate-General for Energy and Transport of the European Commission publishes the present consultation paper, which sets out the concept of "European maritime transport space without barriers". The paper also invites the interested parties to reply to a set of questions concerning existing administrative procedures in shipping and the opportunities of simplifying, facilitating or even eliminating them.

The European maritime transport space without barriers is a concept which extends the Internal Market wider to intra-EU maritime transport through the simplification of administrative procedures in intra-EU maritime transport, in order to reinforce its efficiency and competitiveness.

The present consultation will contribute to gathering the data necessary for the implementation of the European maritime transport space without barriers and to preparing the appropriate proposal, for 2008.

#### II. BACKGROUND

##### 1. Introduction

Since 1993, Community goods transported by road, inland waterway and rail between EU Member States without transiting a third country have benefited to a large extent from free circulation in the EU.

This is not true for maritime transport of goods, which is subject to complex administrative procedures that decrease its attractiveness.

In maritime transport, voyages from one port of an EU Member State to another, even without calling at any intermediate non-EU port or freeport or meeting another ship *en-route*, are always considered international also when cargo transported is Internal Market cleared goods. A vessel is considered to leave the customs territory when it leaves a Community port for another Member State port.

---

<sup>1</sup> COM2007 (575) of 10 October 2007. This Communication sets out a holistic, cross-sectorial approach to maritime affairs, declaring maritime transport as a fundamental part of the new European integrated maritime policy.

These administrative procedures involve a wide set of EU and international legislations which include, in particular, customs and tax rules, immigration, trade, statistics, environment and waste, phytosanitary veterinary and health protection, security and safety. They have different objectives and rationales, and they apply either to the transport service, the vessel and its crew or to the goods themselves. However, they all hinder the free circulation of goods inside the Internal Market.

The Council stressed the necessity to encourage the use of Short Sea Shipping in its Conclusions on the promotion of Short Sea Shipping of 11 December 2006 and for this purpose to simplify the administrative procedures imposed on it.

The demand was repeated in the Council Conclusions concerning the Lisbon Strategy of 12 February 2007. At the end 2006, the European Economic and Social Committee reiterated its demand in favour of abolishing controls performed at the internal frontiers for maritime transport.

*Abstract from Council Conclusions concerning the Lisbon Strategy of 12 February 2007:*

"The Council calls on the Commission to intensify work on simplifying procedures on Short Sea Shipping and on making the concept of Motorways of the Sea more operational"

*Abstract from the Opinion of the European Economic and Social Committee of 26 October 2006 on the Proposal for a Regulation of the European Parliament and of the Council on the elimination of controls performed at the frontiers of Member States in the field of road and inland waterway transport:*

"The Committee notes that the present Commission proposal seeks to codify only Council Regulation (EEC) No 4060/89 on the elimination of controls, performed at the frontiers of Member States in the field of road and inland waterway transport but does not cover other transport modes such as rail, intermodal transport, Short Sea Shipping and air transport, for which border controls continue to apply. The Committee feels that these other transport modes should be taken into consideration as well."

## **2. Short Sea Shipping must be encouraged**

Globalisation, enlargement of the EU and individual choices have induced a major growth in transport volume in the last decades, resulting in transport congestion and increased pressure on the environment and safety. Forecasts show that transport demand will continue to grow by 50% until 2020 compared to 2000 levels. In order to face this unprecedented growth, all transport means should be used at their optimum.

The share of Short Sea Shipping (SSS) in the modal split has been constant for the past years, showing the ability of the mode to play a valuable role in the economy. The growth of the mode almost equals that of road transport in tonne-kilometres. It is well adapted to the European geography characterised by its many coastal regions and ports. It is also a key mode of transport for the feeding to smaller ports of

containers distributed from the number of European hub ports able to accommodate and dispatch efficiently international cargo.

In 2003, the Commission presented a programme for the promotion of Short Sea Shipping<sup>2</sup>. The 14 actions of this programme have shown their merits and strengthened the position of the mode in co-modality. In 2006, the Commission presented a mid-term review of the programme<sup>3</sup> to re-target some of the measures more precisely with a view to enhancing their efficiency. In both documents, complex administrative procedures in Short Sea Shipping were identified as an obstacle hindering the mode from developing faster.

In addition, maritime transport is generally recognized to be energy-efficient and create lower externalities per tonne-kilometre than road transport. For this reason the promotion of Short Sea Shipping was identified, inter alia, in the Action Plan for Energy Efficiency adopted by the Commission on 19 October 2006<sup>4</sup>.

It is of vital importance to make this mode an integral part of the logistics chain.

### **3. Reducing administrative burdens is a priority for Short Sea Shipping**

The Commission has collected, reviewed and attempt to solve, together with Member States and industry, bottlenecks in Short Sea Shipping since 1999<sup>5</sup>. Amongst others, the application of administrative and customs procedures have been viewed as creating obstacles. Therefore, the Commission may play an important role in helping to reduce administrative burden.

In 2002, the Commission services presented a guide to customs procedures for Short Sea Shipping in order to make industry aware of the different procedures in the customs field applicable to Short Sea Shipping<sup>6</sup>.

The simplified customs procedure of an "Authorised Regular Shipping Service"<sup>7</sup> has been made available to operators but most of them would like a further improvement of this facilitation, e.g. to have it linked to companies or routes instead of ships. A survey conducted by Finnish customs found that only 43% of liner services have authorised regular service permits.

Administrative procedures involved in shipping goods by sea within the EU today add to the transshipment costs and complexities associated with multimodality. An indicative inventory of these procedures is given in Annex 2. The administrative procedures in shipping should be –ideally– streamlined, as far as possible, with those of the other modes.

In general the costs of administrative compliance are ‘fixed’ overhead costs per journey and therefore have a higher impact on short journeys i.e. on SSS.

---

<sup>2</sup> Programme for the Promotion of Short Sea Shipping, COM (2003) 155 final.  
<sup>3</sup> Mid-Term Review of the Programme for the Promotion of Short Sea Shipping, COM (2006) 380 final.  
<sup>4</sup> Action plan for energy efficiency, Commission Communication COM (2006) 545 final.  
<sup>5</sup> Cf. website [http://ec.europa.eu/transport/maritime/sss/bottlenecks/index\\_en.htm](http://ec.europa.eu/transport/maritime/sss/bottlenecks/index_en.htm).  
<sup>6</sup> Guide to Customs Procedures for Short Sea Shipping, SEC (2002) 632.  
<sup>7</sup> Simplified Customs Procedures in Short Sea Shipping: "Authorised Regular Shipping Service", SEC(2004) 333.

Consequently administrative procedures have to be further simplified and streamlined in order to establish an effective Internal Market for SSS as well as to promote SSS as an alternative to increasing road traffic with its associated externalities (congestion, burden on the environment, energy consumption, safety and public finances).

One of the main difficulties is the necessity to co-ordinate various national authorities and Commission services involved in all these procedures: customs, trade, sanitary, veterinary, phytosanitary, safety, security, immigration authorities in charge of the application of the relevant legislations.<sup>8</sup> However simpler administrative procedures could bring benefits in a short term and create better conditions for co-ordinating co-operation between administrations.

#### **4. Technical solutions are today available which permit to track and trace vessels**

Key for introducing such simplification is the availability of means in order to make sure that goods remain in initial conditions. Actually the main reason put forward for maintaining controls on Internal Market goods transported by sea, is the high risk of smuggling or frauds when the vessel leaves the port via uncontrolled contacts with other vessels or calls in foreign ports.

However the rapid progress in positioning and communication technologies provides at short term the technical means to check if a maritime journey has been performed as declared by the ship Master.

Under Directive 2002/59/EC, the carriage of Automatic Identification System (AIS) is mandatory for almost all categories of ships. AIS can be picked up by other vessels or coastal stations within a range of 40 miles. Vessel Traffic Services/Vessel Traffic Information and Management Systems (VTS/VTMIS), using information from AIS, coastal radars, and radiocommunications are deployed to manage traffic in specific locations. The Directive 2002/59 is under revision through a set of amendments discussed in the European Parliament and the Council.

In 2006, IMO amended the SOLAS Convention in order to introduce the Long Range Identification and Tracking of Ships (LRIT). This amendment makes LRIT mandatory for passenger ships, cargo ships of 300 GT and upwards and mobile offshore drilling units. Contracting Governments agreed that the provision of the SOLAS regulation on LRIT should start to become fully effective as from 31 December 2008 and that that ships should start to be integrated into the system as soon as possible after 1 July 2008 but not later than 1 October 2008.

Those systems are complemented by other surveillance methods. Coastal radars can monitor vessels near the coast. Patrol vessels and aircraft fitted with a range of sensors (radar, optical, infrared) monitor the territorial waters of Member States and adjacent spaces. Radio Frequency Identification systems (RFID) are more and more

---

<sup>8</sup> Two contact groups of Customs offices already work towards increasing practical co-operation and co-ordination between the customs offices of major EU ports. These groups address differing national, regional or local applications of Community customs rules, set standards, and aim to achieve an equivalent application of controls. These groups are RALPH dealing with major northern EU ports and ODYSSEUS dealing with major southern EU ports.

used to monitor individual small units, pallets etc. and will be a basic element of e-freight<sup>9</sup>. Research is being undertaken in the EU Framework Programme to improve the capabilities of such methods.

Systems that can have a wider coverage – such as satellite imagery – are also becoming available. Research projects carried out within the context of the Global Monitoring of Environment and Security (GMES) initiative are assessing the capabilities of maritime applications such as maritime surveillance.

These systems will constitute a basis for the introduction of an e-Maritime environment for goods and for navigation, which will improve the competitiveness of the sector and provide substitution solutions to present administrative controls and documentation checks.

## 5. Establishment of a European maritime transport space without barriers

In its Mid-term Review White paper on Transport Policy<sup>10</sup> the Commission announced the creation of a European maritime transport space without barriers where the maritime transport of Community goods between Community ports should be simplified and facilitated in the light of experience acquired from land transport. The need for the elimination of the disadvantages of intra-EU sea traffic against other modes of transport has also been emphasised in the Communication on an integrated maritime policy and was widely supported by stakeholders during the one-year consultation phase preceding this Paper.

The Commission services started preparatory work including the identification of the administrative procedures which could be harmonised, rationalised or simplified in view of implementing the European maritime transport space without barriers. The assessment of the solutions offered by existing and new communication and positioning technologies is an important aspect of this work.

The establishment of a European maritime transport space without barriers is also a pre-condition for the efficient deployment of Motorways of the Sea. Motorways of the Sea are transport connections that offer regular and frequent short-sea transport services well integrated into the logistic door-to-door chain. Motorways of the Sea should help to absorb a significant part of the future increase of road transport, decrease road congestion and increase the accessibility of peripheral regions.

## 6. Evaluation of possible policy alternatives

After having identified procedures that could become subject to simplification or even elimination, the Commission services will carry out an impact assessment of the policy alternatives, which could be as follows:

- **Option A: *To do nothing*.** The responsibility to simplify and streamline the administrative procedures would be let to each Member State. However recent

---

<sup>9</sup> Cf. Freight Logistics Action Plan of 17 October 2007

<sup>10</sup> Commission Communication: "Keep Europe moving – Sustainable mobility for our continent – Mid-term review of the European Commission's 2001 Transport White paper" (COM (2006)314 final of 22 June 2006).

trends shown an increase of legislation to address new challenges in the field security, illegal immigration. This option has to be assessed taking into account the foreseen substantial expected growth in maritime transport.

- **Option B:** *To act on a case-by-case basis.* Capturing new cargo by maritime transport, as foreseen by the EU transport policy, would necessitate the involvement of a range of stakeholders from ship-owners to port authorities and of course shippers. The assessment will examine the medium and long term effectiveness of a case-by-case simplification. It will also pay attention to the introduction of electronic procedures and possible simplification measures, such as national single windows.
- **Option C:** *To propose a regulation.* This option consists of proposing a regulation abolishing administrative formalities, possibly accompanied by recommendations for measures falling under Member State competence. The assessment will also consider the impact of the implementation of new communication, information and positioning technologies on the competitiveness of the various branches of the industry.

### III. CONSULTATION PROCESS

A ship operating an SSS service is likely to have to deal with many different administrative procedures and paperwork, and this can represent a significant burden on the captain or shipowner and lower the attractiveness of Short Sea Shipping in general. Administrative controls and procedures represent a barrier (time and costs) that could be tackled by the Commission.

The Commission services launch a stakeholder consultation until the end of year 2007, in view to assess the magnitude of the problems and the costs induced by administrative procedures as well as to evaluate the possible solutions to mitigate them.

Stakeholders are invited to answer to the questionnaire attached as Annex 1.

The contributions will be analysed and the process will be complemented by a consultation workshop, which will be organised in Brussels at the beginning of 2008.

A synthesis of the answers given to the questionnaire will be made public and should be available by April 2008.

-0-0-0-

**ANNEX 1**  
**CALL FOR COMMENTS**

The Directorate-General for Energy and Transport of the European Commission calls for interested parties to comment on the consultation paper, until the 20<sup>th</sup> December 2007. Answers can be sent in electronic format via the website:

**<http://ec.europa.eu/yourvoice/>**

Answers are requested from companies or persons who are involved in maritime transport (i.e. involved in the transport of goods either of Community origin or of third country origin transported between seaports located in the European Union).

Individual answers will be treated confidentially by Commission services and contracting companies, specifically used for this purpose. They will be used to build aggregated information which will be the only one made public.

The interested parties are invited to answer as many of the following questions and to make general comments on the issues raised in the consultation paper.

**1. Can you give a brief description of your activity?**

I am performing the following activity in relation with the transport of goods between sea ports:

Public administration

Type of activity (customs, trade, statistics, immigration, veterinary, phytosanitary...):

.....

Transport operator

Type of activity (transport mode, shipowning company, agent, freight forwarder, carrier owner...):

.....

Port service

Type of activity (port authority, handling, warehousing, stevedoring ...):

.....

Cargo owner / shipper

Type of activity (cargo owner, producer, shipper...):

.....

Forwarder / agent



Type of activity (forwarder, shipping agent, customs agent...):

.....

Other

Type of activity:

.....

**2. Could you describe to what extent your activity involves administrative procedures (document request, documentary control, inspections) for maritime transport of goods (either of Community origin or of third country origin) between sea ports?**

.....

.....

.....

.....

**3. Do these controls depend on the nature of the transported goods? If so, please indicate the different controls per category of transported goods.**

.....

.....

.....

.....

**4. Could you indicate which administration(s) are in charge of these controls (customs, veterinary inspectors ...) and whether they are located in the port area?**

.....

.....

.....

.....

**5. Could you provide a brief description of these controls (physical inspections, control of paper documents, control of electronic documentation, X-ray controls...)? How frequent are physical inspections with administrations boarding a ship?**

.....

.....

.....

.....

**6. Do the controls delay the loading or unloading / arrival or departure of ships and goods? Please give details and examples.**

.....  
.....  
.....  
.....

**7. Could you give an estimate of the cost and time involved in carrying out the administrative procedures? If possible, specify the cost per procedure.**

.....  
.....  
.....  
.....

**8. Are you aware of facilitations which can benefit the operators in your field of activity? Can you provide a summary description of these facilitations and comment on their usefulness and on possibilities to improve them?**

.....  
.....  
.....  
.....

**9. Do you have the status of an "Authorised Regular Shipping Service"<sup>11</sup>? If not, why not?**

.....  
.....  
.....  
.....

**10. Are you aware of any new technology, e.g. in data transmission or tracking and tracing, or Radio Frequency Identification which could be implemented at short term in order to possibly reduce the impact of the administrative procedures described above?**

---

<sup>11</sup> See Article 313a of Commission regulation (EEC) N° 2454/93 of 2 July 1993, as amended.

.....  
.....  
.....  
.....

**11. Which administrative procedures do you consider that could be reduced, simplified or even eliminated?**

.....  
.....  
.....  
.....

**12. Do you see any negative impacts or risks in reducing, simplifying or even eliminating the administrative procedures you describe above? The answer should be as precise as possible.**

.....  
.....  
.....  
.....

**13. Are there other comments that you to make on the consultation paper not covered by the above questions?**

.....  
.....  
.....  
.....

Name and address of the company/person (optional):

.....  
.....  
.....

Phone / Fax:

.....

E-mail address:

.....

-0-0-0-

**ANNEX 2**  
**AN INDICATIVE LIST OF FORMALITIES FOR VESSELS ENTERING OR LEAVING EU PORTS**

Three main Authorities collecting information from the ships are: harbourmasters in ports, customs in port, vessel traffic services controlling ships traffic along the coasts. There are three main representatives of the ship, the shipmaster, the ship agent, the ship operator (owner or carrier). Formalities applicable to intra-EU maritime transport depend on each port. They may include:

***Voyage reporting services: Territorial waters entrance or departure:*** The requirements depend on each country. For instance, in France, the message is called SURNAV and must follow the model defined by the Maritime Prefect: ship identification, date and time, position of the ship, speed, port of departure, port of arrival, time of entrance or departure of territorial waters, draft, cargo (MARPOL 73), radio conditions, defects...

***Port navigational services: Pilot card:*** The pilot card is a vessel information sheet containing the main characteristics of the ship: name, call sign, IMO number, MMSI, displacement, deadweight, year of building, length, breadth, draft, air draft main engine, propellers, thrusters, rudder, anchors, full sea speed... Little drawings and charts complete the explanations. Sometimes a "Pilot Checklist" is attached to the pilot card.

***Customs Summary declaration:*** The form gives the identification of vessel, flag, carrier, code number, master's name, voyage, port of loading, port of discharge and the list of goods carried on board, with B/L references, shipper or consignor, consignee, description of cargo, number and marks of packages, cargo control numbers, list of containers, kind of goods, quantities and weight, transit references...The manifest can be very short (i.e. for break bulk cargo) or very long as for containers. It is signed by the master or his representative.

***Collection of data on ships and goods:*** The forms used for setting up statistics are the same than those used for collection of ports dues. (DN, DSM, manifests...).

***Border controls:*** No specific forms for the lists of crew and passengers are imposed by the Regulation (EC) No 562/2006 of the European Parliament and of the Council of 15 March 2006. The lists must be drawn up in duplicate

***Phytosanitary inspections:*** Member States shall organise at random occasional checks, at any time and at any place where plants, plant products or other objects are moved. Systematic import inspection of regulated material moving between two places within the Community over non-Community territory is not needed if there are no specific risks identified, but the possibility for occasional checks should always remain.

***Products of animal origin and live animals:*** Council Directive 89/662/EEC concerning veterinary checks in intra-Community trade and Council Directive 90/425/EEC concerning veterinary and zootechnical establish that controls have to be carried out at the place of origin and at the place of destination of the goods/animals. In case of arrival of products/animals in places where other such products/animals may originate from a third country (such as ports) a documentary check is provided for in the Directives

***System of import control procedures for animals and animal products (TRACES):*** The system requires all controls to be carried out at the external border with documentary, identity

and physical checks all carried out in the specified and approved border inspection posts listed in the Official Journal. Animals or products are then issued with the Common Veterinary Entry Document (CVED) and released for free circulation into the single market.

***Maritime declaration of health:*** The Maritime declaration is a standardized IMO FAL form. The document includes the identification of the vessel, master's name, deratting certificate or exemption, number of passengers, number of crew, the list of former ports of call (for the last 4 weeks), a set of questions about cases of illness on board, to be answered by yes or no and particulars of every case of illness or death occurring on board must be mentioned in a schedule annexed to the declaration. The Declaration is certified true and correct by the ship master.

***Dangerous goods manifest:*** The dangerous goods manifest is a list of all dangerous goods on board of the ship. The IMO FAL form 7 is a model template more or less adopted by all carriers, with identification of ship, shipping agent and master's name, voyage reference and port of loading and discharge. Each dangerous cargo is referenced with name, booking number, number and kind of packages, class, UN number, flashpoint, marine pollutant, mass, stowage position on board, shipper's name, emergency contact and phone. The form is signed by the carrier or his ship agent.

***IMO Dangerous goods declaration:*** The shipper who exports dangerous goods must give to the carrier a declaration the "IMO dangerous goods declaration" or "Multimodal dangerous goods form" depending of modes of transport. The two forms give both the necessary information about identification of shipper, carrier, places of receipt, port of loading, final destination, full description of goods, mass, IMDG class, container/vehicle packing certificate, and a signed attestation of the shipper as to the accuracy of his declaration, asserting that goods are in all respects in proper condition for transport according to the applicable international and national regulations.

***Collection of port dues on vessels or passengers:*** The "declaration of vessel dues" (DN) form includes the ship name and flag, number of the voyage, names and addresses of the operator of the ship and his local ship agent, port of departure and destination, characteristics of the ship, number of passengers and level of dues, total amount to pay, and is certified by the ship agent.

***Collection of port dues on cargo:*** The "dues on cargo" (DSM) form includes the shipper and consignee names and addresses, ship name and flag, port of departure and destination, kind of good, number of packages, NST number, reference and level of dues, total amount to pay, mode of payment (cash or guarantee) and is certified by the consignee or his local agent.