

dredging
makes sense



EUROPEAN DREDGING ASSOCIATION



EuDA annual report 2005



EUROPEAN DREDGING ASSOCIATION



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*“EuDA,
a valuable link between Europe and
its dredging contractors”*



Research and innovative thinking are of paramount importance to dredging. Our engineers and ship designers are always searching for new solutions in their permanent quest for sustainable development. Harbour extension, port access, creating artificial islands, dredging rivers for maintenance, these are just some of the demanding projects our people are working on. All heading in the same direction and looking for the perfect balance between people, economy and the environment.

WE have a NOSE for innovation

The year 2005 has been an active one for the European Industry and for EuDA.

For the members, the year was characterised by a high occupation level of almost all families of production vessels, both trailer suction dredgers and cutter dredgers.

The EuDA organisation has focused on three subjects, all related to European legislation or upcoming legislation.

These 3 subjects have been:

- Actions of the Social Committee, related to the working conditions on board the vessels.

Two important steps have to be underlined in this respect:

- the new European guidelines for State Aid (related to the compositeness towards Asian shipping and dredging industry) were introduced on the 1-7-2005 and have been incorporated in the legislation of these European countries that wished to adopt these guidelines. It appears that the new guidelines are rather vague with respect to the exact definition of the sea. It remains to be seen how the individual countries will interpret the guidelines. EuDA will carefully follow up the fair and balanced application of the guidelines.
- thanks to a number of active visits to the headquarters of ILO (International Labour Organisation) in Geneva, EuDA has been able to put itself "on the map". As we knew that the new ILO-convention would eventually be recognised later by all Member States of the European Union, it was indeed essential for EuDA to become part of that new platform. And, indeed, EuDA has been recognised as a full member of the big, worldwide shipping family. The text of the new ILO-convention takes into account the modifications and clarifications suggested by EuDA.

- Actions of the Environmental Committee

In a further, separate section of this yearly report, the Chairman of the Environmental Committee of EuDA gives his views about the actions and achievements of the Environmental Committee during the year 2005. We have been keen, all along the year 2005, to improve the level of coordination of our Environmental Committee with the parallel actions of CEDA and PIANC.

- The European Waterborne Technology Platform

The European Commission has, since 2004, recognised the need for a formal dialogue between the political authorities and the various (public and private) stakeholders of the maritime industry of EUROPE: shipyards, shipping companies, equipment manufacturers, ports and all other relevant actors. The identification of useful European research funding is one of the objectives of this platform. An important task of EuDA is to participate in such forums. Two decisions have been taken in this respect:

- during the working groups, it was agreed that EuDA would work closely with ESPO, the European Sea Ports Organisation.
- it was further agreed that topics worth funding by the Commission would mainly be searched in the field of the study and analysis of environmental restrictions, in order to try to alleviate the growing contradictions between European Environmental guidelines and the socio-economic need for more port- and navigation facilities.

The three above mentioned issues have been our “bread and butter” of 2005, but, of course, should the members be of the opinion that other topics and different subjects are to be dealt with, your Board is prepared to listen. Please give us your comments and suggestions.

EuDA is an organisation of all the members, for all the members.

We wish you all a nice and prosperous year 2006 !

The Board of EuDA



WE have an EYE for environment

Dredging companies are at the forefront of the environment industry. Long before anyone talked about growing environmental awareness, we were looking for techniques to combat pollution and to treat nature with the respect it deserves. It was a logical move, because we are constantly being confronted with the legacy of the past: polluted silt resulting from ineffective or disregarded dumping standards.

This environmental awareness has become a natural reflex for dredging companies, giving rise to a policy that covers not only our own employees, but also sub-contractors and customers.





W. Dirks

Review of EU legislation relevant to dredging and dredged material disposal

In 2005 the Environment Committee carried out a comprehensive review of environmental EU legislation and assessed the impact of existing legislation on the dredging industry.

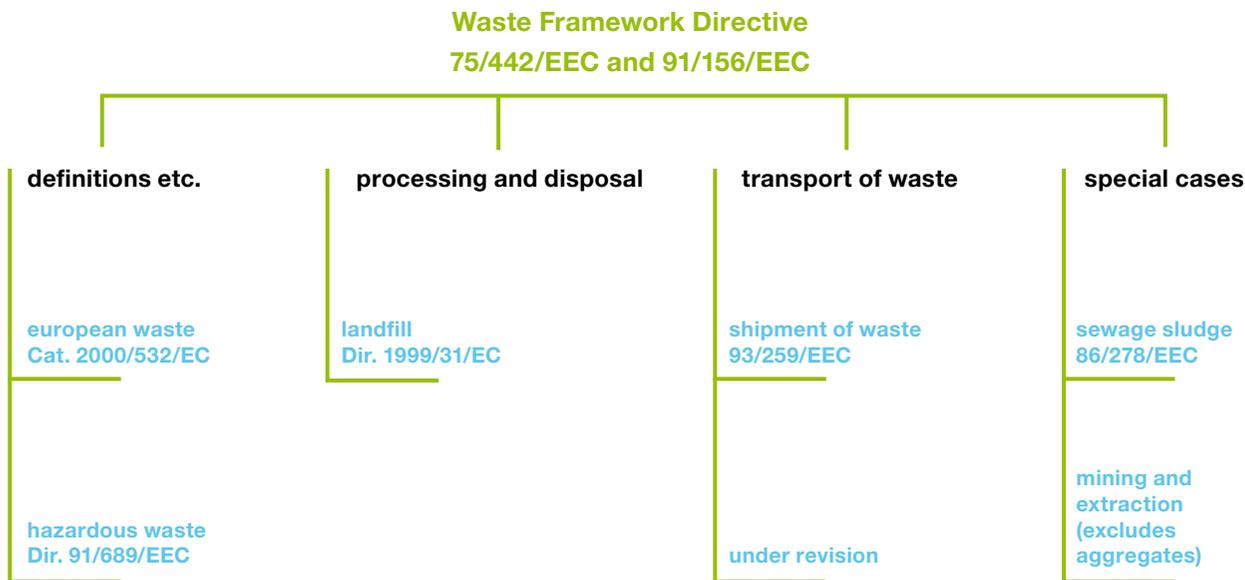
The results of this review were presented to EuDA members in the document titled “Dredged material under EU legislation”. A summary of the findings is presented in this section of the annual report.

Dredged Materials

The Waste Framework Directive provides the umbrella for a number of specific directives and regulations and establishes overall policy objectives. The most relevant rules are shown in diagram 1.

The Waste Framework Directive provides a common terminology and definition of waste. “Waste shall mean any substance or object which the holder discards or intends to discard”. The directive establishes as first priority to recycle or re-use waste. If this is not possible, waste should be processed and as last resort waste is to be disposed of. The European Waste Catalogue (EWC 2000/532/EC) lists categories of material, substances and objects that could end up as “waste”; dredging spoil is also included in the catalogue.

Diagram 1





Wet nature compensation project in Amstelveen, The Netherlands.

The following specific observations are made for the Waste Framework Directive.

Definition of Waste

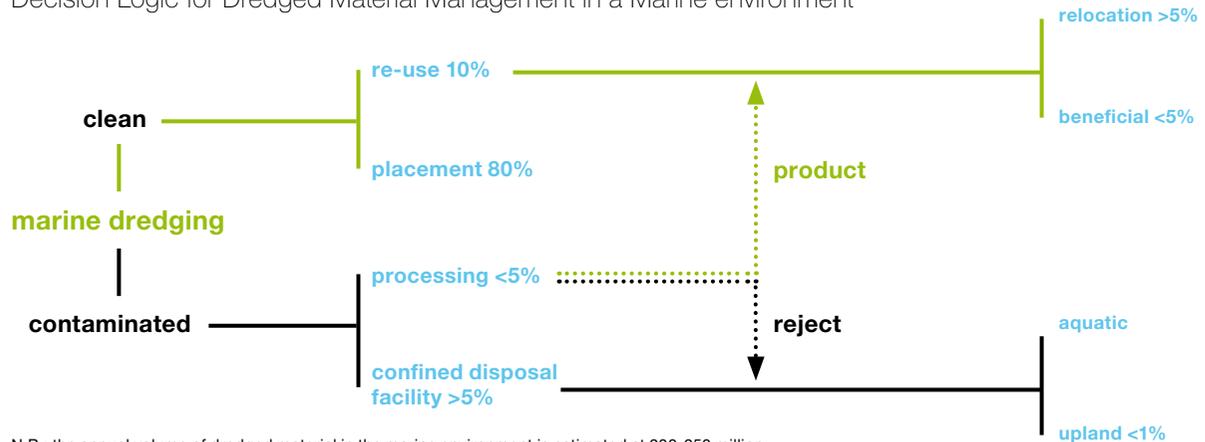
The definition of “waste” is fundamental for the interpretation of various provisions. The E.U. definition is purely functional and does not take into account the properties of the material under consideration.

Re-Use

The view taken by the dredging community is that both relocation of dredged material in or near the water body and/or re-placement into the same environment compartment from which it originates are modes of re-use.

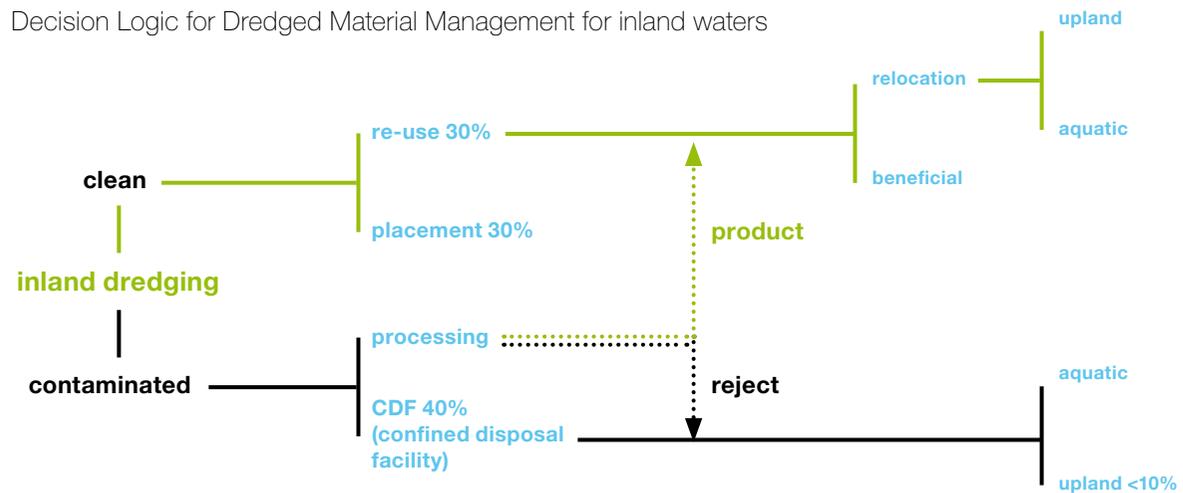
EuDA is promoting the view that dredged material should be considered as an asset rather than a waste. Appropriate re-use of dredged material is creating win-win situations which should not be frustrated by legislation that is counteracting flexible and sustainable solutions for dredged materials.

Decision Logic for Dredged Material Management in a Marine environment



N.B.: the annual volume of dredged material in the marine environment is estimated at 200-250 million tons/year for the E.U. The % in the diagram indicates roughly the estimated breakdown.

Decision Logic for Dredged Material Management for inland waters



N.B.: the annual volume of dredged material in the fresh water environment is estimated at 50-60 million tons/year in the EU. The % in the diagram indicates roughly the estimated breakdown.

Water Policy

The Commission's proposal for a Water Framework Directive of 1997 resulted in Directive 2000/60. Its purpose is to establish a framework in order to achieve sufficient provision of water for drinking and economic purposes, protection of the environment and alleviation of the adverse impact of floods and droughts.

The environmental objective of the Directive is to achieve "good status" for all groundwater and surface waters. To this aim, it established river basin management based on assessment of the characteristics of the river basin; monitoring of the status of its surface and groundwater; definition of quality objectives; establishment of programmes of measures to achieve the defined objective. However, the administrative structure to achieve this river basin management is left to the discretion of Member States.

The question has come up to what extent this framework directive may have an impact on dredging activities. The link between sediment quality and behaviour and the water quality is not addressed in the framework directive, but gradually emerges via the Common Implementation Strategy (CIS) in which the relation between water quality and hydro-

morphology is established. On this point no final conclusions can be drawn other than that dredging may have a longer term impact via changes in hydro-morphology and that dredging has a short-term impact on physico-chemical conditions.

Dredging may, therefore, have a limited effect on the biological condition and thus on the ecological status. The impact would take place via disturbance of the benthic community in the sediment and has only an indirect effect on the water body.

Consequently, there is a weak link between the WFD and dredging activities. However, there are significant concerns that misinterpretation of the WFD could lead to restrictions imposed on dredging.

The Water Framework Directive will host a "Daughter" Directive that will define Ecological Quality Standards (EQS). Currently a draft version of the proposed EQS is available for comment. The Directive proposes to set values for the whole water column (including suspended matter). This approach does not seem practical as it does not account for large natural variability of suspended matter, nor for the effects of specified uses (i.e. dredging). EuDA in



Deepening of the access channel to the port of Aviles in Northern Spain. These rock dredging works involved the combined intervention of a brand new seagoing rock cutter dredger "D'Artagnan" with trailing suction hopper dredger "Antigoon".

Bucket Dredger "Ajax R" loading soil into Hopper Barge "Magni R". This project which was finished early in 2005 involved moving, re-use and utilisation of 200.000 m³ soft and hard soil from the dredged channel to the enlarged Port of Grenaa, Denmark.



cooperation with ESPO has prepared a joint statement towards DG environment in which the potential implications of this daughter directive for ports and dredging, which may be significantly adverse, are clearly identified.

EuDA joined the “Navigation Task Group” which is led by PIANC. The navigation task group is representing the interests of many organizations in relation to the implementation of the Water Framework Directive and is actively participating in the implementation of the WFD through the different CIS activities.

*“EuDA
aiming at an efficient
water policy”*



Unloading contaminated materials for on-shore treatment.

Barge unloading system at the Werkhaven sludge recycling centre.



Nature Protection

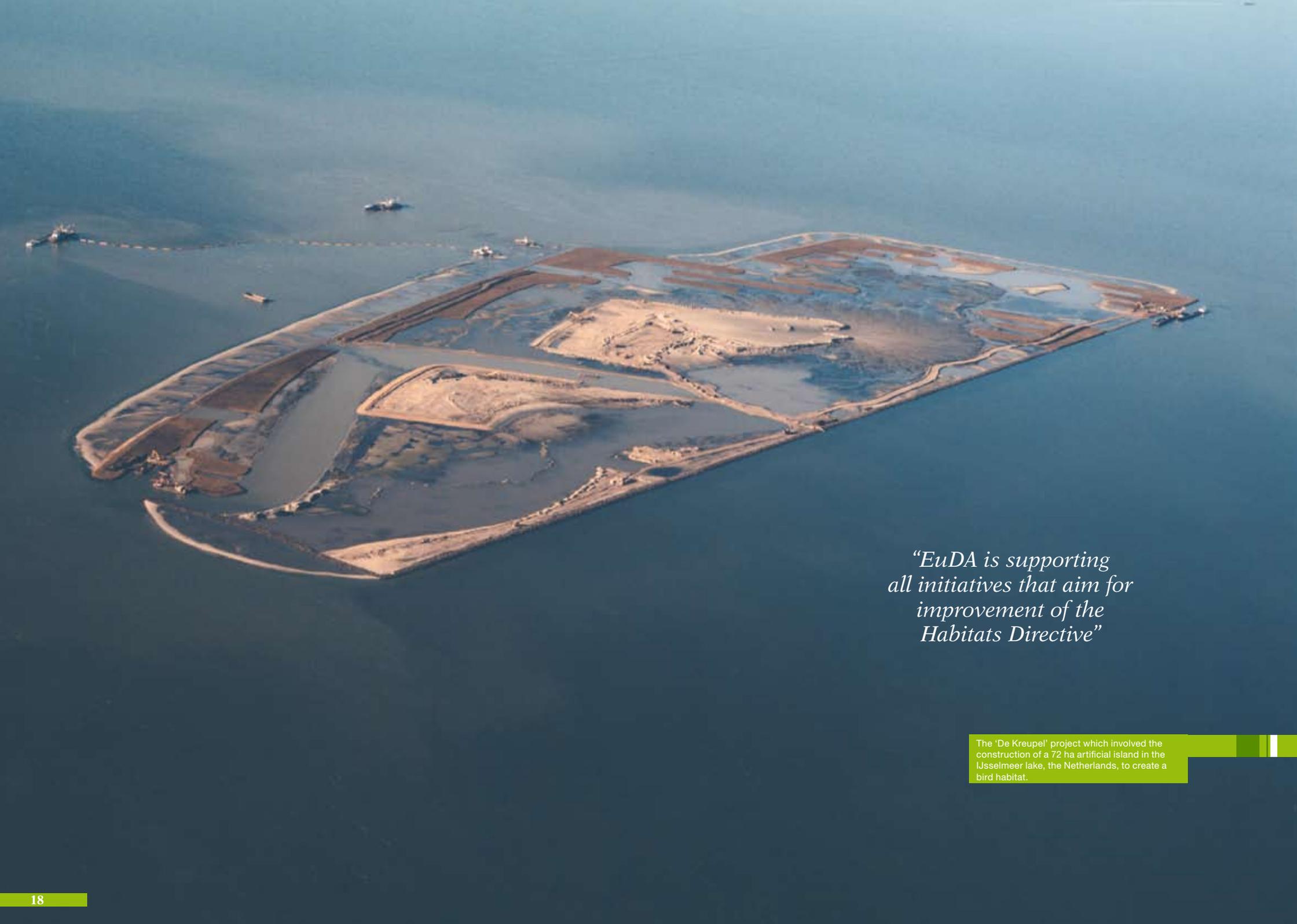
The Habitats Directive 92/43/EEC has become the main mechanism for protecting European species of fauna and flora as well as their habitats. It establishes an EU-wide framework to maintain biological diversity by the conservation of natural habitats and wild fauna and flora. The Birds Directive 79/409/EEC protects wild birds species and sites of importance for the maintenance of populations of wild birds.

Natura 2000

In line with the Habitats and Birds Directives a European ecological network known as “Natura 2000” is being established. Each Member State has drawn up a list of the sites within their territories which are of potential EU importance (“Sites of Community Importance”). The network of sites designated by Member States as either special areas of conservation under the Habitats Directive or special protection areas under the Wild Birds Directive forms an ecological infrastructure and is designated as Natura 2000. Natura 2000 sites are frequently found near estuaries, covering wetlands or along coastlines. Marine sites have also been designated. All these sites could lead to restrictions in dredging permits for work in their vicinity.



International trade relations and global communications have turned the world into a single market place. The shipping sector sets new records every year for worldwide cargo throughput. As a result it is called for bigger ships and more and deeper waterways.



*“EuDA is supporting
all initiatives that aim for
improvement of the
Habitats Directive”*

The 'De Kreupel' project which involved the construction of a 72 ha artificial island in the Jsselmeer lake, the Netherlands, to create a bird habitat.

EuDA's main conclusions in relation to the Habitats Directive are that there is too much uncertainty on what is required as assessment ('appropriate assessment' in relation to the size of the project), that it is not clear how to measure environmental benefit against environmental impacts, that the Habitats Directive and the Environmental Impact Assessment Directive do not specify to what extent the impact in distance and time should be evaluated, and that the type of justification needed to declare a project of "overriding public importance" is not clear and has resulted in several cases of legal proceedings.

The conclusion overall is that the particular legislation is of rather poor quality, which in turn leads to excessive cost, the burden of which is usually carried by industry.

DG TREN proposes a revision of the Habitats Directive in 2007. DG TREN is recognizing the problems of delay and cancellation of major infrastructural projects due to shortcomings in the Habitats Directive. EuDA is supporting all initiatives that aim for improvement of the Habitats Directive.

Innovation

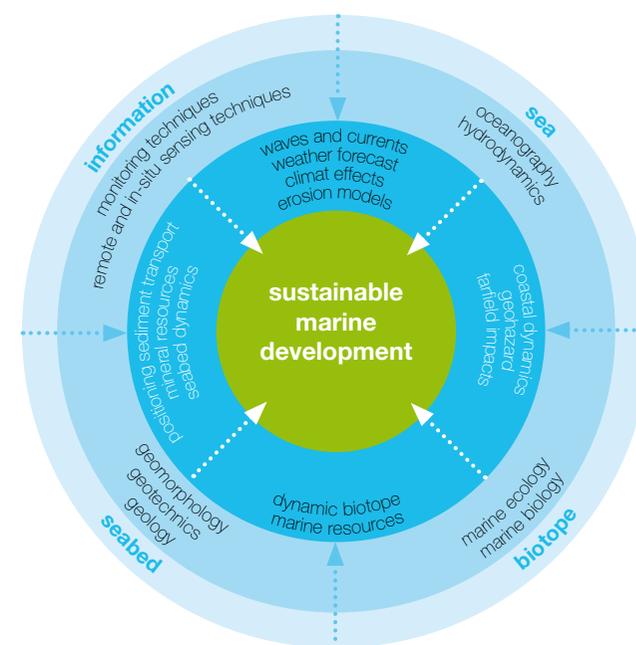
The design and implementation of marine and maritime infrastructure requires many engineering skills and extensive scientific knowledge in order to understand the impact of human intervention. As the dredging industry works at the transition between sea and land and of sea and seabed, it needs an understanding of a wide range of disciplines involving sea, soil and sediment. The graphic illustrates this diversity. The listed disciplines are amongst those that need a deepened knowledge and improved understanding in order to support impact studies and project design.

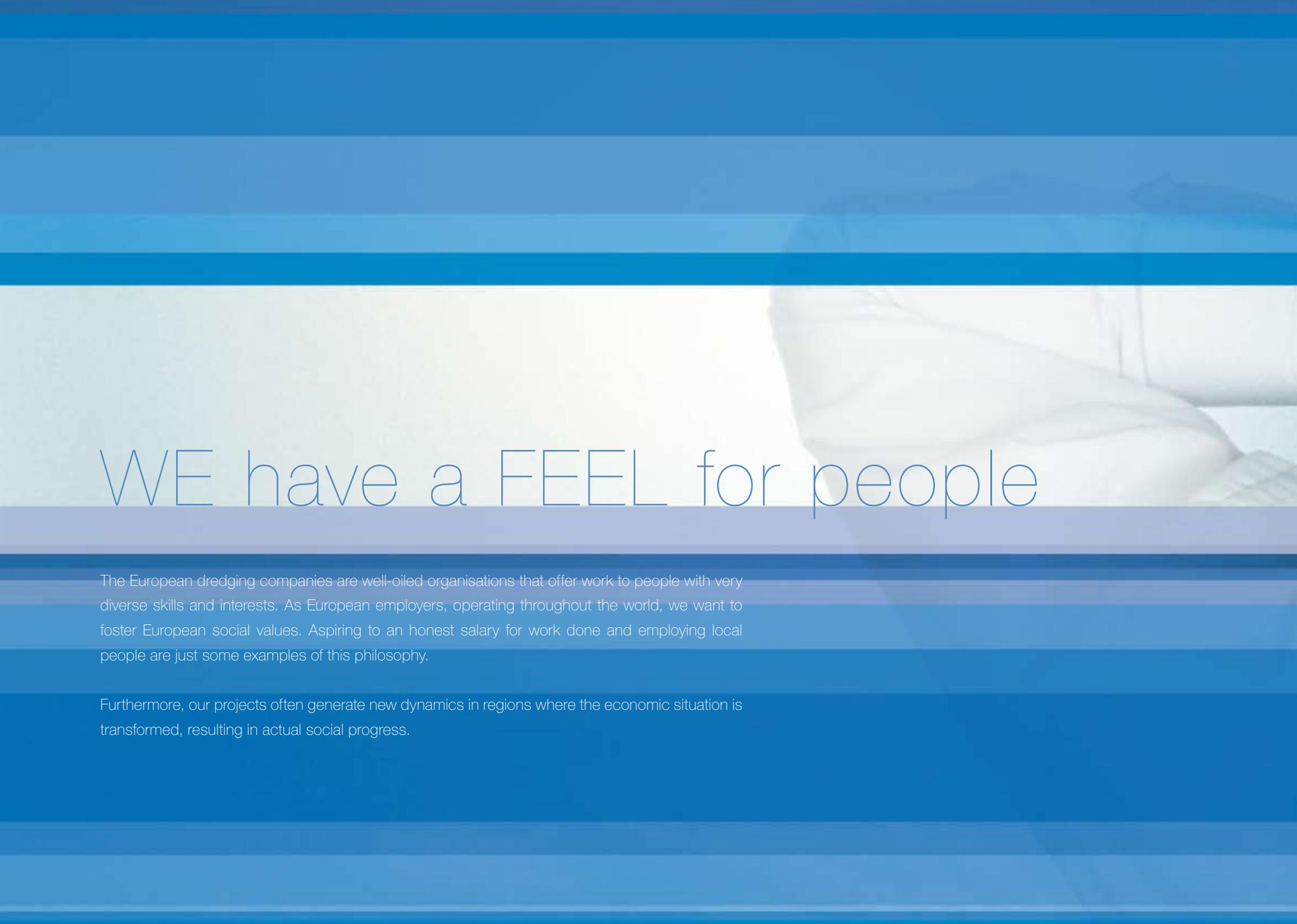
EuDA suggests that the 7th Framework for Community Research should contain a chapter under which the long term effects on the marine environment caused by the development of maritime infrastructure can be studied. The coordination between existing knowledge centers should be further improved so that available expertise is more readily accessible.

EuDA will support R&D activities within the EU that are focused on sustainable development of maritime infrastructure.

The above issues are expected to be also addressed in the Commission's Green Paper on a broad EU Maritime Policy, to be published shortly. EuDA looks forward to this Green Paper and to engage in the ensuing discussions.

Input for sustainable maritime development





WE have a FEEL for people

The European dredging companies are well-oiled organisations that offer work to people with very diverse skills and interests. As European employers, operating throughout the world, we want to foster European social values. Aspiring to an honest salary for work done and employing local people are just some examples of this philosophy.

Furthermore, our projects often generate new dynamics in regions where the economic situation is transformed, resulting in actual social progress.





S. Hoek, chairman

For the EuDA Social Committee the year 2005 was an exciting one. Two important issues dominated the agenda.

The first issue was State Aid for sea transport. As the guidelines for the EU became more restricted for the dredging industry, there was a discussion on how the guidelines should be interpreted and applied by the national authorities. The level-playing field for the European Dredging industry has been the EuDA-basis for a workable state aid rule for the labour costs of seagoing dredging equipment.

In the opinion of the Social Committee the new guidelines will only enhance the level playing field, if all labour costs will be subject to similar taxation systems in all Member States.

The second item for the Social Committee was the discussion about a new consolidated maritime labour convention (CLMC) within the ILO-framework. Historically, the dredging industry is divided into two working areas, on one hand there are inland activities on rivers, canals, ports and sheltered waters. On the other hand there are the seagoing





Thorough check-up of the cutter head.
Business as usual for our dedicated personnel.



“The discussions about state aid for sea transport and about a new consolidated maritime labour convention made 2006 an exciting year”

dredging activities. In the first area the equipment is mostly stationary, so not self-propelled. In the open sea the dredging equipment is self-propelled. As the ILO recognises on one hand the so-called Land Conventions and on the other hand Maritime Conventions, the dredging industry is working in both worlds.

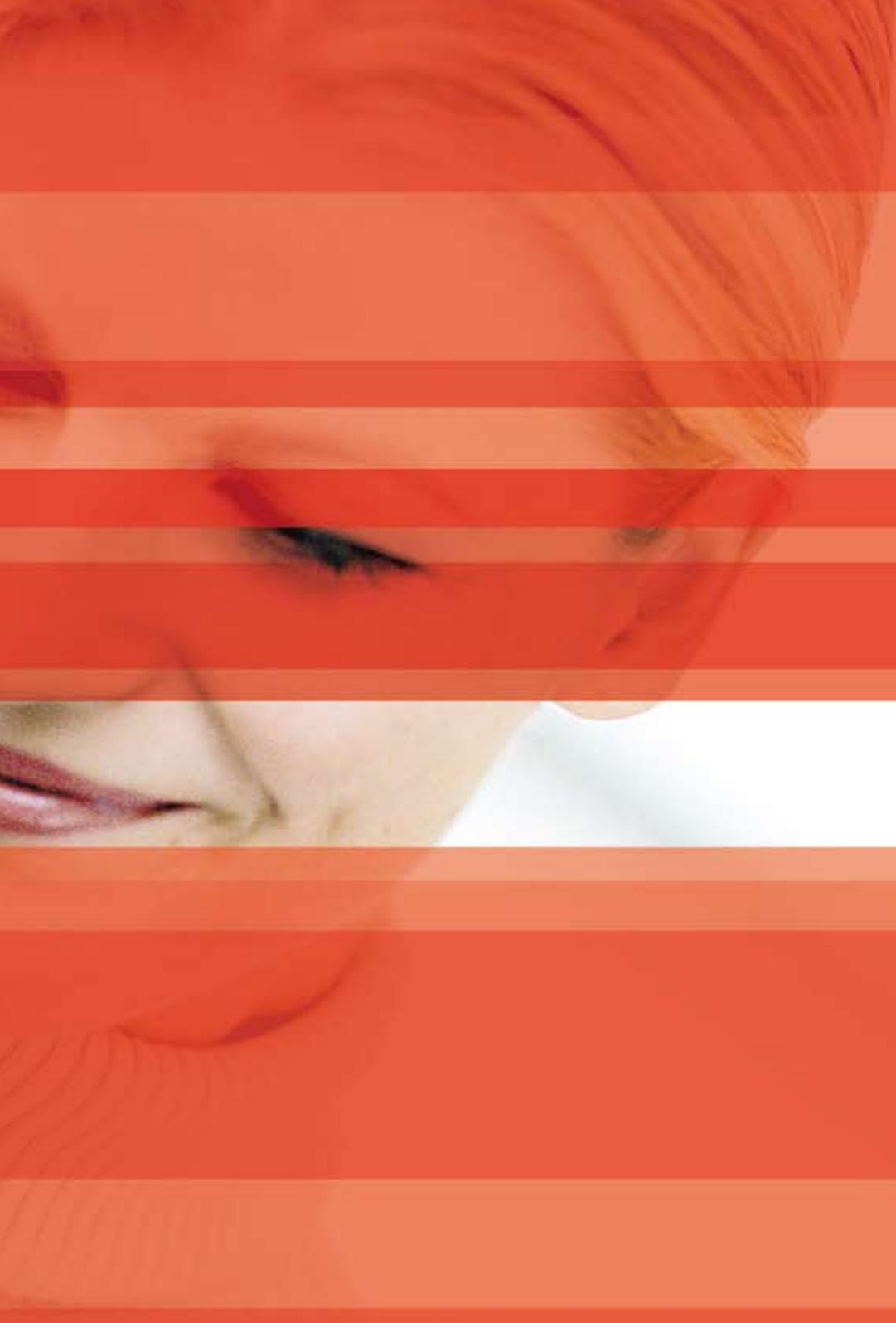
Therefore, the Social Committee prepared a discussion paper for the EuDA Board with the main areas of concern of the dredging industry regarding the new consolidated maritime labour convention. The main concern is, that the definition of a ship will exclude the stationary dredging equipment, whereas, the self-propelled dredgers will fall entirely under the scope of the ILO-Maritime Convention. Another concern is that the definitions will exclude the ships working in - or closely to sheltered waters and port areas.

The EuDA board adopted this position paper. During the year, some 200 lobby-activities concerning these areas of concern started and brought them to the attention of the European Community Ship-owners' Associations (ECSA) and to the International Shipping Federation (ISF). Several meetings took place with the Spokesman of the Ship-owners



in the ILO discussions, Mr. Dierck Lindemann. The chairman of EuDA Mr. Marc Stordiau and the chairman of the Social Committee Mr. Simon Hoek paid a visit to the ILO Director for Labour Standards and Conventions, Mrs. Doumbia-Henry. Thanks to this lobby, EuDA was invited to attend the final ILO-Conference in Geneva in February

2006. At national level, several meetings took place with government representatives of Belgium, Luxemburg and the Netherlands to discuss this issue. The positive results of these actions will be reported in the Annual Report of 2006.



The dredging world is a fascinating one. With Europe as our home port, we cruise the seven seas to carry out our projects. We accept any challenges in our efforts to satisfy our customers. By combining creativity with our many years of experience, we are continually renewing our business. Logistically, organisationally and technically, we offer our customers the right solutions for all their needs in difficult or complicated circumstances.

WE have a fine TASTE for solutions



A. Bates

EuDA input to the Waterborne Technology Platform

Much has happened since I first became involved with the Waterborne Technology Platform in March 2005.

As members will be aware, the work has progressed through various stages. First, the preparation of the 'Vision', followed by the 'Strategic Research Agenda' (WSRA), just finalised, and now beginning, the 'Implementation' stage, during which research topics will be arranged in priority and estimates made of the financial resources and time scales required.

During preparation of the 'Vision 2020' it became apparent that much of the work fell on the Chairman of the various working groups. In consequence, the style and content of the final product was strongly influenced by the individual Group Chairman. These were predominately representatives from the ship-building and shipping industries, which have had a policy of coordinated research for many years. It is therefore not surprising that there is a fairly strong bias towards ship building and shipping in the published 'Vision', with the greater part of the document given to this sector. The position of the dredging, marine construction and offshore exploration industries, is less prominent in the stated research goals.

It was therefore apparent that if EuDA's interests were to be adequately reflected in the WSRA, it would be necessary for me to adopt a leading role, as was mentioned in my report to the Board on 27th September. I, therefore, proposed the formation of a new Working Group : 'Infrastructure, Ports & Dredging' and took on the chairmanship of that group. I later joined the 3-man editorial team charged with final production of the WSRA. Recently I have taken on the chairmanship of the editorial group responsible for producing the Implementation Plan under Pillar III, 'Growth', which includes dredging and infrastructure. This work continues.

I am aware that until now I have not recruited sufficient support from others, including the EuDA Environmental Committee. This has been due to a combination of very short time scales set by the Secretariat for the production of documents and the demands of work in my consultancy business. However, I hope to arrange wider consultation in the future. I hope that this will include port representatives, who until now, have provided very little input.



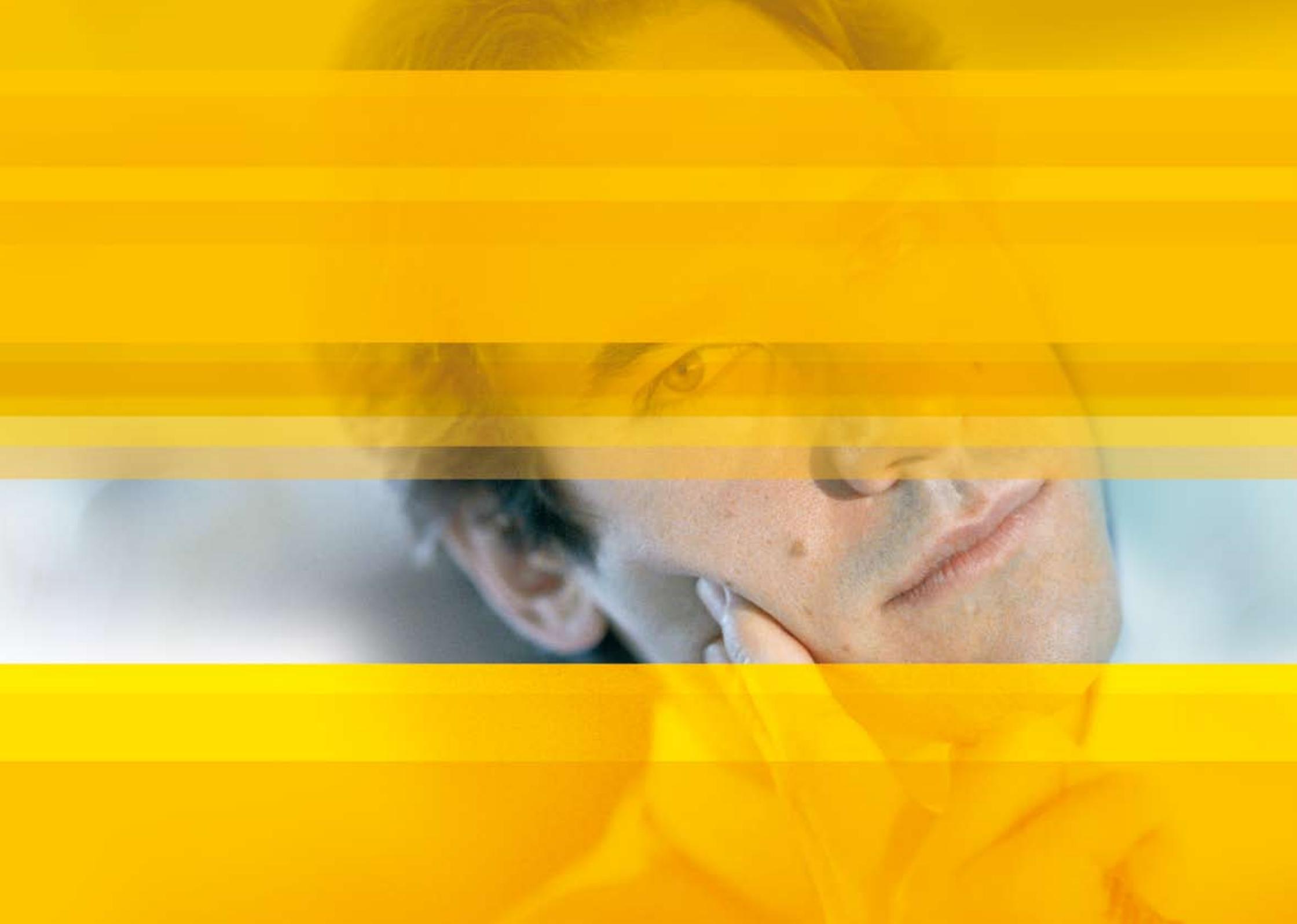
Trailing suction hopper dredger making direct shore delivery for a reclamation project.

Traditionally, governments across the world are our most important customers. Therefore, our work often involves complex infrastructure developments or the creation of new land for industry and housing, resulting in economic and social progress.

New dredging works don't happen in one day!

For this reason, European dredging companies need to sense and predict what will be new market trends years in advance. This specific market demands a thorough understanding of political, social and economic sensitivities.

WE have an EAR for the market



Today the European dredging industry can rightfully claim to be a frontrunner on the international dredging scene in terms of technological development, innovative thinking, availability of high-tech equipment and well-trained specialists. The resources and potential of the European dredging companies have been developed with a clear vision about the present and future needs of their clients.

Throughout its rich history the European dredging industry has combined the feedback from worldwide field experience with a sound awareness of the ongoing

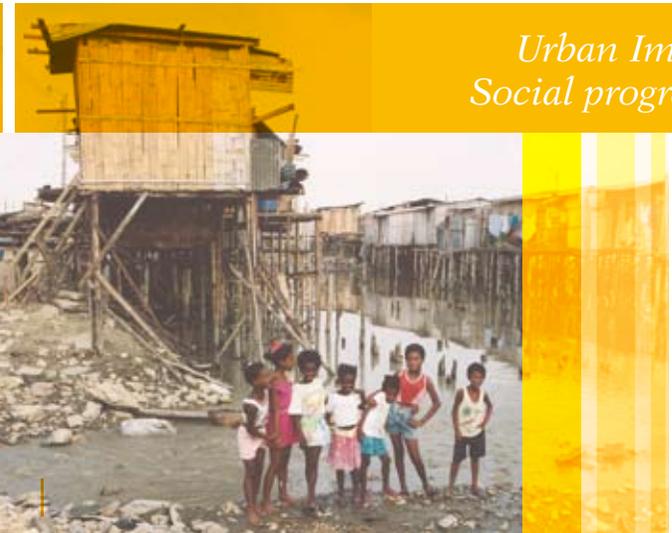
and expected evolution of our living environment. Anticipating the future needs of our economic, social and commercial environment has been the trigger of innovative thinking, technological development and training of our human resources.

Developments in this industry are dictated by the basic philosophy of not simply performing, but on the contrary of thinking along with the client to achieve a proper win-win objective. Motivated by a client-oriented approach, dredging fleets have been upgraded, modernised and extended to new types and sizes to cope with the needs for increased

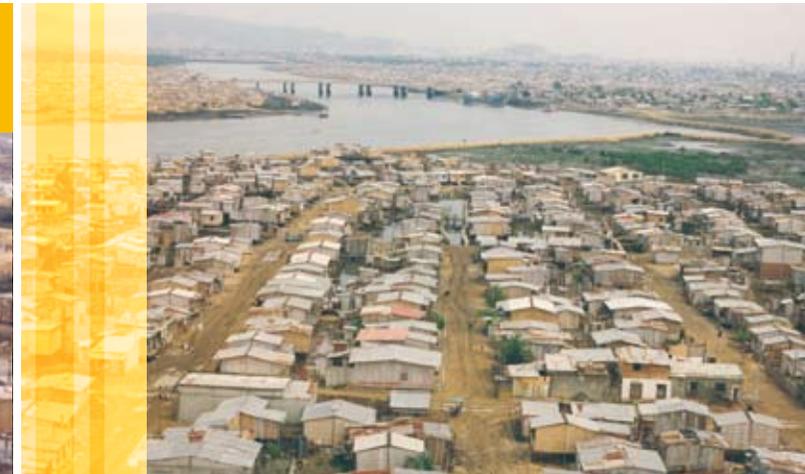
coastal protection, land winning for residential and industrial purposes and the construction of artificial peninsulas and islands. Major investments in deep-suction installations allow sand winning far away from ecologically sensitive areas. These are but some examples of actions addressing the specific needs of our clients or our environment.

The European dredging industry is ready to meet the challenges of diversified action and actual project development, to team up with its clients, not as opponents but as partners with the same final goal: to execute an outstanding job.

Urban Improvement, Social progress in a region



Dredging and filling works for the improvement of the slums in the Suburbio de Guayaquil, Ecuador.





In Zeeuws-Vlaanderen, The Netherlands, the Oranje works on a beach replenishment project. A beach within reach: one of the pleasures of living in a coastal area. In the world's most densely populated regions, land reclamation and beach replenishment are crucial as growth continues.

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GREAT BRITAIN

BMAPA

British Marine Aggregate Producers Association

<http://www.bmapa.org/>

IRELAND

Irish Dredging Company

www.boskalis.com

ITALY

SIDRA - Società Italiana Dragaggi SpA

www.deme.be

THE NETHERLANDS

Baggerbedrijf De Boer B.V. / Dutch Dredging B.V.

www.dutchdredging.nl

D. Blankevoort & Zn B.V.

www.vbko.nl

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www.boskalis.com

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SPAIN

DRACE

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*EuDA,
inspired by and
working for its Members.*

*Creating a
prosperous future!*

Maintenance dredging performed amongst others by DEME on the River Scheldt to ensure safe shipping in the accesses to the port of Antwerp, Belgium.

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