



## **High Level Meeting**

**Rome, March 18<sup>th</sup>, 2019**

**Ms Lamia Kerdjoudj Belkaid**

**Secretary General of FEPOR**



An ICTSI Group Company



A.B.A.S.



Belgian port employers' federation



Danske Havnerværksskøder



ZDS

Zentralverband der deutschen Seehafenbetriebe e.V.



Asso-logistica



TÜRKİYE LİMAN İŞLETMELERİ DERNEĞİ

# FIGURES

## FEPORT FIGURES



**1200 companies**



**40 billion € investment**

(in equipment and infrastructure over last 10 years)



**220 000 employees**



**68 billion €  
contribution to the GDP**



**425  
terminals**



**1 050 000<sup>a</sup> indirect jobs**



**109 million TEU & 3.4 billion tons<sup>b</sup>  
of average throughput**

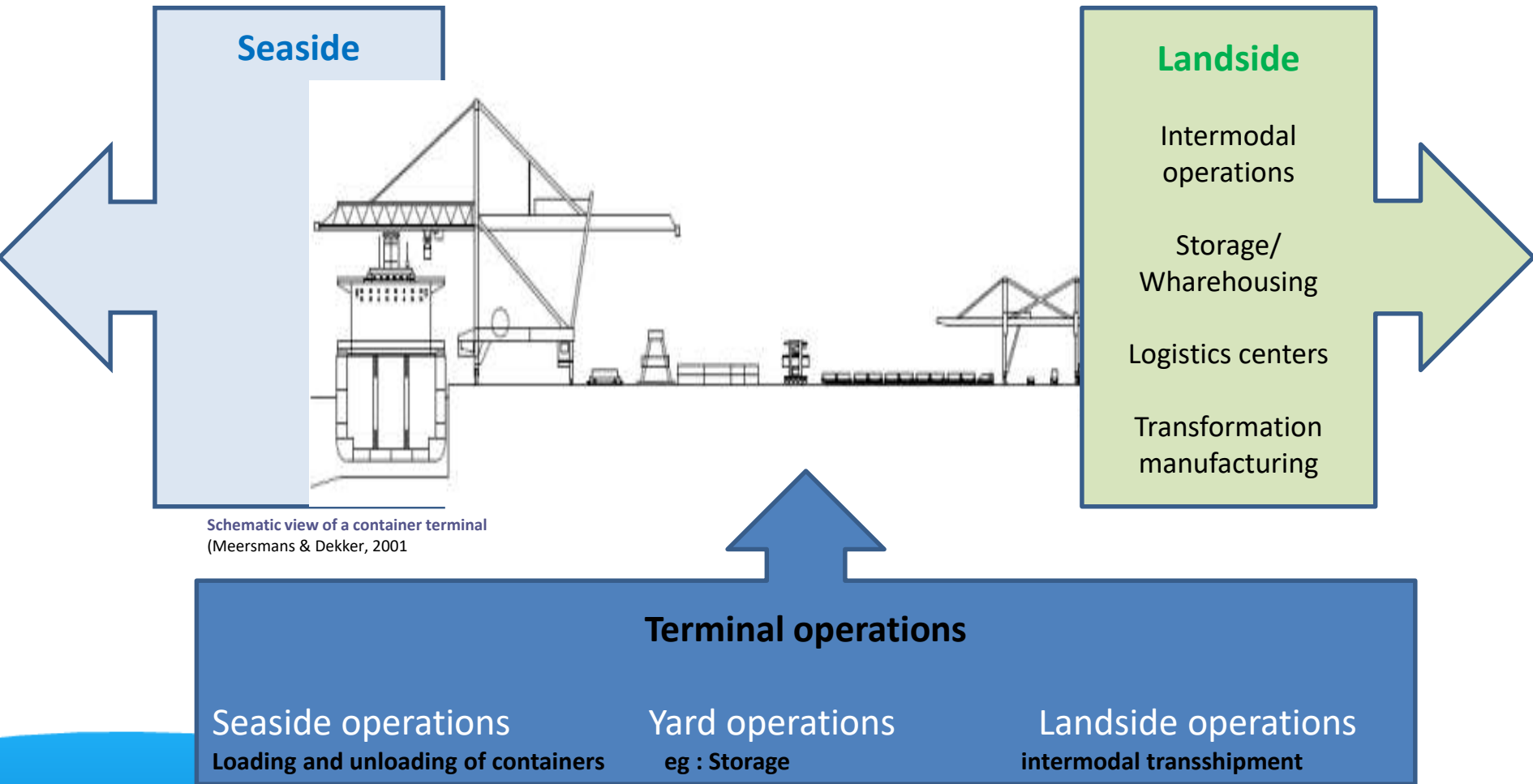
\*Figures are based on data provided by FEPORT members.

a. 1 000 000 tons of throughput creates 300 indirect jobs. - OECD Report 2013

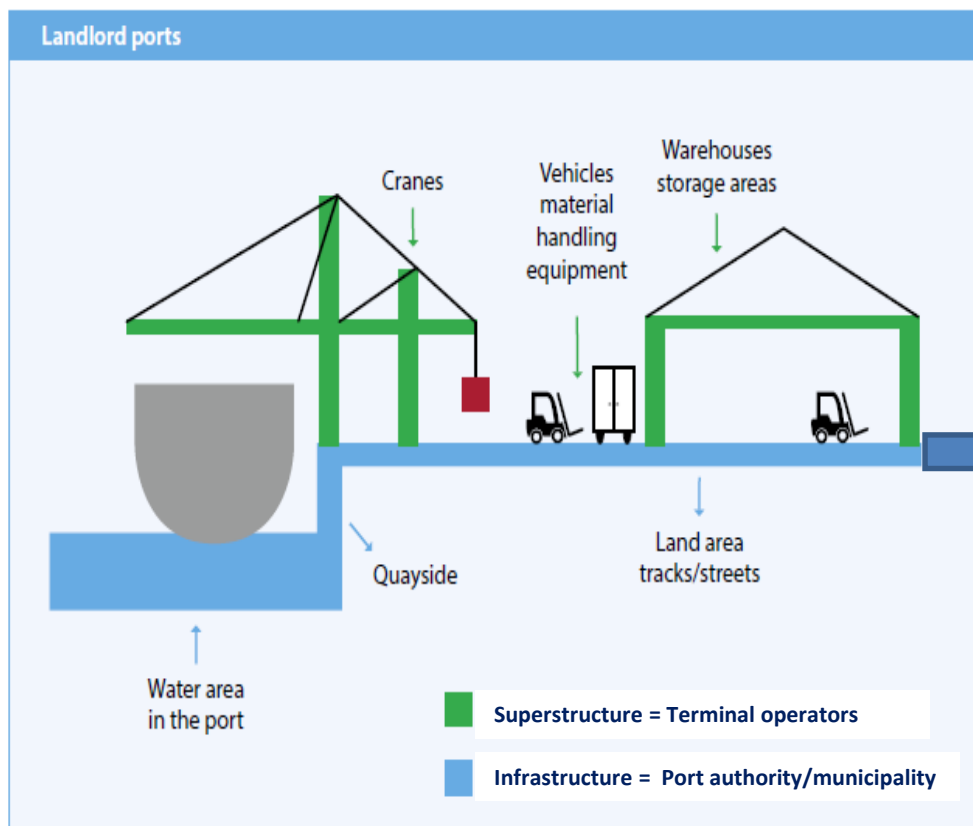
b. non-containerized cargo



## The role of Terminal Operators in the maritime logistics chain



## Governance in Landlord ports



## PORT MANAGEMENT MODELS

Port Type	Infrastructure	Super structure	Stevedoring labour	Other functions
Service port	Public	Public	Public	Mainly public
Tool port	Public	Public	Private	Mainly public
Landlord Port	Public	Private	Private	Mainly private
Private port	Private	Private	Private	Mainly private

Source: The World Bank

**We need national and EU regulators to provide us with :**

**LEGAL CERTAINTY, VISIBILITY and CONSISTENCY**

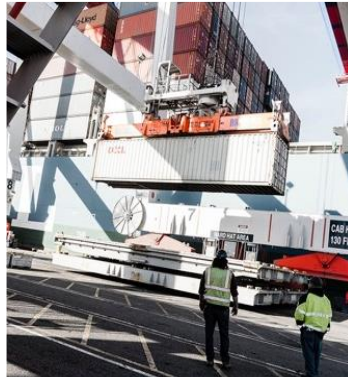
- **Stable and consistent framework regarding concessions**
- **Global harmonized competition rules for the maritime sector**
- **Clear governance rules preventing risks of distortion of competition by publicly subsidized entities**
- **Effective consultation of existing operators prior to new development plans in ports**
- **Efficient ex ante mechanisms preventing the funding of new projects which are not market driven**
- **Enhanced connectivity of ports to the hinterland**

# Mega trends impacting port stakeholders



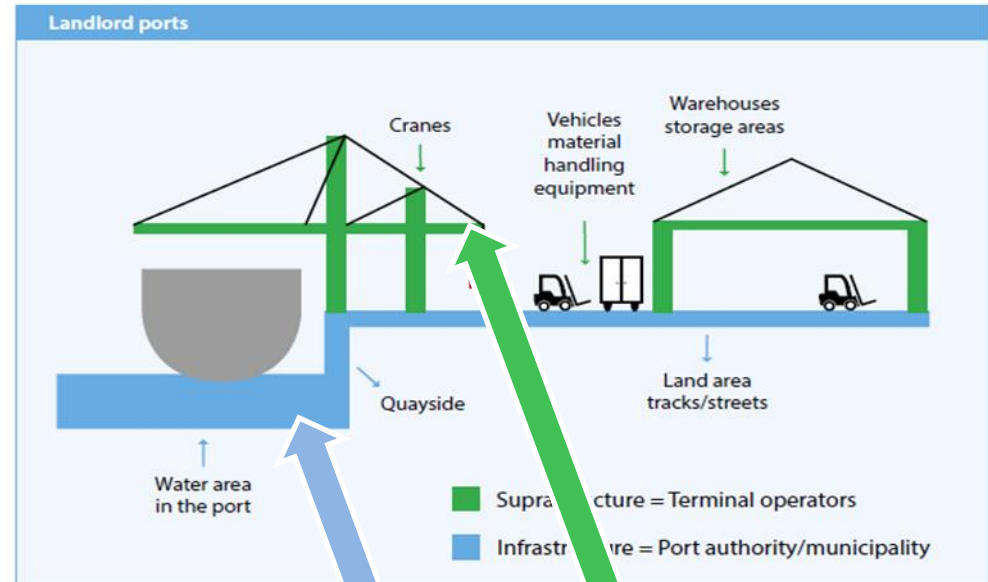
## Mega vessels

Larger ships require more infrastructure in ports, more equipment in terminals and continuous investment is needed, more flexibility in labour organization, more investment in digitalization and automation...



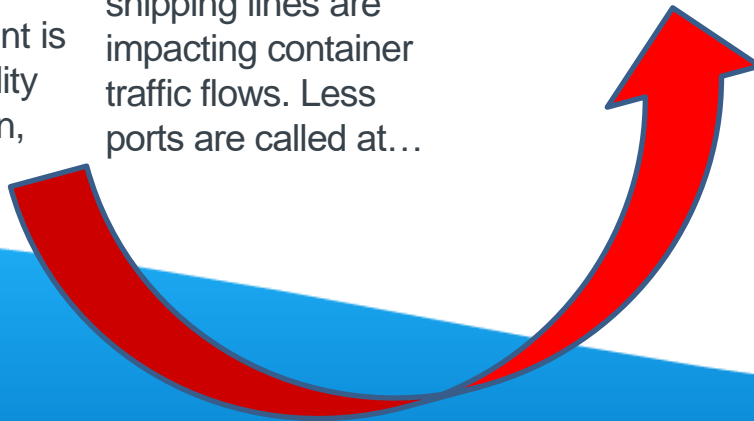
## Industry consolidation

New alliances and M&As between shipping lines are impacting container traffic flows. Less ports are called at...

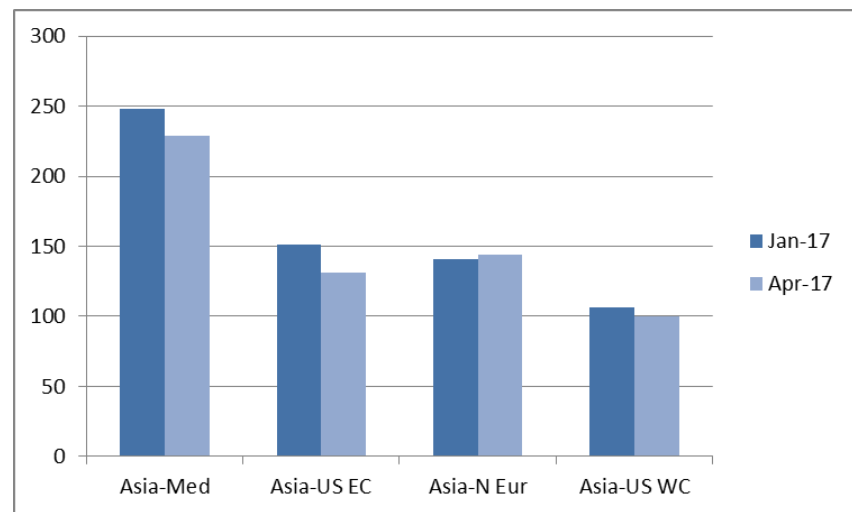


More investment in private equipment and superstructure without certainty to recoup investment

More investment in public infrastructure with no guarantee that it will be used



## Alliances are rationalising port networks means less frequency, less direct port connections



**Weekly service frequency Asia-Europe 2012-2017**

**Direct port-to-port connections before and after new alliances (2017)**



# Mega trends impacting port stakeholders



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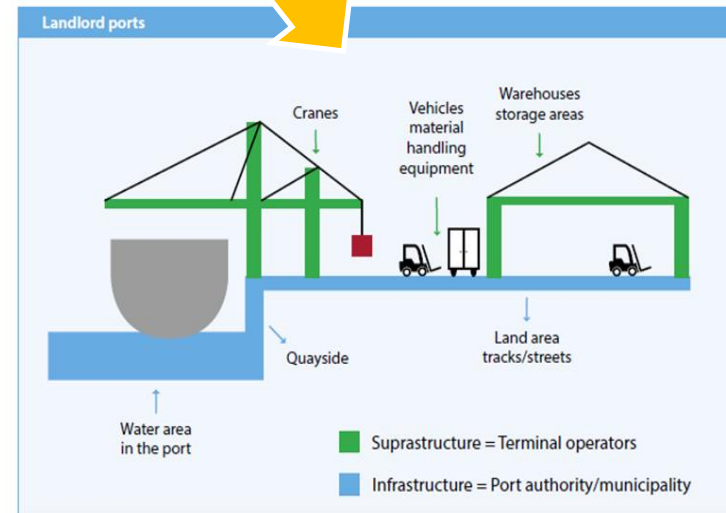


## Industry consolidation

New alliances and M&As between shipping lines are impacting container traffic flows. Less ports are called at...

Strong position for the liner carriers and

Weak bargaining position for the port stakeholders and Member States

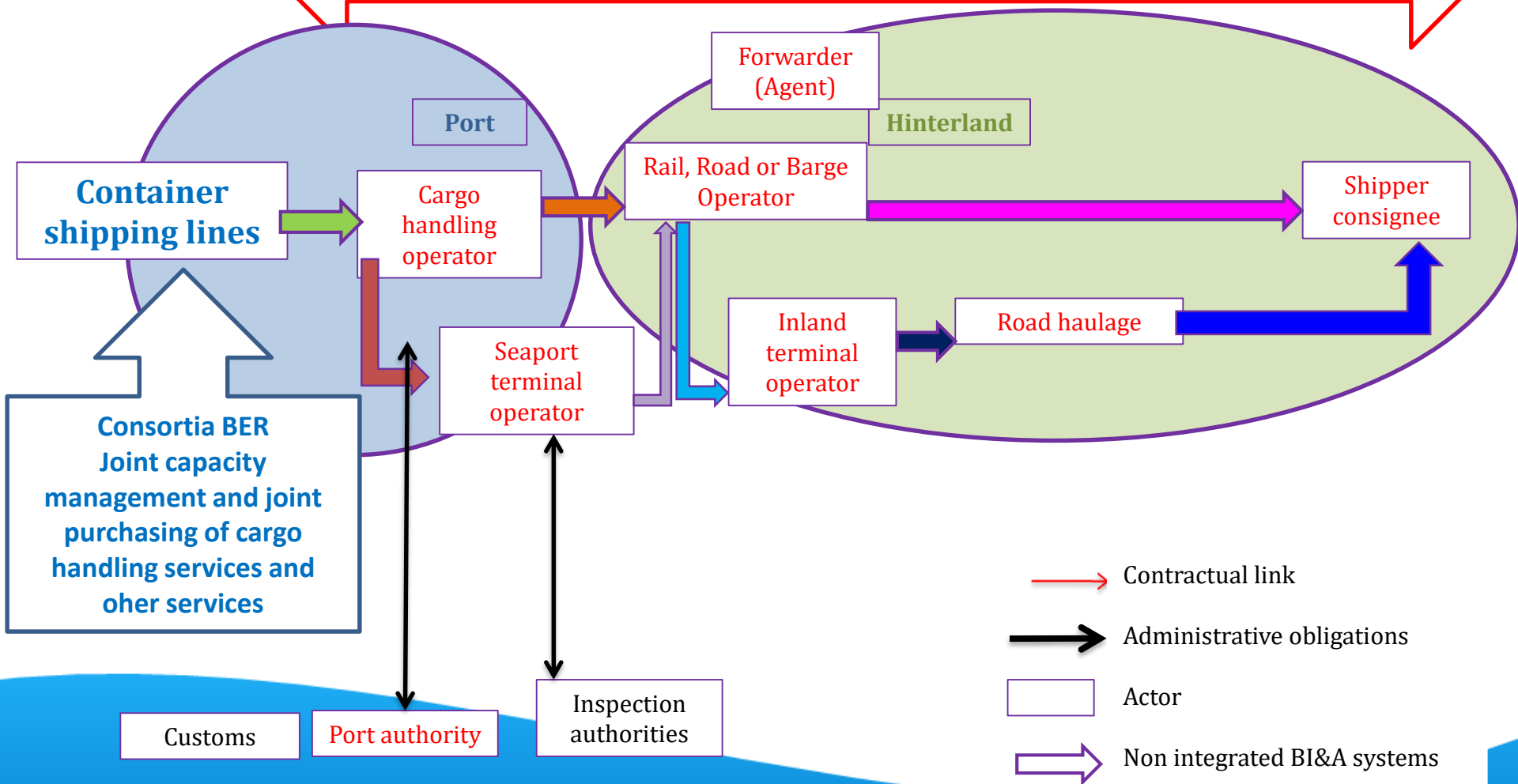


## EU consortia block exemption regulation: Comparison of 1995 and 2009 versions

Provisions	1995 version	2009 version
<b>Applicable:</b>	1995-2010	2010-2020
<b>Maximum market share</b>	30% for consortia in conference  35% for non-conference consortia	30%
<b>Joint capacity planning allowed for:</b>	“temporary capacity adjustments”  Joint arrangements of non-utilisation of existing capacity are excluded	“capacity adjustments in response to fluctuations in supply and demand”
<b>Other conditions for consortia/liners</b>	Not “cause detriment” to certain ports, users or carriers by applying to the carriage of the same goods (...), rates and conditions which differ according to country of origin or destination or port of loading or discharge (...)	No other conditions
<b>Obligations for consortia</b>	To conduct real and effective consultations between transport users (or their representatives) and consortia.	No explicit obligations
<b>Withdrawal of block exemption</b>	Block exemption can be withdrawn in case of ineffective competition, and insufficient consultations with transport users.	No clause on withdrawal

# Threats and opportunities for the logistics chain in relation to the review of the Consortia Regulation

No exemption for other actors of the chain, “blind” about the strategies of liner shipping, weak in their bargaining position towards consortia and alliances





global  
shippers'  
forum



CLECAT: European Organization of Freight Forwarders

ESC: European Shippers Council

GSF: Global Shippers' Forum (associazione mondiale dei caricatori)

EBU: European Barge Union

ETA: European Tugowners Association

EBA : European Boatmens's Association

UIRR: International Union for Road-Rail Combined Transport

ESO: European Skippers' Organisation (private inland shipping entrepreneurs)



global  
shippers'  
forum



## **Stakeholders in the Maritime Logistics Supply Chain call for a repeal of the Consortia BER**

CLECAT, ETA, EBA, EBU, ESO, IWT, ESC, FEPORT and the GSF representing users of liner shipping services and service providers (hereafter, the associations) all agreed that market developments which occurred over the last five years justify an in-depth review of the regulatory framework as this has not been done since 2009. They equally considered that the current framework has become obsolete given that most of the carriers operate in alliances and that market concentration is increasing.

At the same time, an important condition for the exemption, which is to provide benefits to the customers, is no longer met, as neither service quality nor productivity have improved over the years. Instead, users of liner shipping services and their service providers have suffered from an increasingly unbalanced market situation since carriers entered into major cooperation agreements.

Therefore, the associations jointly conclude that the Commission should repeal the Consortia Block Exemption Regulation unless a revised regulatory framework clarifying the current BER is adopted.





**Merci de votre attention**