

# CPMR ISLANDS COMMISSION 2010 WORKSHOP ON TRANSPORT

18/19 FEBRUARY  
BORNHOLM DENMARK

## **CONCLUSIONS AND RECOMMENDATIONS**

by HENRIK Eybye Nielsen, Bornholm Traffic  
Council (and Jean Didier Hache, Island  
Commission)

# Introduction

- Representatives from 12 Island Regions, 3 national authorities, various organisations and shipping operators as well as the European Commission DG TREN.
- Gotland, Bornholm, Saaremaa, Shetland, Comhairle nan Eilean Siar, Argyll & Bute, Azores, Balears, Sardegna, Corse, Guadeloupe, Martinique.
- National authorities: Denmark, Sweden, Ireland.

# Introduction

- In general huge variation on how to cope with tender and ferry traffic
- Lack of competition, monopoly or quasi-monopoly
- Regulation so far: Applied with pragmatism and flexibility
- The Maritime Cabotage legislation may be considered as an example on how EU law and policies can be adapted to island conditions

# **ANAV Ruling**

- **It would be useful if precisions about the impact and applicability of the ANAV Ruling were provided in a future Communication by the Commission.**

# **Maximum contract period for** **PSC**

- **Recommend that the possibility of applying longer maximum contract durations, of up to 12 years, be accepted by the Commission, if it can be demonstrated that shorter maximum durations are a hindrance to efficient tendering, considering the characteristics of a route and of its economy.**

# **Simplified procedure**

- **Increase the 300,000 pax/y threshold. Another one would be to accept as a complementary criteria the level of permanent population in an island, so as to enable the smaller islands to apply this simplified procedure.**

# **Public Service on an international route**

- **Possibility to apply either a PSO or a PSO on an international service deserving an island be broadened.**
- **By defining as answering an “imperative need” a service as one which would:**
  - a) allow an island to take advantage of its geographic proximity to another Member State or third country;**
  - b) contribute towards integrating an island or archipelago into the Motorways of the Sea;**
  - c) help to meet the specific needs of the outermost regions.**

# EU financial support for international routes servicing islands.

- This could be achieved by amending legislation through the following provision:
- - *[the EU] may also provide financial aid to a Member State which, under the terms of Council Regulation (EEC) No. 3577/92 on maritime cabotage, has concluded public service contracts or imposed public services obligations on an international route serving one or more of its islands, on condition that the aim of such obligations is to include the islands concerned in a broader network of motorways of the sea. This aid will be granted for a maximum of (X) years with a ceiling of (X)%.*”

# **Use of Structural Funds**

- **The possibility to use of Structural Funds to purchase vessels so as to provide lifeline services to islands should be explicitly allowed in the framework of the next Programming Period.**

# **Need for further studies on Island Cabotage**

- **It would be very much appreciated if the European Commission could:**
- **- undertake a comparative study on the provision of island cabotage services, whose purpose would be provide some benchmarking on the average cost of running services according to a typology of situations**
- **- set-up a database providing updated information on the existing PSO and PSC in force in the various EU islands, and proving basic information on the level of public subsidy , on the level of fares, as well as on the characteristics of the route.**

# Meeting with Commissioner Kallas, DG TRANSPORT, March 16 - 2010

- Kallas said he was broadly in favour regarding giving “more flexibility” to the rules on the imposition of public service constraints (he did not say if it was to be through PSO or PSC) on international maritime routes to or from islands.
- - However, he doubted that RTE-T EU money would be able to provide assistance for that purpose through the Motorways of the Sea funding, since the RTE-T budget was very small in comparison with the EU’s huge needs in terms of transport infrastructures.
- - He said that he had no objection for ferries being financed by Structural Funds, and that he would talk about it with his colleague in DG Regio.
- - He said he was in favour of extending the maximum duration of public service contracts, but he thought that 12 years was somewhat long, except perhaps in exceptional cases.
- - Aland raised the issue of the impact on shipping on the legislation to reduce sulphur emission, but Kallas said that though he understood the problem, there was little which could be done about it, partly because this is an IMO issue.

# Sort of Conclusion:

- **That the Cabotage legislation is exactly the sort of thing we would like to see for islands in every field of EU policy: a very brief piece of legislation setting a derogation framework with the possibility for further adaptation through Commission Guidelines AND and a great flexibility in the way it is applied in each island**

