

IS EUROPEAN MARINE TRANSPORT A WAY TO ESCAPE FROM INLAND CONGESTION?

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SUMMARY :

Within the framework of a rapidly growing international trade, the E.E.C. exchanges between State Members are rapidly expanding with direct consequences on traffic. A growth of one third before the end of the century is deemed to be a moderate evolution.

The existing infrastructure is not able to face it and hard bottlenecks almost permanent on main european itineraries are likely to become bigger. Switching of traffic from road to rail is only a part of solution.

Therefore E.E.C. has to consider european transport system as a whole and to pay more attention to possibilities of European marine transport, the so called "Cabotage".

Ports of all sizes are very numerous and have available capacities. A fleet exists which could be easily developed. The Commission proposal dealing with the building up of an European cabotage open to all states members is not a very precise one but provides a flexible framework to that end.

Conditions of a really possible development are :

- improvement of communications links between second rank ports and their hinterland with a view to avoiding higher congestion around big ports ;

- choice of adapted techniques such as roro, containers, swap bodies. Feeder system experiment could be used;

- facilitation of transit through the ports. For historical reasons and because a travel between ports is crossing international waters, Customs and other administrations are often more suspicious about maritime shipment. A comparizon between procedures now used for inland border crossing and those applied to shipments using the sea way gives this evidence;

- a similar facilitation is required from the business side : too many agents of all kinds are interfering in port process, thus contributing to higher cost and longer delays;

- an effort should made with a view to integrate cabotage in logistic process, with its special requirement. Some regular services should be organized on well choosen itineraries.

If these conditions are fulfilled, Europe could do a better use of existing facilities and of its geographical advantages : a small continent, a peninsula with thousand kilometers of coasts and hundred of ports.

It is now common place to complain about present and future transport congestion in Europe. At the same time, one of the first basic knowledge in geography is that Europe is a small continent, a kind of Asia peninsula with thousands kilometers of coast, a number of seas deeply penetrating the land and so many ports that competition between them is by far too strong.

Is congestion really a generalized European headache to become worse and worse ? Is traffic to permanently grow? If so, is the solution to be found by switching traffic from one inland transport mode to an other one, as now so strongly advocated from road to rail.

Or do we have to make use of all available means of transport, including marine transport between european ports?

Before trying to answer, we would like to set up a wording matter : in E.E.C. the french word cabotage is now used even in english as meaning road domestic traffic, within a State boundaries or within a group of States.

In french "cabotage" is purely a maritime word. We shall use it with the understanding that "national cabotage" deals with purely national maritime traffics, while "european cabotage" covers the maritime transport between two or more members of the Community.

1.-TRAFFIC EVOLUTION :

1.1.- Transport of goods and persons is the result of activity. It evidences its level and its changes. As a rule these changes are bigger in international trade than for the national one. In other words economic growth is reflected by a traffic increase, higher in international than in national relations.

Having said that, we are now - how long it will last is an other story !- in a period of continuous growth which for the Community is around an average of 3% a year. It means a growth of more than a third within 10 years.

World trade grew of 8% in 1988 and 89. The same result is expected from 90, as published by G.A.T.T.

At E.E.C. level the growth of the whole international trade is reaching 11% and higger results are foreseen for exchanges between the 12, thanks to the progress made towards the "big market" and their anticipations by producers and traders.

1.2. - Therefore, if there is traffic congestion to day, this congestion is more than likely to be stronger to morrow and the days after !

Does it exist appropriate answers ? It is well known that big transport infrastructure projects need between 10 to 20 years before becoming a reality. They request an enormous amount of financing. As an exemple, Switzerland is trying to give an answer to traffic, with a view to avoiding to become an isolated fortress in the middle of E.E.C. , by improving railways links through the Alps. The amount involved is totalling some 30 billions S.F., say roughly ECU 20 billions ! The cost of new tunnels, new motorways in highly densified areas, etc... will be enormous.

Due reference is to be made here to the basic study published by the European Conference of Transport Ministers in 1985,

according to which existing bottlenecks of inland transport in Europe will become greater, specially but not only for rail and road transport.

1.3.- It is important here to note that the solution does not lie in a simple choice between rail and road.

Traffic congestion in Europe is uneven. It is directed by geography (valley, pass, etc...) population distribution, industrial density, etc... So traffic has a "natural" trend to concentrate along some axes, on some itineraries. Road and railway networks have some unemployed capacities but the greatest part of them is of no use for solving the problem just described. The reasons why are numerous : too long distances out of the way, higher costs, low technical levels of roads and tracks, lack of requested services, etc... Some additional itineraries could obviously be improved but for most of them cost will be too high.

Therefore, transferring transport from road to rail, or using combined transport is certainly good and even compulsory solutions but will only solve a part of the problem. Improving inland waterway transport will also be necessary but will have to face strong limitations as well.

The conclusion at this stage is that traffic congestion is a fact, will remain a growing fact and that the gathering of all inland transport possibilities will not be sufficient to face it. The transport commissioner K. Van Miert recently stated that he will be very happy if able to transfer one half of the road traffic growth to the railway, which is very far from a global solution.

2.- DOES IT EXIST AN OTHER ANSWER ?

It does exist two other transport mode, by air and by sea. It is not within the scope of this paper to deal with air transport, excepting to say that it could certainly be improved, starting with interfaces with land transports.

Turning back to european geography, the lenght of its coasts, the number of its ports, it seems normal and necessary to examine if a possible alternative, or at least a complementary solution, lies there.

3.- EUROPEAN CABOTAGE TO DAY :

3.1.- Marine transport between european countries is an historic reality which declined with the development of railways but is still of importance.

Following figures (in Mios Tons) are taken from a study by Ron.L.TOLLENAER for the Maritime Research Center (NL) :

- Traffic between State Members	: 220
- Transhipment after deep sea transport	: 30
- National cabotage of the state members	: 300

European cabotage itself (220 Mios t.) is distributed as follows (evaluation) :

- South	: 130
- U.K.	: 60
- North	: 20

Products repartition is roughly the following :

- General Cargo	: 30
- Chemicals and gas	: 25
- Grains	: 25
- Oil and oil/products	: 120
- Other bulks	: 20

M.Tollenaer estimations are of 275 Mios T. in 1995 and 300 M.T. in 2000, wich indicates an average growth of 3,5 to 4% a year, below intracommunity trade forseen growth (8 to 11% for the next years to come).

In this study he regrets that the abolition of inland E.E.C. frontiers will abolish data sources thus making such studies impossible in the next future.

3.2.- Cabotage fleets : the same study provides the following informations : (in Mios Tons):

- F.R. of Germany	: 1,6
- Netherlands	: 0,650
- Italy	: 1,1
- Danemark	: 0,450
- France	: 0,150
- Cyprus	: 1,8 (growth through transfer from Greece)
- U.K.	: 0,400 (decreasing)
- Greece	: 1 (4 in 1980)

These figures evidence big differences between State member. These differences are likely to create difficulties at the time a free market would be open.

3.3. National rules : National rules are often different. While in U.K.,cabotage is free, most of other E.E.C. members consider it as a purely national activity. In several countries the backing traditionnally given to railways has negative effects on marine cabotage.

4.- LEGAL E.E.C. FRAMEWORK :

4.1.- It is of course of big interest to consider the framework of Community rules within which this activity could be performed. In its communication to the Council "A future for marine activities" the Commission laid down three proposals, one of them being devoted to the "supply of marine transport between State members" in short our cabotage.

This proposal contains provisions aiming at forbidding any restriction for cabotage with ships registered with Euros and of less than 600 tons between E.E.C. ports. Each members state is entitled to accept only ships with a crew composed of E.E.C. nationals if doing so as regards its own ships. This framework seems to be convenient but apparently E.E.C. did no see the link with EUROS rules, along which a boat af less than 500 tons cannot be registered. Thus these boats could not be admitted to cabotage. We cannot see the reason why. In addition it has to be noted than more than one thousand of cargos and tankers from 100 to 500 tons are now being utilised by States members

Other difficulties could arise from the possibility given to a State member to subordinate participation in its national traffic to various duties, being qualified of "Public service

obligation", a notion which is quite clear in roman law but not in common law. It seems that this provision was introduced with a view to protecting the traffic between a State member and its national islands.

4.2.- To sum up, with some improvements, the proposal seems to provide a convenient framework for a possible development of European cabotage.

Nevertheless it is necessary to point out that it does not exist and it is not foreseen at this stage to institute any communautory market for maritime transport. In other words, the Commission proposal limits itself to open the field of each national cabotage to other members states. It does not create a single communautory market for european marine transport which would be reserved to member-states.

5.-WHY IS THE CABOTAGE DEVELOPMENT LIMITED?

5.1.-Goods to be carried on are here and will be here. In other words the demand does exist. Present and future difficulties of inland transport are obvious. An european fleet is available and could be easily developed.

Ports are numerous. We shall not only consider the biggest ports, which are at the world traffic level, but also the whole array of medium and small sized ports which are available in Europe. The greatest part of them are able to face a significant increase of their activity without important investment. This is valid for conventional sea transport as well as for roro and containers (including swap bodies) traffic.

These two remarks are very important. European ports are everywhere. Inland E.E.C. territories being farer than 200 kms from a port are a minority. Modern techniques of sea transport and port handling may be used even in relatively small ports and roro (first for trailers and swap bodies) is particularly well suited for a sea-land combined transport in Europe.

In spite of that the present and foreseen growth of european cabotage is below the growth average of european traffic. Future condition of cabotage, as proposed by E.E.C. Commission are not very dynamic. At least they allow for the basic flexibility which is required.

What others conditions should be fulfilled ?

6.-REQUESTS FOR BETTER CABOTAGE CONDITIONS :

6.1.-Port links.

Inland transport links of infrastructures with ports should be improved but not for infrastructures going to or coming from the biggest ports. There is already a large over-concentration of them. We speak of links with the great number of so-called regional ports. Very often, it is faster, from a given point of their normal hinterland to send a shipment to a farer big port, because of lack of appropriate links.

Regional ports have a regional role to play provided they are given the means to do so. This question has to be looked at not only from a transport view point but also within the framework of land-use policy in Europe. Over concentration of people, activity and transport is excessively costly.

It means than the network of means of communication which are of E.E.C. interest as established by the Commission should be revised with a view of taking into account inland links of regional

ports with their hinterlands and between them as well.

6.2. Facilitation of procedures.

We consider here all procedures dealing with transport of goods by cabotage between E.E.C. ports either official or commercial.

6.2.1.- From the viewpoint of customs, all european sea-ports are, and will remain, doors open to international trade. Sea transport even intraeuropean is performed through international waters, where Customs have no possibility to apply their rules and to keep things under control. It results into a permanent trend to consider all shipments entering a port as offering possibilities of frauds. A port is de facto located at the external border of the Community.

It is possible to find solutions for using simple procedures, as simple as those which will enter into force for inland E.E.C. traffic and first for ships going straight from one E.E.C. port to an other E.E.C. port without calling at any other "third" port.

6.2.2. - Commercial procedures need also far more than a bit of brushing ! We all know the amazing number of various agents interfering in maritime process, either in ports or elsewhere under a constellation of appellations, definitions and actions!

They have in common, as a result, additional delays and additional costs. They are also accustomed to process all shipments along the same way being intra or extra E.E.C.

A prerequisite for the development of european cabotage lies in an approximate harmonisation of maritime and inland trade and transit procedures. In other words for intra-european shipments it should become as easy to transit through a port than for a swap body to be transferred from a trailer to a railway track. As a matter of fact it is likely that these progress would be more easily performed for unit loads than for conventional cargoes.

7.- IS IT POSSIBLE TO CONCLUDE ?

These some thoughts are only tracks for further reflexions. Some additional areas should be explored.

As an exemple, links between inland waterways transport and cabotage should be studied. The opening of the Rhine-Main-Danube link in 1992 provides such an opportunity as does the growing use of river-sea ships on the french Rhone.

The possibilities of developping an european network combining all transport modes for carrying unit loads deserve also a specific study.

Along a more systematic way, logistic and its important concept of "just in time" should take into account the possibility of building up for given itineraries, a combined transport including sea leg(s), with the requested organisation (scheduled time, providing of requested services along the itinerary, direct block-trains from one port to an other one, etc...)

In transport, as elsewhere it does not exist final solution. We are all interested in maintaining progress both in economic growth of Europe and in european integration. All available means must be gathered and used to that end.

In addition a re-integration of sea transport into the global network of european ways of communication will give the Community its real dimension, which includes the maritime area .