

Maritime industries: recovering from the Covid-19 crisis and building a strong renewal strategy

Cross-cutting perspectives about maritime transport, shipbuilding, marine renewable energies and port activities

14.10.2020, 11.00 – 13.00 CEST

Welcome addresses

Tonino Picula, MEP Chair of the Intergroup, welcomed the participants highlighting the strategic importance of maritime industries. He stressed that the maritime sector covered a wide range of traditional and innovative activities and contributed greatly to the sustainable development of maritime European regions. In the context of the <u>Green Deal</u>, he reminded that the maritime sector showed great potential at the EU level. Tonino Picula seized this opportunity to recall the <u>SEArica Intergroup COVID-19 declaration</u>, published in April 2020, which stated to act for the defence of the maritime sector's needs, during and after the crisis.

Petros Kokkalis, MEP Vice-Chair of the Intergroup in charge of Blue Economy, Maritime Industries and Ports added that investment in Blue Circular Economy and clean offshore energy should not only be considered as an ecological need but also as an economic opportunity for the maritime sector, and therefore the two should be placed at the heart of EU strategies for economic recovery and future debates on the annual framework. Like Mr Picula, he highlighted the link between the Green Deal and the recovery of the sector, in particular through the Next Generation EU instruments which investments will be in line with Green Deal priorities. He reminded the participants of the offshore renewable energy strategy to be presented by the European Commission in November 2020, and declared that a good communication and coordination were an utmost urgency for an efficient maritime policy strategy.

Keynote speech

Felix Leinemann, Head of Unit for Blue Economy Sectors, Aquaculture and Maritime Spatial Planning at DG MARE replaced Charline Vitcheva, Director General at DG MARE. He explained the EU offered a wide portfolio of measures to support the recovery, and thus the main aim was to make sure maritime industries were aware of these opportunities. On the Green Deal, he confirmed that Blue Economy was relevant in many fields of the strategy. He reminded the participants that Charline Vitcheva tasked Commissioner Sinkevičius to develop a new approach for Blue Economy as an integrate part of the Green Deal in her mission letter. Felix Leinemann also stressed the essential role of SMEs. In February 2020, the European Commission launched the €75 million BlueInvest Fund to co-invest in start-up and scale-ups involved in the Blue Economy. He reported that DG MARE also provided coaching to more than a hundred of SMES in order to support them to benefit from private and public investment opportunities. He finally highlighted the need to invest in technologies, digitalisation, and to tap in the potential of other sea-basins in order for the EU to remain competitive.

Panel discussion: The Covid-19 crisis and maritime industries: short term impact and recovery perspectives

Chaired by Ville Niinistö, MEP, Member of the SEArica Intergroup. In his introductive speech, he addressed the severe impact of the crisis on the maritime sector and the challenge of the Green Deal transition. Recalling his



former position as Minister of the Environment in Finland, he showcased the example of Finnish maritime industries' active use of new technologies and greening measures, which could benefit the other European maritime industries in the long term.

1. Overview of the European response to support maritime industries and recovery strategy by the European Commission

Magda Kopczynska, Director for Waterborne Transport, DG MOVE, highlighted that flexibility was key in the EU response, and that financial aid had quickly been recognised as indispensable. In regard to the EU recovery, she explained that Member States were in charge of drafting the national plans as they were more aware of the national sectors needs. The European Commission will however make sure the national proposals will fit with EU greening and digitalisation policy objectives that remained unchanged despite the crisis management. She reminded of the 1€ billion call that have just been launched as a final call of H2020, in which one objective was "Strategies for Green Ports". She declared to be confident that Maritime Industries were at the forefront of the greening technological revolution of the EU economy.

2. <u>Views from Maritime Regions</u>

Tiina Perho, member of Board of the Regional Council of Southwest Finland, commented on the impact of the crisis on the shipbuilding industry of the region with a focus on job losses. She called for more support for SMEs development, for a better involvement of maritime industries in the new EU industrial strategy, and for a Blue dimension of the Green Deal. She welcomed initiatives such as the <u>Zero-Emission Waterborne Transport Partnership</u> as well as Ocean Mission under the Horizon Europe programme.

Claire Hughes, member of the Regional Council of Pays de la Loire Region presented key data on the major presence of Maritime Industries in the region and concrete impact of COVID-19 in the different maritime activities. Towards recovery, the region adopted a recovery plan in July 2020 and called for national measures to complement. She concluded with four key points for a sustainable recovery: trade policy to face international competition (Asia), financial instruments to smooth financial flows, access to EU funding, and technological innovation for Energy and Circular Economy.

3. The perspective of the maritime industry sector

Christophe Tytgat, Executive Secretary of Sea-Europe, focused on the strategic role of Maritime Technology for Europe as a key enabler to implement EU policies (Green Deal, Digital Agenda, Blue Economy Agenda) and addressed risks of potential dependence to Asia shipbuilding industry. He called for five actions: a scheme across the EU to build green and digital ships, a need for a sector tool to allow ship building industry to protect itself against unfair competition (in the context of the White paper on Foreign Subsidies), better access to EU financing instruments, a quick approval of the Waterborne Transport partnership, and a pact for skills to train the workforce of the future.

Judith Kirton-Darling, Deputy General Secretary of IndustriAll Europe pointed out the double challenge of the COVID-19 crisis which was to protect the workers from the virus on the workplace and from job loss at the same time. She called the EU for more defence trade instruments as previously mentioned by Mr Tytgat, for an increase funding of research on greening and offshore technologies. She also addressed the quick recovery of Asian shipbuilding industries due to massive state aid.



Pierre Tardieu, Chief Policy Officer at Wind-Europe, focused on the major role of offshore wind and recalled the EU leading role in this sector. He stressed the need to rethink a Maritime Spatial Planning which would mainstream climate ambitions and look at the economic development in a holistic way. He pointed out a dual challenge of the crisis with a short-term need to come out of the pandemic but also at the same time to take into account long-term structural needs such as climate change.

Rémy Gruet, CEO of Ocean Energy Europe, called for a combination of investment aid and revenue support in order to tap in the full potential of ocean energy in the EU, mentioning risks of Chinese or U.S. future leadership if no upstream political push is made. He emphasized the need of a balanced offshore renewable strategy and suggested the SEArica Intergroup to engage further discussion with Commissioner Simson.

Philip Easthill, Secretary General of European Boating Industry presented the consequences of COVID-19 on the shipbuilding industry with a primary impact on tourism with potential knock-on effects on boat builders and uncertainties towards 2021 season. He called for joined-up EU approach towards building a world-leading green and digital recreational boating industry which would require a harmonised policy, competitiveness measures, adapted funding, green infrastructure development, and more research and innovation in the EU.

Isabelle Ryckbost, Secretary General of ESPO presented key figures of the severe impact of COVID-19 on ports such as for the cruise and ferry activities. She confirmed the support of ports and port managing bodies in the greening of the sector and called for a stimulating and more flexible EU strategy. She stressed the essential role of ports to be part of the recovery and greening transformation.

Martin Dorsman, Secretary General of ECSA addressed the need of measures to support the short-term continuity of shipping activities and welcomed the announcement of the expansion of the State Aid Temporary Framework. He emphasized the importance of support measures in order for the sector to fulfil its medium- and long-term commitment to decarbonise and become climate neutral. He also mentioned the necessity of strong R&D policies, of preventing new trade barriers, and of encouraging access to funding instruments for SMEs.

Conclusions

Petros Kokkalis concluded the meeting highlighting the variety of the activities and sectors of the Blue sphere. He reiterated the potential of Blue Growth and the need to further develop a pan-European Maritime Spatial Planning. He ended the session opening on the importance of innovation and more specifically financial innovation to be better tuned to the maritime sector. He closed the meeting with a suggestion of a potential Blue Growth and Recovery work for the future of the SEArica Intergroup.

Highlights

- The Green Deal was an underlying element along the whole discussion and appeared as an opportunity to strengthen the EU Blue Economy strategy;
- The role of SMEs was stressed and recognised as a key driver for the competitiveness of the EU;
- Several participants mentioned the risk of an Asian leadership and therefore of an EU dependence, and called for competition measures from the EU;



- Concluding the meeting, several participants called for the continuation of this first dialogue and asked for the organisation of another discussion shortly.