Dear Minister,

Dear Commissioner,

Dear Chair,

Dear Member of Parliament,

Thank you very much for the intensive exchange between EU Transport policy makers and high-level representatives from industry on the occasion of the conferences of EU transport ministers entitled “Triggering Greening and International Competitiveness of Shipping and Ports” and “Inland Waterway Transport – Key to the Green Deal” on 8 September and 20 November 2020 respectively.

I would like to record the outcomes of the discussions that I regard as most important, as I would like to join forces with you in taking the next steps towards zero-emission maritime shipping and inland waterway transport.

In principle, all parties agreed on several points. Shipping is an indispensable component of the European economy. This is being confirmed not least by the current COVID-19 pandemic, which is seeing maritime shipping and inland waterway transport as well as the
ports sector contributing significantly to maintaining the functioning of the transport system and avoiding supply shortages.

The conference attendees were unanimously convinced that companies of the European shipping sector, as well as their numerous suppliers and partners worldwide, play a pioneering role in the field of sustainability. Waterways are already a safe, climate-friendly and environmentally sound transport mode. Today, thanks to their spare capacity, waterways can already, in the short term, contribute further towards improving the climate footprint of freight transport.

The climate change mitigation and environmental protection objectives that we have laid down within the scope of IMO, but also in the Mannheim Declaration, have met with widespread approval. We, EU Member States and EFTA States, will jointly work towards achieving these objectives - be it during the ongoing negotiations concerning the IMO initial strategy on the reduction of greenhouse gas emissions from sea-going ships, or the current work on the CCNR roadmap for a zero-emission inland navigation sector.

We also agreed that Europe must assume its responsibility in the field of climate change mitigation and environmental protection. International stakeholders expect this from us and, at the same time, it offers great opportunities. We thus want to make Europe the powerhouse of environmentally sustainable and climate neutral shipping.

Industry stakeholders must and want to participate in a very practical way in evolving the waterway system into a climate neutral transport mode.

With the Green Deal, the European Commission is pursuing a growth strategy towards a fair and prosperous society with a resource-efficient and competitive economy. This will strengthen the role of the EU as a global leader in the field of climate change mitigation and environmental protection. The encouraging signal sent by our conferences is: it is technically feasible to realise climate neutral maritime shipping and inland waterway transport by 2050.

This is a huge challenge: only if we develop sustainable energy sources and technologies and enable their safe use and competitive market roll-out will Europe continue to be in the vanguard of sustainable and economically successful development in the long term. That is the great opportunity for Europe: with increasing uptake of sustainable technologies, the costs will be reduced. For the European economy, additional markets and opportunities will open up – even beyond Europe.
We can only achieve this with a selective combination of
- sustainability-focused regulatory measures,
- systematic targeted and technology neutral technical regulations,
- incentives in line with market conditions for example for a modernization of the fleet and a modal shift as well as
- effective trade policies that prevent distortions of competition.

We further agreed on the following aspects. The Green Deal offers excellent ideas and starting points because its objective is to create incentives and promote innovation. Against this background, in the circle of EU Member States, we will consider the impact assessment on the inclusion of maritime shipping in the European Emissions Trading System very carefully and in the context of progress made within IMO. We will provide constructive support – paying due regard to the Green Deal – for the NAIADES III action programme for inland waterway transport, announced by the Commission.

**Alternative drivetrains and fuels**, which currently do not play a key role in shipping, are important in this context. Environmentally friendly fuels such as LNG, biodiesel, methanol or hydrogen should be used instead of low-cost conventional fuels. Their use leads to a tangible reduction of environmental pressures and can create further climate benefits if the fuels come from renewable energy sources. To this end, all aspects – from the production to the use onboard – must be taken into account when assessing the sustainability of new fuels. Lightweighting, innovative materials and, especially, modern electrical and electronic systems offer significant potential for **enhancing energy efficiency** in maritime shipping and inland waterway transport. The fact that 75 percent of all sea-going ships in European ports come from Europe itself impressively illustrates how effective this approach will be.

In the long term, the changeover to non-fossil fuels will be decisive for climate neutral shipping. In this context, the Commission’s Green Deal with its **FuelEU Maritime initiative** offers a key starting point, particularly for maritime shipping. At the same time, initiatives, such as the construction of the ELEKTRA pusher boat with a fuel cell-based drivetrain, provide a strong impetus for innovations in inland waterway transport.

Dear Colleagues, the discussions have illustrated that if we
1. consider strategic opportunities and risks in a targeted manner,
2. use our technological edge,
3. consistently continue our approach,
4. avoid distortions of competition and
5. together think of ourselves as Europeans,
Europe will also play a pioneering role in the field of climate change mitigation in maritime shipping and inland waterway transport.

Let us seize this opportunity together.

Yours faithfully,

Andreas Scheuer