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**Motorways of the Sea**  
**Implementation through Article 12a TEN-T**  
**A Consultation Document**  
**by the Services of the Directorate General for Energy and Transport**

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## INTRODUCTION AND SUMMARY

With this consultation document, the services of the Commission are seeking views of interested parties concerning the implementation of motorways of the sea projects according to Article 12a of the TEN-T Guidelines. The deadline for comments is 30 September 2004.

On 29 April 2004, Council and Parliament adopted a revision of the Trans-European Network Transport Guidelines (TEN-T), which gives a legal basis to the concept of motorways of the sea. This consultation paper deals with the submission of projects according to Article 12a TEN-T.

The document also discusses the relationship of TEN funding with subsidies available under the Marco Polo programme and describes the possibilities for State aid for Motorways of the Sea projects. In summary, TEN funding should be relied on, where costs of the motorways of the sea projects relate to infrastructure and facilities. Service and operational costs can be supported by the Marco Polo programme. Community funds and national and regional State aid may be cumulated for a given project. Overall cumulative funding ceilings need to be respected. The Commission takes note of the initiative intending to award “quality labels” for intermodal maritime transport systems. However, such an initiative is beyond the scope of this consultation document.

The “motorways of the sea” concept aims at introducing new intermodal maritime-based logistics chains in Europe, which will bring about a structural change in our transport organisation within the next years to come. These chains will be more sustainable, and should be commercially more efficient, than road-only transport. Motorways of the sea will thus improve access to markets throughout Europe, and bring relief to our over-stretched European road system. For this purpose, fuller use will have to be made not only of our maritime transport resources, but also of our potential in rail and inland waterway, as part of an integrated transport chain. This is the Community added-value of motorways of the sea. In summary, the Commission services envisage the following steps in proposing and evaluating a motorway of the sea project:

- At least two Member States issue joint calls for tender for motorways of the sea projects between their territories, in order to ensure transparency and non-discrimination. Based on the results of this tender, they present comprehensive proposals for funding to the Commission. Executing this call is an eligibility criterion for the project.
- The Commission evaluates the projects based on the following criteria:
  - a. European added value: contribution to modal shift and/or cohesion;
  - b. Quality elements of the project;
  - c. Viability of the project;
  - d. Credibility of the project;
  - e. Effects on competition on the project.
- The Commission takes the funding decision, after having heard the opinion of the TEN-T Committee of Member States.
- The motorway of the sea project should be fully operational within a few years of the funding decision of the Commission. By 2010, a TEN motorways of the sea network should be implemented.

In drafting this paper, the Commission services have relied on the guidance given by the legislator, and on the report of the High-Level Group on Trans-European networks of June 2003. They have taken good note of the Presidency conclusions of the informal Council of Amsterdam of 10 July 2004 and of ongoing work in the Baltic, Atlantic and Mediterranean regions to set up motorways of the sea.

## 1. MOTORWAYS OF THE SEA: OBJECTIVES AND INSTRUMENTS

1. In the next decade, Europe's transport system faces a considerable challenge. Road freight transport is set to grow by 60% until 2013. On the other hand, the necessary infrastructure works to complete the Trans-European network will cost us around 600 billion EUR, and it will be a huge battle to find the necessary funds for constructing the needed infrastructures. In order to avoid the break-down of the European transport system in the years to come, it is essential that we make better use of our existing infrastructure and service resources to take the stress from our over-used road transport system.
2. Amongst other measures, the Commission has therefore proposed, in its White Paper of September 2001, to set up "motorways of the sea": integrated intermodal options based on short sea shipping transport, providing frequent and high-quality alternatives to road transport, which suffers from congestion and delays and causes environmental degradation and accidents. The goal is a network of motorways of the sea, linking the regions of Europe through intermodal maritime options.
3. The adoption of Article 12a of the TEN-T Guidelines of 29 April 2004 ("TEN-T")<sup>1</sup> gives a legal framework for funding the "motorways of the sea". Article 12a(1) TEN-T gives **three main objectives** for the sea motorways: (1) freight flow concentration on sea-based logistical routes; (2) increasing cohesion; (3) reducing road congestion through modal shift.
4. Four corridors have been defined as part of priority project N° 21, on which motorways of the sea projects can be set up:

*Motorway of the Baltic Sea* (linking the Baltic Sea Member States with Member States in Central and Western Europe, including the route through the North Sea/Baltic Sea canal) (by 2010);

*Motorway of the Sea of western Europe* (leading from Portugal and Spain via the Atlantic Arc to the North Sea and the Irish Sea) (by 2010);

*Motorway of the Sea of south-east Europe* (connecting the Adriatic Sea to the Ionian Sea and the Eastern Mediterranean, including Cyprus) (by 2010);

*Motorway of the Sea of south-west Europe* (western Mediterranean, connecting Spain, France, Italy and including Malta and linking with the Motorway of the Sea of south-east Europe and including links to the Black Sea) (by 2010).

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<sup>1</sup> Decision No 884/2004/EC of the European Parliament and of the Council of 29 April 2004 amending decision No 1692/96 on Community guidelines for the development of the trans-European network, OJ L 167, 30.04.2004, p. 1.

5. Importantly, measures will have to be integrated into the concept of a network underlying these four corridors. Comprehensive planning is therefore needed to implement, by 2010, a full European network of motorways of the sea.

## 2. IMPLEMENTATION OF THE CONCEPT UNDER ART. 12A TEN-T

### 2.1. Making choices, securing commitment, ensuring quality

6. To reach its ambition, the motorways of the sea initiative will need to take three fundamental steps for each selected project:
7. Article 12(a)(1) TEN-T states that the ...”trans-European network of motorways of the sea is intended to concentrate flows of freight on sea-based logistical routes...” The objective of freight flow concentration implies, for the Community and the Member States, making **clear choices** with regard to ports, corridors and services. Selectivity is essential to reach the concentration of flows necessary to sustain frequent high-volume, high-quality services, and produce noticeable and beneficial effects on our transport system. Without these choices, it will not be possible to create a real European network of motorways of the sea.
8. The element of strong flow concentration, which will allow road-comparable high-frequency links, delimits the motorways of the sea initiative from other short sea shipping services and initiatives. Furthermore, short sea shipping can also include purely national services (cabotage), while motorways of the sea are exclusively international links. And finally, as stated below, motorways of the sea projects will have to feature the best quality elements that maritime intermodal logistics options can offer, which not every short sea service is able to present.
9. Not all good ports will be sea motorways ports. Not all good short sea shipping services will be motorways of the sea services. All have their function and importance in our transport system. This is evident and fully accepted in the land infrastructure planning: motorways, trunk roads, national roads, regional and local roads have all their *raison d'être*, and are complementary to each other. Indeed, motorways feed from the system of other roads and get their volume from them. The same logic applies for motorways of the sea.
10. **Second**, motorways of the sea projects will have to be proposed and executed by public and private parties alike, infrastructure managers and infrastructure users. **All supply chain parties need to be committed** and involved in the projects. Otherwise, the projects will fail. It is important to give these internationally executed projects the appropriate solid and flexible legal framework, so that they can develop soundly, properly and quickly. Projects need to be integrated into an overall mature network concept, so that the contribution of a single project to the whole initiative is convincing.
11. **Third**, in order to provide a real transport solution to industrial users – especially those which have hitherto relied on road freight transport - motorways of the sea need to focus on best available **quality**. Project proposals will need to address the quality issues of the whole chain.

## 2.2. Submission of proposals – Call for tender

12. Motorways of the sea projects will be submitted according to Art. 12a TEN-T and the appropriate rules of the TEN-T Financial Regulation.<sup>2</sup>
13. As spelt out by Art. 12(a)(4) TEN-T, motorways of the sea projects shall be presented by at least two Member States. Purely national schemes cannot be taken into account. This condition is essential to achieving co-ordinated planning and investment, allowing the set-up of maritime intermodal services using the proposed port, terminal, and other facilities. The more Member States present or support a proposal, the higher can be its European added value. Indeed, in order to create a real network, relying on hub ports and connection links (hub and spoke), multilateral planning amongst the Member State of a corridor, and between corridors, is clearly advantageous.
14. Obviously, the motorway of the sea initiative does not start from a clean slate. Today, there are already a large number of regular intra-European maritime services with good intermodal connections. Port and terminal operators compete for traffic within a port or within a port range. The ongoing market opening in the port services sector has increasingly attracted private capital and profit-oriented operators. Maritime and other transport services in Europe also compete in open markets. The designation of ports for public funding, and with it, the designation of certain maritime links and services, thus poses a challenge in terms of avoiding distortions of competition contrary to the common interest.
15. The problem of distortion of competition can be handled in line with applicable EC competition rules. With regard to submission of proposals, Art. 12a(4) TEN-T provides for a first important filter. Member States, acting jointly, will have to demonstrate with the submission of each proposal that they have gone through a market-testing procedure.
16. Two alternatives are spelt out:
  - Either, Member States select, without a call for tender, a port on their respective territory<sup>3</sup> as the origin and destination port for a motorways of the sea. If Member States then want to give State aid and receive TEN-T funding for setting up the link, they will have to jointly issue a call for tender for the set-up of the link – Art. 12a(4)(a) TEN-T. This call will have to be non-discriminatory and transparent. It will include objective specifications such as service level, quality, rotation of ships.
  - Or Member States will jointly issue a wider call, which will leave room for several consortia, consisting of ports, shipping and other companies, to bid for becoming motorways of the sea projects and receiving financing under Art. 12a

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<sup>2</sup> Council Regulation (EC) No 2236 of 18 September 1995 laying down general rules for the granting of Community financial aid in the field of trans-European networks, OJ L 228, 23.09.1995, p. 1, as amended by Regulation (EC) No 807/2004, OJ L 193, 30.04.2004, p. 46.

<sup>3</sup> Eligible ports are category A ports within the meaning of Art. 12(2) TEN-T.

TEN-T - Art.12a(4)(b) TEN-T. Again, the call must be non-discriminatory and transparent and clearly set out the conditions to be fulfilled in order to be selected.

17. This process helps member states make clear choices for the motorways of the sea projects. The content of the tender should feature the same elements as the Commission will use in selecting the projects (see below, under 2.3). Member States will thus be able to make a pre-selection of projects on the same basis as the final selection of projects by the Commission. Obviously, the pre-selection on the basis of the same criteria as the ones of the final selection under Art. 12a TEN-T does not bind the Commission. However, this mechanism will ensure a fair, transparent and consistent selection procedure. Member States would submit to the selection procedure under TEN-T the project having received the highest marks in their calls for tenders under Art. 12a(4). The record of the evaluation done by Member States should be submitted for information to the Commission. Finally, a list of all tenders received in a given call should also be made available to the Commission's services.
18. If Member States do not submit proof of call, their proposals should not be eligible under Article 12a TEN-T. Such a transparent tender procedure will also contribute to a positive assessment of any State aid that Member States intend to contribute to the project (see below, under 4, point 41).

### **2.3. Selection criteria under TEN-T**

19. The legislator has provided guidance in several respects concerning the selection criteria for motorways of the sea.

#### *2.3.1. European added value: Modal shift and cohesion - Article 12a(1) TEN-T*

20. Article 12a(1) TEN-T states that motorways of the sea will have to reduce road congestion and/or improve access to peripheral and island regions and States. In evaluating the projects, the Commission will thus need concrete and verifiable elements supporting this criterion. Convincing support data for the use of the motorways of the sea are essential.
21. As concerns projects **reducing road congestion**, a very large modal shift is expected, making a real impact on road freight in the corridors. Modal shift thresholds in terms of tonne- or vehicle-kilometres could be introduced, based on overall transport volumes in the corridors concerned. Achieving maximum modal shift also presupposes that road journeys in the chain are as short as possible under reasonable commercial conditions.
22. If a motorways of the sea project focuses **on cohesion and improving accessibility** for remote regions or islands, its impact on better transport possibilities, such as lower prices, shorter transit times, more choice, should also clearly be demonstrated.

### 2.3.2. Further evaluation criteria

#### 2.3.2.1. Recital 16 – Reference to the Marco Polo programme

23. Recital 16 of the TEN-T Guidelines mentions that support for the development of the motorways of the sea should be “based on the same criteria” as the current Marco Polo Programme under Regulation (EC) 1382/2003.<sup>4</sup> Bearing this criterion in mind, the Commission services propose to analyse motorways of the sea projects under the following criteria:

- **Viability of the motorways of the sea link** after a reasonable start-up time. The viability analysis will focus on the transport/logistics part of the motorway of the sea and a business plan will have to be submitted in order to verify the viability. However, the infrastructure manager will also have to make commitments for utilisation of the co-funded facilities in order to ensure fast progress towards viability. The Commission recognises that motorway of the sea projects which link islands and peripheral regions may not always attain viability in the mid-term. In such cases, proof based on objective criteria should be submitted that viability cannot be achieved for a given link.
- **Credibility of the project:** this will look at business models, expertise of proposers, understanding of market needs. Also, commitment from all partners in the transport chain, documented by memoranda of understanding, letters of intent etc, is important. This gives the necessary certainty that this link will be able to achieve its stated goals in terms of modal shift or increasing cohesion. The presentation of an appropriate legal framework for this complex international co-operation, and clear designation of responsibilities, respect of time tables and enforceable obligations, will be an important element in assessing the proposals. The model of the “European company” under Council Regulation (EC) No 2157/2001<sup>5</sup> can be an appropriate framework. If the complexity of the project so requires, a European co-ordinator according to Article 17a of TEN-T can be designated. However, this should not lead to overlap with the steering functions exercised in the “European company”.
- **Competition analysis:** Analysis of the relevant services and infrastructure market: this analysis will focus on the effects of the project in the market, intended to exclude distortions of competition, which are not in the common interest. Project proposers will thus have to provide concrete and comprehensive data about existing services and information about new traffic flows etc in the relevant markets. If it can be shown that the traffic comes from consortia members or new traffic comes from road, this could give an indication that the distortions of competition are in the common interest. If Member States choose the option of designating a port without public tendering – see above, point 16 -, the competition analysis will obviously be more rigorous than if the choice of ports has also been tendered.

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<sup>4</sup> Regulation (EC) no 1382/2003 of 22 July 2003 on the granting of Community financial assistance to improve the environmental performance of the freight transport system (Marco Polo Programme), OJ L 196, 02.08.2003, p. 1.

<sup>5</sup> Council Regulation (EC) No 2157/2001 of 8 October 2001 on the Statute for a European company (SE); OJ L 294, 10.11.2001, p.1.

### 2.3.2.2. Quality elements – Article 12a(2) and (5) TEN-T

24. The legislator has clearly indicated its vision of motorways of the sea as **quality projects**. Art. 12a(2) and Art. 12a(5) TEN-T make explicit reference to quality features, such as logistics management systems, safety and security in the chain, administrative and customs procedures. In line with the ambitions of motorways of the sea, verifiable quality elements are an essential part of any project proposal.
25. A motorway of the sea **port** needs to feature the best available treatment of short sea shipping currently available, not only in terms of infrastructure and connections, but also in terms of cost-efficient services to the ship, its cargo and its clients. This covers both commercial and administrative services. Security and safety provisions, as laid down in EU legislation and international conventions, need to be complied with. **Integrated hinterland connection** services, by rail, inland waterway and road, should also be of the best available quality. These **services** to and from the port should be available to any user under an open access regime. Inland waterway services should be treated in an efficient and non-discriminatory manner in the given port. Overall electronic information, management and traffic systems should be available at state of the art level. These systems should guarantee interoperability in line with applicable EU legislation.
26. The **shipping** services proposed, frequent and reliable, will use modern safety and security services meeting all EC legislation and international conventions, and environmentally friendly engines. The shipping services operate under the framework of Authorised Regular Shipping Service.
27. The **intermodal chain** as such will make use of modern equipment, for instance the new European intermodal loading unit, proposed by the Commission in April 2003. *Annex I* of this document features a list of possible concrete quality criteria.
28. Of course, it cannot be expected that all these elements are present at the time the proposal is submitted. The proposal, however, should give a clear implementation plan, with milestones, when and how the quality criteria will be reached.<sup>6</sup> In case the criteria are not timely implemented according to the proposal, the Commission could consider stopping the project and claiming all or part of the subsidy back.

### 2.3.3. Eligible items and costs

29. Art 12a(2),(3) and (5) TEN-T spell out the infrastructure and other facilities, which can be eligible for funding under TEN-T. Port infrastructures and hinterland connections by rail and inland waterways are prime targets for funding. Moreover, the legislator has given to the term “infrastructure and facilities” are large scope: electronic management systems, safety, security and administrative procedures, dredging and icebreaking are also eligible. Taking into account the overall

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<sup>6</sup> Attaining those quality criteria can also be important within the framework of the « quality label » initiative, as laid out in the Presidency conclusions of the informal Council of Amsterdam, of 10 July 2004.

objectives and mechanisms of TEN, funding shall focus on facilities and infrastructures, which make up the network – Art. 12a(5), first hyphen TEN-T.

30. However, in line with the dual nature of motorways of the sea as mixed infrastructure/services projects, the legislator has given the possibility for start-up aid for capital investment within the project. Art. 12a(5), second hyphen TEN-T explains this possibility further.
31. In the tendering procedure foreseen in Art. 12a(4) TEN-T, the case may arise that the proposing consortium of ports and operators encounters start-up losses within the launching period of the motorways of the sea services. If public support is then necessary for the viability of the project, start-up aid can be given under Art. 12a(5) TEN-T.
32. Start-up support under TEN-T limits itself to the “duly justified capital costs”, to be understood as investment support including depreciation of ships allocated to the service. The support under TEN-T is limited to two years, while the Marco Polo Programme features a maximum of four years under these circumstances,<sup>7</sup> and the State aid practice tends to allow three years.<sup>8</sup> In all cases, and in line with the considerations mentioned above in point 23, the aid may not lead to distortions of competition in the relevant markets contrary to the common interest.
33. In line with the relevant provisions of Article 5 of the TEN-T Financial Regulation, the total amount of Community assistance under TEN-T for a motorways of the sea project will not be higher than 20% of the total investment costs. In terms of assets to be funded, the Commission services could present a typology in conjunction with the calls issued, and based on steady funding practice.

### **3. RELATIONSHIP WITH THE MARCO POLO PROGRAMME**

34. Recital 16 TEN-T spells out that funding under the Marco Polo programme and TEN-T shall not be cumulative with respect to the same eligible costs.
35. The Marco Polo programme under Regulation (EC) 1382/2003 is a demand-driven business oriented programme for short and mid-term financial support providing start-up subsidies for the set up of new intermodal services. Within the “catalyst” action category, Art. 6(2) of Regulation 1382/2003 spells out that catalyst actions implementing “motorways of the sea” deserve special attention. Catalyst actions are innovative actions aimed at overcoming Community-relevant structural barriers in the freight transport market which impede the competitiveness of intermodal transport. Thus, while the current Marco Polo programme does not define precisely a motorway of the sea action under that programme, the service-related costs of such a project can be supported under the Marco Polo programme, as far as it relates to modal shift. Funding for cohesion-related projects is not available under Marco Polo. However, with 100 million EUR total budget (2003 – 2006) for more

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<sup>7</sup> See Article 6(5) of Regulation (EC) 1382/2003.

<sup>8</sup> Community guidelines on State aid to maritime transport, point 10 ; OJ No C 013, 17.01.2004, p. 3

than 25 participating countries, and three participating transport modes (short sea shipping, rail, inland waterway), the current Marco Polo programme may only be able to fund one or two good motorways of the sea initiatives within the time horizon 2006.

36. In its proposal for a renewal of the Marco Polo programme, with a budget of 740 million EUR for the period 2007 – 2013, the Commission has introduced a specific action type “Motorways of the Sea”.<sup>9</sup> A motorway of the sea action within the meaning of this proposal is an innovative action directly shifting freight from road to an intermodal maritime service “to timely implement a very large volume, high frequency intermodal waterborne transport service, and including non-road hinterland freight transport for integrated door-to-door services”. Such large-scale motorways of the sea actions could be supported from 2007 on, if Council and Parliament approve the proposal, including the endorsement of the necessary budget foreseen by the Commission.
37. As a general rule, where an infrastructure or a facility is funded under the TEN-T programme, funding under the Marco Polo programme will be excluded for such items. Likewise, where start-up aid under the Marco Polo programme is granted, TEN-T funding under Article 12a(5) cannot be given.
38. Nevertheless, it is perfectly possible to fund different elements of one motorway of the sea project under Marco Polo and TEN-T, up to the respective funding thresholds (*see* below, point 43). Marco Polo would provide for operational aid concerning setting-up the intermodal maritime service (ship costs, leasing of wagons, payment of infrastructure access fees etc), and TEN-T would foresee investment support for building or adapting the necessary infrastructure and facilities. It is for the project proposers to choose the most appropriate funding instrument for their project. As a rule of thumb, for service and logistics costs, the Marco Polo programme is the appropriate funding instrument. For the cost categories “infrastructure and facilities” within the meaning of Art. 12a TEN-T, project proposers should consider TEN-T funding. The respective calls under the Marco Polo and TEN-T programmes will give further detailed guidance.

#### 4. STATE AID

39. TEN-T funding is conditional on funding from Member States’ budgets. The issue of State aid assessment under the Treaty may thus arise in any TEN project.

##### 4.1. State aid for infrastructure investment

40. As regards assessment for State funding for **infrastructures**, the Commission has established a steady practice under Article 87 of the Treaty, which can be summarised as follows:

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<sup>9</sup> Commission proposal for a Regulation of the European Parliament and of the Council establishing the second “Marco Polo” programme for the granting of Community financial assistance to improve the environmental performance of the freight transport system (“Marco Polo II”), COM(2004)478 final, 14.07.2004, Art. 5(1)(b).

41. State funding for public roads, railroad tracks, canals and access ways will in general not trigger State aid consideration, if access to these facilities is open. If managing infrastructure is an economic activity, and not a purely administrative operation, State funding for the construction, maintenance or operation of an infrastructure may be termed as State aid according to Article 87 of the Treaty. Once the Commission has found that State aid is at hand, it has cleared the aid on the following cumulative conditions:

- The aid is given in support of a Community policy goal;
- The aid is necessary and proportionate; in general, for port and terminal infrastructures, aid intensities of 50% are allowed. Aid intensities above 50% are subject to further conditions and justifications. The Commission has held that executing a call for tender before granting aid gives evidence that the aid granted after the tendering procedure is necessary and proportionate, irrespective of the aid intensity.<sup>10</sup>
- Access to the aided infrastructure is open to all potential users on a non-discriminatory basis;
- The aid does not distort competition contrary to the common interest.

#### 4.2. State aid for starting-up services

42. Concerning State **start-up aid**, the Commission has taken the following approach, based on its Community programmes PACT (1997 – 2001) and Marco Polo, and laid down in the Community guidelines on State aid to maritime transport:

- The aid is given in support of a Community policy goal;
- The aid is necessary and proportionate, with aid intensities of up to 30%;
- The aid is limited in time and the aided project will be viable after the aid has ended;
- The aid does not distort competition contrary to the common interest.

43. The Commission would also apply these tests within the State funding for motorways of the sea. The aid ceilings identified here are cumulative ceilings. This means that while cumulating State aid and Community funding may be possible, the total subsidy must not exceed the ceilings mentioned.<sup>11</sup>

44. The TEN-T legislator has been aware of the possibilities, and of the necessity, of cumulating State aid and Community funding, as Article 12a(4) TEN-T shows. However, as no provision has been taken for specific rules concerning notification of aids, the general rules of the Treaty apply with regard to notification and information. This means that State aid for motorways of the sea will as a rule have to be notified in parallel to submission for Community funding.

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<sup>10</sup> Therefore, irrespective of whether a motorways of the sea proposal is funded under TEN-T, it is advisable to issue a call for tender before giving State aid to such projects, *see* above, point 16.

<sup>11</sup> *See* Article 9 of Regulation (EC) 1382/2003; Community guidelines on State aid to maritime transport, Point 10, footnote 22.

## 5. CALL FOR COMMENTS

The services of the Commission are calling for comments on this consultation paper, **until 30 September 2004**. The Commission services would appreciate specific comments on the following:

1. Views on the tendering procedure mentioned in Art. 12a(4), and suggestions on its practical implementation;
2. Views on the assessment and selection criteria proposed in this paper; would you add any criterion?
3. Comments on the list of possible quality features of motorways of the sea, listed in Annex I to this document;
4. Concrete suggestions on the legal framework for the motorways of the sea consortia (joint venture agreement, European company etc.)
5. Do you have any other comment on this paper and its general approach?

Comments should be sent to:

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The Commission reserves the possibility to make all comments public, unless the person submitting the comments expressly indicates otherwise.

***Annex I: List of possible quality features of motorways of the sea***

## **Annex to Consultation paper of 30 July 2004 :**

### **A. Possible quality criteria under State responsibility (Planning, Customs, Administration):**

- Allow simplified customs procedures (e.g. use of shipping manifest as summary declaration and 'authorised regular shipping services' under the customs rules).
- Provide for co-operation between the inspection bodies so that different authorities do not board the ship separately over a few hours (but together at the same time) or that only a limited number of separate authorities (maximum two) board every ship.
- Allow unloading before all administrative procedures have been finalised and not require, for reasons of administrative control, a ship to wait for more than 30 minutes after mooring for the unloading to start.
- Allow customs and other administrative data to be forwarded electronically through one-stop administrative shops (arrangements enabling commercial operators and carriers, including ships, to send to a single entry point all the information required by public authorities concerning the arrival, stay in port and departure of ships, persons and cargo). Alternatively, until sufficient technical capacity has been reached, this single entry point can consist of a single authority to which all administrative documentation and procedures are handed over in paper form and which takes care of co-ordination between different authorities (so that commercial operators and carriers hand in all the documentation only once and not separately to each separate authority).
- Allow Pilot Exemption Certificates or other corresponding arrangements.
- Enable traffic all year round (24/24, 7/7, 365/365) (also in winter ice-conditions) to/from port area.
- Allow regular shipping to operate under bilateral or multilateral agreements on alternative security arrangements.
- Allow the development of a mandatory systematic use of modern localisation and telecommunication techniques for all the operators of the maritime sector. This use shall allow both a better observance of all the legislation of all sorts that rules the sector and an easier communication between ship and shore to solve a vast array of issues related to the handling of the ship, its cargo or its passengers and its crew.
- Provide the prerequisites for short-sea operators to use low-sulphur marine fuel.
- Provide adequate port-hinterland connections:
  - Including rail and/or inland waterways in addition to road;
  - Providing sufficient capacity (e.g. easy road access, more than a single rail line) and technical capabilities;

- The rail networks to and from ports should have open access for railway operators as stipulated in the Trans-European Rail Freight Network Directive (2001/12).
- Ensuring free competition in hinterland haulage.

## **B. Possible quality criteria for the port authorities and terminal operators**

- Have adequate procedures to handle Short Sea Shipping, including:
  - Allowing self-handling by seafaring personnel or by local personnel of the maritime operator, respecting all local conditions;
  - Enabling one-stop administrative shopping;
  - Providing electronic transmission of administrative data;
  - Enabling traffic all year round (365/365) (also in winter ice-conditions) in the port area;
  - Treating ships equally without any particular priority given to deep-sea, short-sea or inland waterway vessels. This can be demonstrated by a transparent waiting system, separate (or designated) handling facilities or ‘first come, first served’;
  - Designing an Action Plan on how to take the specificities of Short Sea Shipping into consideration in day-to-day operations, fee structures and port management/planning.
- Provide compatibility of port information systems and one-stop administrative shops between ports over Motorways of the Sea links (at least for the exchange of administrative data).
- Have suitable port facilities to accommodate short-sea services. These could include ro-ro ramps, dedicated short-sea terminals or quays, short-sea specific handling equipment and/or marshalling yards next to short-sea services.
- Be served sufficiently with VTMIS, and, where, appropriate RIS.
- Security: fulfil the requirements of the ISPS code and relevant Community legal instruments on ship/port facility/port security.
- Allow tracking and tracing of goods in the port area.
- Port reception facilities according to EC legislation.

## **C. Possible quality criteria for the maritime service operators:**

- Provide viable, regular (in accordance with a fixed timetable) and sufficiently frequent maritime links for the transport of goods between at least two Member States. The frequency of the service should be in direct relation to the foreseen flow of goods week. The planned average annual utilisation of ship capacity must not be lower than 60 % for the first year of operation and 75 % for the subsequent years;

- Make use of a quality benchmarking system for the operations.
- Use exclusively low-sulphur marine fuel in their operations or use other technical means to lower sulphur-oxide emissions. Furthermore, take specific measures to lower nitrogen-oxide emissions.
- Allow tracking and tracing of goods onboard.