



ANNUAL REPORT 2014

Breaking the boundaries preventing improvement



EUROPEAN DREDGING ASSOCIATION





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*“EuDA is the official
interface between the
European Dredging Industry
and the European Institutions.”*





“Looking beyond traditional dredging opens new markets for ‘dredging plus.’”

Marc Stordiau
EuDA - Chairman



2014, political and economic 'Renaissance' for Europe ?

M. Stordiau, Chairman

2014 was marked by the renewal of the European Institutions' Political Leadership: with the New Parliament came a new President Mr Martin Schultz, with the New Commission came President Mr Jean-Claude Juncker and this year, also the Council chose a New President, Mr Donald Tusk. We welcome them all and wish them well in fulfilling their high ambitions for Europe in their new functions.

When Mr Juncker was nominated Commission's President, he immediately translated his high ambitions for the EU into a 'plan' and started an in-depth restructuring of his Commission and his Commissioners' portfolios to better fit the implementation of his vision for Europe. The 'Juncker Plan' aims at reaffirming Europe's position and role in the world as one of its main economic engines. The Plan identifies key priorities for Europe, building on its strengths and aiming at palliating its

temporary weaknesses by increasing competitiveness, boosting growth and creating jobs.

As the general economic situation is not yet what it could or maybe should be, there is a lot of work. The European dredgers wish you, Mr Juncker, Mr Schultz and Mr Tusk every success in your new endeavour. The European dredgers fully support the planned building and upgrading of long lasting waterborne transport and offshore infrastructures for Europe. The Connecting Europe Facility (CEF), the TEN-T and Horizon 2020 programmes have certainly got the potential to make real difference and materialise most of Europe's ambitions, if properly implemented, in respect of the founding principles of the EU and of essential basic rules such as openness and reciprocity. We should also continue on the path of encouraging the opening of international markets to European companies and we should

2014
Members
of the
EuDA
Board



J. Rohde Christensen, Vice Chairman



P. van der Linde, Treasurer



P. Tison



M. Fordeyn



P. Verheul



F. Heinis



G. Streimel



C.J. van de Graaf

continue the good work done so far. We congratulate the Commission on achieving a Comprehensive Economic and Trade Agreement (CETA) with Canada and encourage it to pursue its efforts with the US in the framework of the Transatlantic Trade & Investment Partnership (TTIP).

2014 was another good year for the European Dredging companies most of which, thanks to their multidisciplinary, knowledge-based, international and diversified business model managed to increase their turnover and profits.

As the Institutions were in transition in 2014, the European Dredging Association (EuDA) focused its efforts on continuity and on confirming our support for the new political Leaders of the EU. The main issues for the dredgers dealt with by EuDA included in 2015 are reflected in **EuDA's 2015 polit-**

“A properly implemented Juncker Plan could materialise many of Europe’s ambitions.”

ical agenda which includes work on:

- 1) the European Maritime State Aid Guidelines;*
- 2) the new regulations on ships’ emissions;*
- 3) the implementation of the ILO MLC 2006; and*
- 4) the trade negotiations between EU-US.*

European State Aid Guidelines

DG Competition finalised the analysis of all the contributions to its consultation on the revision of the State Aid Guidelines to Maritime Transport and concluded that there was no reason to remove any currently accepted benefits. Therefore, the Commissioner Almunia decided in 2013 **to extend the maritime guidelines without a change**.

This extension will keep the guidelines unchanged for an undetermined period of time and without any revision date announced. This means that dredgers will continue to be included in its scope but that unfortunately the other requests we made will not be implemented (removal of 50% rule and inclusion of self-propelled seagoing Cutter Suction Dredgers in the scope). However, the decision needs to be taken by all Commissioners, sitting in College, and therefore work should be continued towards the political decision-makers to convince them of the necessity of the Maritime Guidelines and of

their possible improvement.

The proposed regulation on air emissions by marine vessels

For the last few years, air emissions by human activity have been under the scrutiny of the policy makers and the legislators around the world. Unsurprisingly, the most significant progress has been achieved on the issue of CO₂ emissions. All sectors are concerned and maritime transport is no exception. However, being a truly global industry, the only suitable forum for legislating its sectors is the International Maritime Organization (IMO). *The proposed regulation by the Commission on ‘monitoring, reporting and verification of carbon dioxide emissions from maritime transport’*, the so called MRV regulation, should certainly reflect and be reflected in IMO legislation and decisions. Complementing the good work of its national members, EuDA did and will continue to work with DG CLIMA in order to support a well-informed decision.

The EU Free Trade Negotiations with North America

In 2014, EuDA supported the translation of the EU political agreement with Canada into a concrete text with regards to dredging. The Canadians agreed to open their private as well as publicly

procured markets. EuDA congratulates the Commission on this achievement and welcomes the opportunity to demonstrate the high added value of its services in North American dredging projects.

Bearing the ambition to become a model for future free trade agreements in the world, the Transatlantic, Trade and Investment Partnership (TTIP) has a lot to deliver. And as far as dredging is concerned a good few barriers still need to be removed and, as discussed in our Annual Conference, it would be of mutual benefit, to the EU as well as to the US, to liberalise the dredging markets between our two economic zones. What is also important to bear in mind is the strong emulation effect the US has on many countries around the world. Unfortunately, countries will look with interest at the protectionist measures in place in the US, in order to justify their own or to establish new ones. It is therefore important for Europe that this model trade agreement includes the unhindered market access to the respective dredging markets.

*With our best regards,
Marc STORDIAU Chairman
and his colleagues of the Board of EuDA.*



Thank you, Fries!

When you took over the reins of the Vereniging van Waterbouwers in Bagger-, Kust- en Oeverwerken (VBKO), you also joined the management team of EuDA. We appreciated having the more neutral views from a manager of a non-profit organisation as yours in steering EuDA.

All board members were committed to the Association and have all dedicated precious resources from our respective organisations to steering the EuDA activities. VBKO, or the Vereniging van Waterbouwers (VvW) as you simplified it not so long ago, had taken the lead of the Social Committee.



F. Heinis

On behalf of your colleagues in the EuDA Board of Directors, we would like to thank you, Fries, for your commitment to the EuDA Board and for your support to EuDA.

You have decided to go to the 'dry' side of contracting and joined the Dutch Construction Federation (Bouwend Nederland). We wish you all the best in your new endeavour and welcome your successor Mr Edwin Lokkerbol on board the deck of the EuDA ship.

Thank you, Fries

Good luck to you and Farewell!

Marc STORDIAU, Chairman

Thank you, Pierre!

A few years back, you joined the management team of EuDA and you also took on the responsibility of the EuDA Treasury. EuDA's accounts were certainly in good hands. You were one of the few from the EuDA Board to be directly involved in the activities of a 'technical' working group, the CO₂ WG. This has certainly smoothed the discussions in the Board of EuDA on such an important but sensitive issue.

Inside and outside the board meetings, discussions between competitors are never easy however we always united in adversity and so we did, when



P. Tison

the Pompei, a Belgian flagged and owned stone dumper, was hijacked with its crew in 2009 along the coast of Somalia. In the Board, we were all committed to the good functioning of the Association and have all dedicated resources from

our own company to steering EuDA's activities. Jan De Nul took over the chair of the Task Group on Emissions Figures, tasked to provide all the technical insights on the EuDA fleet's CO₂ emissions.

On behalf of your colleagues in the EuDA Board of Directors, we would like to thank you, Pierre, for your dedication and support to EuDA and to the EuDA Board.

We wish you all the best in your new endeavour and welcome your successor Mrs Mieke Fordeyn on board the deck of the EuDA ship.

Thank you, Pierre

Good luck to you and Farewell!

Marc STORDIAU, Chairman







“European Dredgers
need to innovate faster
than their competitors
can imitate.”

Paul Verheul
Van Oord - the Netherlands

European Dredgers Innovating around the world

In their high-tech, high added value maritime market segments, the European dredgers can only keep growing and maintain their global leadership by innovating faster than their competitors imitate them. Therefore, the European dredging companies continuously invest in R&D and Innovation in their new vessels and equipment as well as their processes and operations. World leadership in global markets is not a destination but a continuously moving target.

EuDA members invested over 7 bn euro from 2008-2012 in new equipment, including new exploring and testing equipment to improve global environment conditions, and in RDI to improve the efficiency of their operations and systems.

“World leadership in global markets is not a destination but a continuously moving target.”

European Maritime Day: ‘Innovation driving Blue Growth’

European Maritime Day (EMD) was created by a tripartite declaration by the Presidents of the European Commission, the European Parliament and the Council of the EU on 20 May 2008. It is celebrated every year on and around 20 May and aims to raise the visibility of Maritime Europe. The previous editions of European Maritime Day were held in Brussels (2008), Rome (2009), Gijon (2010), Gdansk (2011), Gothenburg (2012) and Valetta (2013) respectively.

The 7th edition of the European Maritime Day Conference was organised in Bremen and was focusing on ‘Innovation driving Blue Growth’. Innovation and research can stimulate the maritime economy and initiate a European growth and jobs recovery whilst securing a sustainable use of our oceans. The potential for innovation and growth in the blue economy can be unlocked through filling the knowledge gaps, through market instruments, through increased cooperation. Key issues relevant for the Dredging community were discussed, such as the innovation Blue Growth drivers, innovation impact on maritime economies and communities, ports and coasts at threat, sustainable extraction of marine resources from the deep sea, ocean energy, multi-use offshore platforms.





“Ocean of Tomorrow: what results so far?”

Initiated by the Maritime Policy and its research component the ‘EU Strategy for Marine and Maritime Research’ (COM (2008) 534), more and more research is being funded by the European Commission to stimulate cross-sectoral research efforts to meet the major challenges in ocean management. Indeed, the sustainable exploitation of the seas and oceans cannot be tackled by a single field of science, a single technology or a single country. Solutions must draw upon many different areas of research and innovation from various sectors.

‘The Ocean of Tomorrow’ is a funding initiative whereby a series of three joint FP7 calls were opened from 2009 to 2013 with a total budget of around 134 million euro. These cross-thematic topics attempted to bridge the marine sciences and the maritime technologies and integrate in a coherent way the knowledge of the two research communities, linking also with the new approached in ‘Horizon 2020’.

Investment in marine/maritime research and innovation should enable:

- *sustainable exploitation of natural marine resources;*
- *continuous development in emerging technology fields including offshore energy;*
- *improved and more efficient use of the marine space;*
- *improvement or restoration of marine environments.*

Although a topic such as ‘Building with Nature’ (using the physical and biological forces of nature instead of fighting them by integrating Nature into the project’s design in order to integrate the project more harmlessly and harmoniously into Nature) would fit in such a framework, it was regrettably not kept in the final text of the 1st Call (2013-2014) of Horizon 2020. This sustainable approach to waterborne infrastructure management has a huge potential but needs a lot more multi-disciplinary research. The Blue Growth Focus Area of Horizon 2020 could be a source of suitable support to research in this area.

In 2014, the European Commission organised two conferences themed ‘Ocean of Tomorrow: what re-

sults so far?” to take stock of the findings of the FP7 funded research projects so far. Both conferences took place in Brussels, respectively in March and in November 2014. While the first conference focused on changes in the marine environment, the second focused on offshore challenges and opportunities, attracting each time more than 120 people from 21 to 28 countries covering the entire spectrum of marine and maritime activities.

The most relevant discussions for the dredgers included new concepts for combining activities offshore and potential opportunities for business and society and Blue Growth opportunities and maritime space challenges.

TRA 2014 Paris

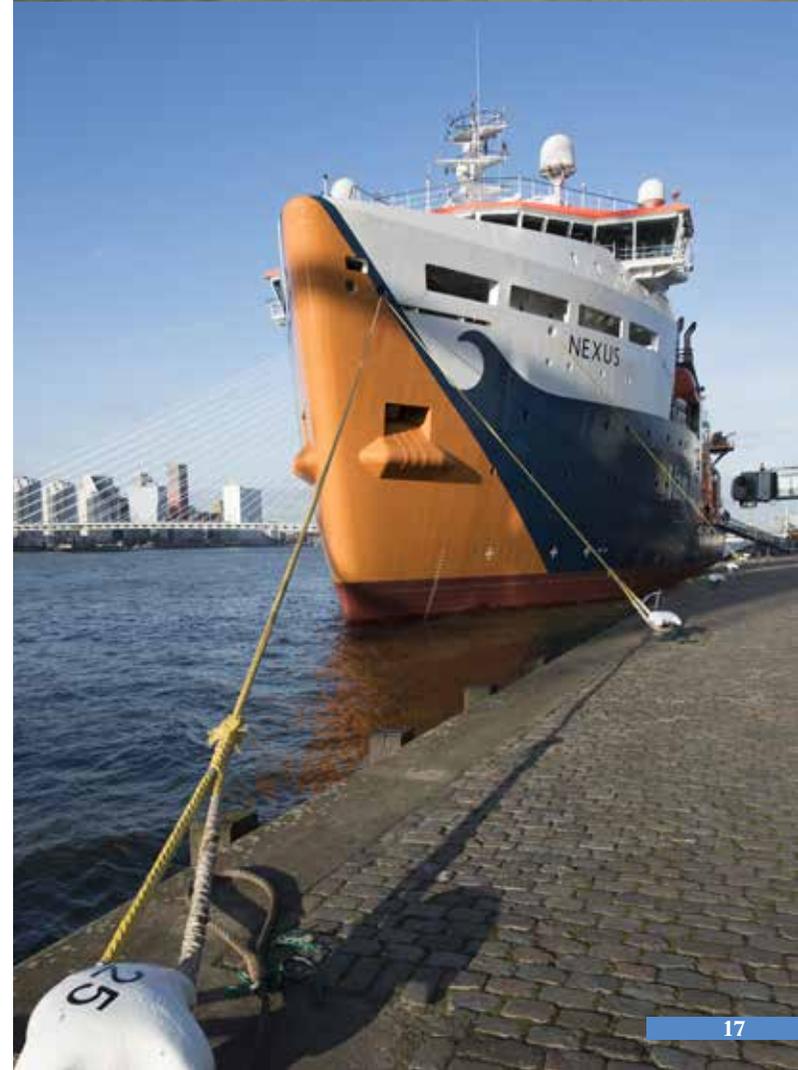
Surface transportation, including rail, road and waterborne sectors, plays a strategic role for Europe’s trade and logistics in a fast changing economic and societal frame. Policies and technologies must continuously adapt to new challenges, such as climate change, the diminishing supply of fossil energy, the economic crisis, the increased demand for mobility, safety and security, and seize their related opportunities. Inspired by the US Transportation Research Board (TRB), the Transport Research Arena (TRA) was

created in 2006 by the Conference of European Road Directors, and the three surface transport European Technology Platforms (the WATERBORNE ETP, the European Rail Research Advisory Council and the European Road Transport Research Advisory Council) with the support of the European Commission and has become the major research conference on surface transport in Europe.

Transport infrastructures, vehicles and vessels, modal share and co-modality, urban planning and energy and environment issues are the subject of extensive studies, research works and industrial innovations, conducted by universities, research institutes, companies, practitioners, and public authorities. The conference covers the main challenges in transport and mobility of people and goods over land and water, and addresses these issues. TRA aims to explore the most advanced research works and innovations, the latest technological and industrial developments and implementations, and innovative policies, in Europe and worldwide. As a multi-disciplinary and inter-agency event bringing together all the relevant actors, TRA provides a unique opportunity to contribute to the European competitiveness and efficiency in transportation.

After the success of the 2006 (Göteborg, Sweden), 2008 (Ljubljana, Slovenia), 2010 (Brussels, Belgium) and 2012 (Athens, Greece) conferences, TRA 2014 was organised in Paris. TRA 2014 was a key event where the European Commission's 'Horizon 2020' research and innovation programme was discussed in depth.

As a member of the WATERBORNE ETP Support Group, EuDA was actively involved in the **Transport Research Arena** (TRA 2014) in Paris and moderated the WATERBORNE Scientific and Technical Session on Inland waterways and logistics.



HOPE Conference

The Healthy Oceans – Productive Ecosystems (HOPE) Conference was organised by the European Commission in March 2014 in Brussels and brought together representatives from Member States, the Regional Sea Conventions, academia, industry, NGOs and other stakeholders, working with the European marine environment. HOPE provided an opportunity to discuss progress made since the adoption of the MSFD, remaining problems and possible solutions for improved coherence and better marine governance.

“The Building with Nature approach can provide the necessary tools for the sustainable management of waterborne infrastructures.”

The HOPE conference concluded its work with a **‘Declaration of HOPE’** calling for urgent action to better protect the European marine environment and in particular:

- to take the lead in implementing the **Rio+20** conference chapter on oceans;
- to take the measures necessary to deliver **‘Good Environmental Status’** for Europe’s seas and oceans by 2020;
- to restore our **fish stocks** to healthy levels (new CFP and MSFD);
- to increase the national and EU research **budgets** devoted to the oceans and their life-supporting role on the planet;
- to halt marine **biodiversity** loss and meet the targets set by the EU Biodiversity Strategy;
- to measurably improve the **conservation** status of vulnerable marine habitats and species by 2020 (Natura 2000 network);
- to limit the effects of **climate change** on oceans (acidification);
- to halt and reverse the impacts of **eutrophication**;
- to address all other sources of **marine pollution** and combat them (marine litter);
- to ensure the **sustainable development** of maritime economic activities;
- to phase out **environmentally harmful subsidies**;
- to create a common framework for **maritime spatial planning** and **integrated coastal management**;
- to stress the need for greater coordination and cost-effectiveness within and between marine regions;
- to improve the **governance** of the seas (Regional Sea Conventions);
- to involve the **public** in ocean protection.







“Nature is an opportunity
not a constraint.”

Peter van der Linde

Royal Boskalis Westminster - the Netherlands



2014 Members EuDA Environment Committee from left to the right
 P. van der Klis (EnvCom Chairman, Van Oord), G. van Raalte (Boskalis), M. Russel (BMAPA), E. Mink (Interel), C. Schillemans (Vereniging van Waterbouwers), I. Pallemans (JDN), P. Vercruijse (DEME) and P. Sansoglou (EuDA).

Air Emissions

Most of the work on CO₂ related issues is coordinated within and executed by a dedicated and well-established EuDA working group on CO₂, functioning as the European Dredgers' central knowledge point on emissions. For more detailed description of the activities of EuDA on this issue, please refer to Chapter 4 on 'Climate Change and Coastal Defence'.

Sulphur Emissions

Besides GHGs, EuDA followed closely the developments concerning the **sulphur content of marine fuels**. Concerning the other air pollutants, such as Particulate Matter or NO_x, EuDA continued its monitoring.

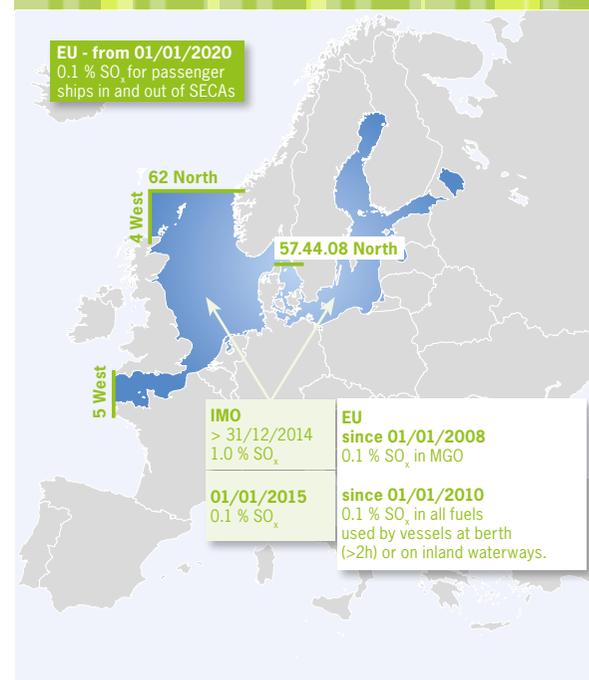
The Sulphur Directive was finally adopted by the European Council in 2012, confirming that the limits for the sulphur content of marine fuels used in

designated SO₂ Emission Control Areas (SECAs) will be **0.10% as from 01/01/2015** (in line with the Annex VI of the MARPOL Convention).

HELCOM, the Commission implementing the Helsinki Convention, and in which EuDA has an observer status, has established a platform to discuss SO_x and NO_x issues in the Emission Control Area of the Baltic Sea.

Based on the findings of its technical workshop on the Reduction of SO_x Emissions from dredgers, EuDA published during the 20th Anniversary Conference an Information Paper on Sulphur emissions from dredgers. To give the document a broader circulation, it was published as an article in Terra and Aqua. The main message to take home was that *"the most realistic technical solution for the dredgers working in a SECA to comply with the sulphur re-*

SECA Sulphur limits



quirements is to switch from heavy fuel oil to marine diesel oil”.

HELCOM, the Commission implementing the Helsinki Convention, and in which EuDA has an observer status, has established a platform to discuss SO_x and NO_x issues in the Emission Control Area of the Baltic Sea.

The revised Waste Framework Directive

*“In the majority of cases, **dredged material is not a waste** but a resource to put to beneficial use”.*

Although effective, this situation is not sufficiently known nor recognised by the policy makers and legislators across Europe.

At EU level, EuDA’s campaign convinced the Commission to remove dredged sediments from the scope of the 2008 revised ‘Waste Framework Directive’ (WFD) (unless proven hazardous). The European Directives, though, are not immediately law (like the European Regulations) but need to be transposed into national legislation. Therefore EuDA’s focus included the EU Member States. There is a significant difference in the implementation of the Waste Framework Directive into the Member States’ national legislations. As it appears there is some sort

of divide between some Northern and some Southern EU countries, hence the need for further work to harmonise the national legislations and approaches in the Member States.

Technical Report

The hazardous properties of waste are listed in Annex III of the revised Waste Framework Directive. One of the hazardous properties is ecotoxicity (H14).

In 2012, Member States’ experts produced for DG ENV a Technical Report on how to assess the hazardousness of different categories of wastes. EuDA, CEDA, ESPO and PIANC made a joint submission highlighting their concerns with regards to the treatment of dredged material which in most cases across the EU, is not waste.

In 2014, the assessment of H14 on ecotoxicity seems to have been abandoned as no suitable methodology could be found nor agreed upon. EuDA will follow up the developments and provide its support where necessary.

In the majority of cases, dredged material is not a waste but a resource to put to beneficial use.

Habitats and Biodiversity

The Birds and Habitats Directives are the cornerstones of Europe’s nature conservation policy. They are built around two pillars:

- *Natura 2000 network of protected sites;*
- *System of species protection.*

EuDA has identified and contributed to these key issues because of the potential conflicts between transport and environmental policy objectives. The implementation of infrastructure projects such as dredging, often suffers from significant delays, uncertainties or even blockage.

EuDA participated in the Commission’s technical working groups on the implementation of the Habitats Directive in Coastal, Estuary and River environments (“*The implementation of the Birds and Habitats Directives in estuaries and coastal zones, with particular attention to port development and dredging*” and “*Inland waterway transport and Natura 2000: Sustainable inland waterway development and management in the context of the EU Birds and Habitats Directives*”) and contributed to their final reports. Each working group delivered guidelines in which (maintenance) dredging is referred to as a measure that could be designed in such a way

as to achieve or respect both environmental and navigational objectives. One of the major challenges of these documents was to integrate (and possibly clarify even further) the decision of European Court of Justice on the so called 'Ems Case'.

Ems Paper conclusions further promotion

In 2013, EuDA prepared a Summary Paper on the Ems Case highlighting a pragmatic way forward, as proposed by the German government and the European Commission, considering *that maintenance dredging are normally not projects and that these operations should be included in the authorisation for capital dredging projects*. In 2014, EuDA further promoted these conclusions through relevant networks and media. EuDA presented its Ems Case Paper at the **CEDA EnviCom** workshop in Rotterdam during Euroports exhibition and at the **PIANC EnviCom** meeting in Brussels. And finally, EuDA presented the conclusions on the Ems Case to delegates from **Paralia**. EuDA published the lessons learned from the Ems Case in the form of an article in the Spring 2014 edition of the **Greenports magazine**.

With regards to the latest developments with the Ems Case, these were the two of interest for the dredgers

- *on 19 June 2013, Germany designated the site 'Unter- und Außenems' as a Natura 2000 site;*
- *with regards to the dredging of the river Ems, the joint management plan for the Ems Estuary, which should be adopted by end of 2014, would cover the conditions of dredging and should significantly increase the conservation status of the Natura 2000 sites concerned.*

Water & Marine Strategy Framework Directives

The Water and Marine Strategy Framework Directives are the cornerstones of Europe's water policy.

The main objectives of these European legislations are the protection of all waters (surface, ground) as well as the marine environment across Europe. To achieve these objectives they considered river basins for the management, they used the so called "combined approach" of emission limit values and quality standards (Good Ecological Status for the water quality and Good Environmental Status to include human activities). The Marine Framework Directive is the more recent of the two and the timeline of its first loop includes: the completion of the Member

States' respective monitoring programmes in 2014, then their programmes of measures in 2015 with the ultimate goal of achieving the Good Environmental Status (GES) in 2020!

Among the many issues dealt with under the Water Framework Directive, there are similar and new ones with the Marine Framework Directive:

- *Selection and implementation of the Measures (Descriptors), their Monitoring and adaptive Management;*
- *Integration and further development of the Shipping activities;*
- *Clarification of the handling of contaminated/uncontaminated sediments.*

The Marine Strategy Framework Directive (MSFD) aims at 'filling the gaps' left by the Water Framework Directive: for instance, the geographical scale is not restricted anymore to the coastal waters. Moreover, MSFD broaden the scope of water quality assessment by enlarging the 'Good Ecological Status' (mainly chemical assessment of the water quality) to the 'Good Environmental Status' (GES), introducing the human activities impacts on water quality and ecosystems.



Overview of the Marine Strategy Framework Directive

The Marine Strategy Framework Directive (MSFD) was adopted in June 2008 with the aim of protecting more effectively our seas and oceans and managing them in a sustainable way. The Directive, transposed into the national legislations by July 2010, sets ambitious objectives: to achieve and maintain **Good Environmental Status (GES)** of the European seas and oceans by 2020 and to protect the resource base upon which marine-related economic and social activities depend.

In order to achieve its goals, the Directive establishes marine regions and sub-regions matching the boundaries of the European **Regional Sea Conventions**: the Baltic Sea (Helsinki), the North-east Atlantic Ocean (Oslo & Paris), the Mediterranean Sea (Barcelona) and the Black Sea (Bucharest). Moreover, each Member State is required to develop its **Marine Strategy**, to achieve GES by 2020 for its marine waters.

The general philosophy of the MSFD is to promote the use of the **ecosystems approach** for the human activities affecting seas and oceans as well as promote the use of **adaptive management** by

policy-makers dealing with marine environmental issues with high levels of uncertainty and lack of scientific knowledge.

The Marine Strategy 6 Year Cycles

The adaptive management approach means that the national Marine Strategies should be reviewed every 6 years and adapted according to the findings of the previous cycle. Monitoring programmes should use the adaptive monitoring aspect of this approach.

- *The initial assessment of the current environmental status of national marine waters and the environmental impact and socio-economic analysis of human activities in these waters (by 15 July 2012)*
- *The determination of what GES means for national marine waters (by 15 July 2012)*
- *The establishment of environmental targets and associated indicators to achieve GES by 2020 (by 15 July 2012)*
- *The establishment of a monitoring programme for the ongoing assessment and the regular update of targets (by 15 July 2014)*
- *The development of a programme of measures*

designed to achieve or maintain GES by 2020 (by 2015)

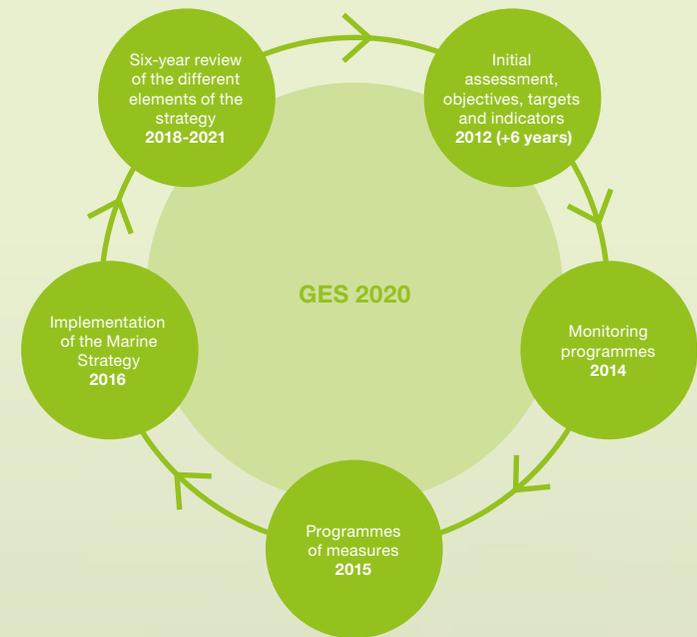
- *The review and preparation of the second cycle (2018 – 2021)*

Good Environmental Status

The Marine Strategy Framework Directive defines Good Environmental Status (GES) as: “*The environmental status of marine waters where these provide ecologically diverse and dynamic oceans and seas which are clean, healthy and productive*”

The **ecosystem approach**, enshrined in this Directive, integrates the concepts of environmental protection and sustainable use of the marine resources to ensure their continuity for the future generations. It should be used in the management of human activities having an impact on the marine environment and help make them compatible with fully functioning **ecosystems** (including their hydro-morphological, physical and chemical conditions) and with the protection of **biodiversity**. In 2010, the Commission established 11 Descriptors, combining marine environmental criteria and indicators, to guide the Member States in their tasks:

- Descriptor 01: Biodiversity is maintained*
- Descriptor 02: Non-indigenous species do not adversely alter the ecosystem*
- Descriptor 03: The population of commercial fish species is healthy*
- Descriptor 04: Elements of food webs ensure long-term abundance and reproduction*
- Descriptor 05: Eutrophication is minimised*
- Descriptor 06: The sea floor integrity ensures functioning of the ecosystem*
- Descriptor 07: Permanent alteration of hydrographical conditions does not adversely affect the ecosystem*
- Descriptor 08: Concentrations of contaminants give no effects*
- Descriptor 09: Contaminants in seafood are below safe levels*
- Descriptor 10: Marine litter does not cause harm*
- Descriptor 11: Introduction of energy (including underwater noise) does not adversely affect the ecosystem*



MSFD Workshop on public participation

EuDA represented the CEDA Maritime Strategy Navigation group (NAVI) at the Marine Strategy Framework Directive (MSFD) workshop on “*public participation in the context of marine and coastal policies*” in 2014. EuDA was the only industry representative in the room and the other participants were mainly representatives from the national and European administrations with a strong cluster of NGOs. The interesting point was that most of the discussions and arguments were in line with EuDA’s general policy lines which promote: adaptive management and adaptive monitoring, early contractors’ involvement and early stakeholders’ involvement (before final design), the need for policy cooperation between environmental and transport administrations at national and European levels, the need to simplify the communication (de-jargonise and make less technical and more understandable), ...

The participants’ other topics of discussion included ‘consultation fatigue’, ‘social learning’ (educate the stakeholders on the general aspects and impacts of the projects), formal/informal consultation of neighbouring countries, reduce incoherence and inconsistencies, avoid ‘silo-isation’ (=policy and decision making in ‘silo’, in isolation from any other depart-

ments), the accountability of the administrations, the use of both top-down and bottom-up communication channels to reach a better ‘informed decision’.

Maritime Spatial Planning and Seabed mining

Under the Integrated Maritime Policy, the Maritime Spatial Planning and Integrated Coastal Management present the main policy elements of Europe’s coastal management.

With 80% of the largest population centres located in coastal areas, this new policy is a response to the increased demand for use of the coasts and the seas.

The main issues for dredging include the need for both ‘winning areas’ and ‘relocation areas’ (sand, rock, gravel, silt ...). Besides, Member States need a common framework but also flexibility (in space, time and policy) for implementation.

In July 2014, the European Parliament and the Council adopted legislation to create a ‘*common framework for maritime spatial planning and integrated coastal management in Europe*’. In waters, Member States will still freely plan their own maritime activities, local, regional and national planning, however with shared seas the plans should be made

more compatible through a **set of minimum common requirements**.

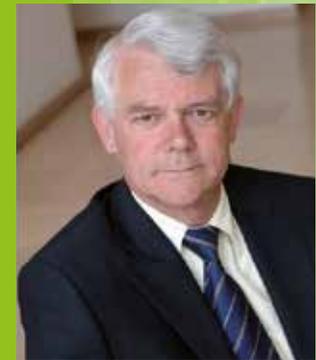
In the context of Blue Growth, the European strategy aiming at stimulating maritime activities in order to benefit the European economy and create European jobs, EuDA contributed to the DG MARE consultation on **Seabed Mining**. Although some aspects of seabed mining are not typical dredging activities, many EuDA members are directly or indirectly involved in such offshore activities.

“The way forward with Water Policies includes adaptive management and adaptive monitoring.”



Thank you, Erik!

Very few members of any EuDA committee or working group have contributed as much as you have to the environmental policy lines taken by the European Dredgers over the last 20 years. You have joined EuDA from the very beginning in 1994 and helped put it on the European Institutions' map as well as build up its reputation as a constructive stakeholder.



E. Mink

The Environment Committee was and still is facing urgent and difficult challenges affecting the dredging sector. When specialised working groups or task groups needed to be established such as the CO₂ WG or the TG on Ballast Water, you naturally joined the groups and participated very actively in their work. We did not always agree on the policy lines to take but our discussions made EuDA's positions and arguments stronger and more convincing.

We respect your decision to cease your activities with this Committee and enjoy a well-deserved, active retirement. On behalf of the EuDA EnvCom, we would like to take this opportunity to thank you very much, Erik, for your commitment to EuDA in general and to its Environment Committee in particular. We appreciated your enthusiastic contributions and clear points. We thank you for the time and for the valuable advice you gave us over the years.

We wish you all the best in your new endeavours.

Thank you, Erik. Farewell!

**Pieter van der Klis,
EnvCom Chairman**





“Start acting today
on adaptation
to climate change.”

Edwin Lokkerbol
Vereniging van Waterbouwers



W. Dirks (Chairman, Van Oord)

2014 Members EuDA CO₂ Working Group from left to the right

P. J. van der Giessen (Boskalis), P. Vercoorjse (DEME), R. Kolman (IADC), P. Tison (JDN), Fay van Dongen (Vereniging van Waterbouwers) and P. Sansoglou (EuDA)

The CO₂ Working Group worked towards the establishment of the EuDA common **CO₂ Strategy** and focused its efforts in 2014 towards its implementation through targeted external communications documents describing the industry backed methodology for estimating CO₂ emissions from dredging vessels.

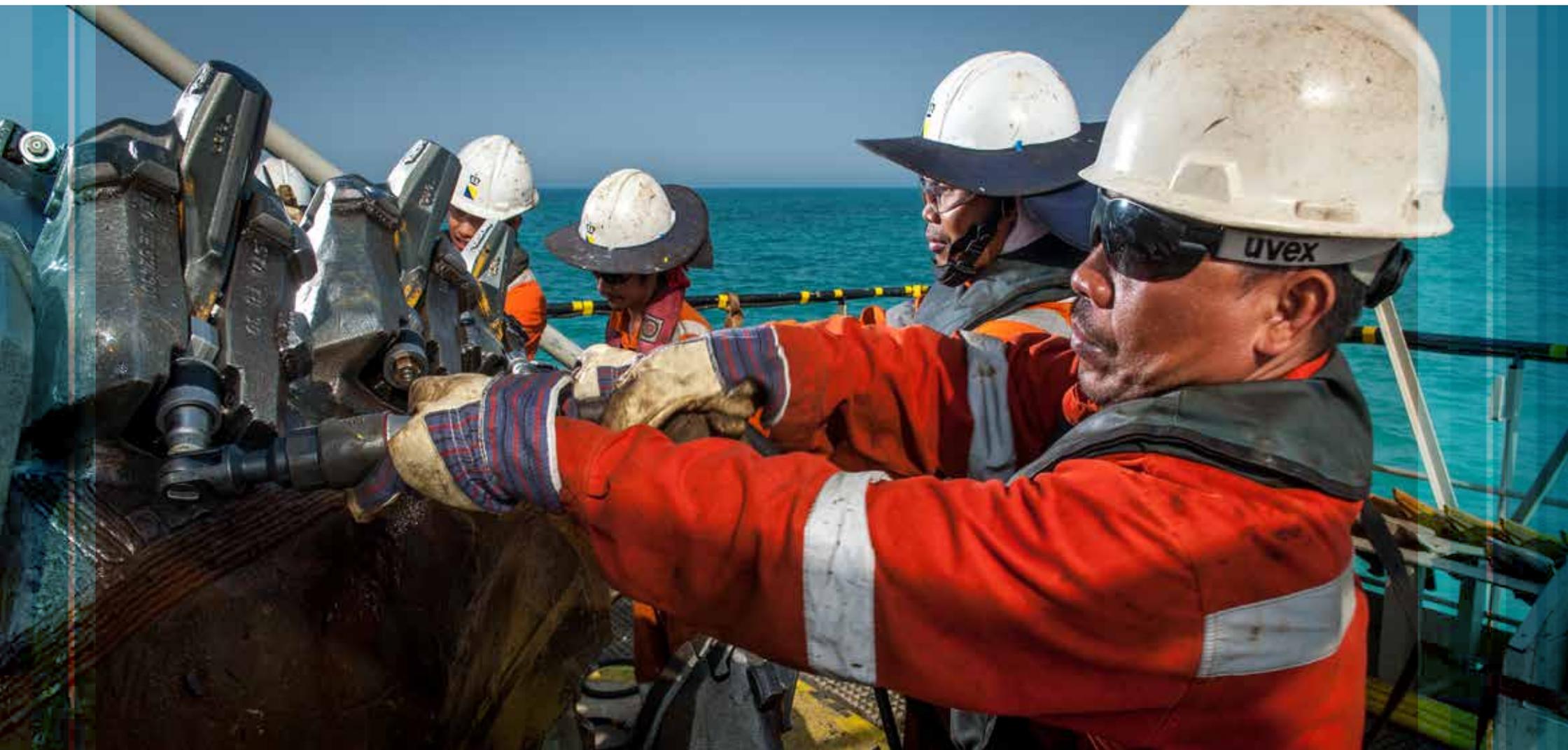
With the consistent promotion of its CO₂ Strategy, through position papers, consultations, presentations, specialised articles, meetings, ... EuDA managed to raise the awareness of officials and representatives from the European Commission, the European Council (through the Member States) but also from IMO on the views and main recommendations of the European Dredgers with regards to CO₂ matters.

EuDA CO₂ Strategy

The main objective of the CO₂ Strategy has been to build a better understanding over the CO₂ emissions from the EuDA dredging fleet. From the start in 2009, the group established a procedure and methodology for the collection of raw data for the calculation of CO₂ emissions. The Strategy also involved working with the International Maritime Organization (IMO): EuDA and IADC made a joint Statement in 2010 warning that the IMO Energy Efficiency Design Index (EEDI), as it stood, could not be implemented to the dredging vessels. Instead, the associations proposed a possible alternative approach to reach the same goal.

The implementation of the EuDA CO₂ Strategy involved information gathering, internal knowledge building and specific message formulation to selectively communicate our issues to the relevant parties. Besides the contacts within the Member States, the CO₂ WG has kept regular contact with the Commission's DG CLIMA informing the Officials and making them aware of the specific situation of the dredgers. More recently, EuDA also established contacts with IMO officials, at request of whom a meeting on CO₂ emissions from dredgers was organised in November 2014 in London.

“EuDA provided factual information to raise the awareness of the EU and IMO decision-makers with regards to CO₂ matters.”





“Many provisions in the MRV regulations were unsuitable or inapplicable to dredgers, as they both sail and work.”

Communication as a process

On the basis of the TGEF 2012 Report, **External Communications** were developed for three types of dredgers: Trailing Suction Hopper Dredgers (TSHD), Cutter Suction Dredgers (CSD) and Backhoe Dredgers (BHD). The documents are meant to provide clear answers (with supporting information) when asked by our clients on CO₂ emissions estimations during projects.

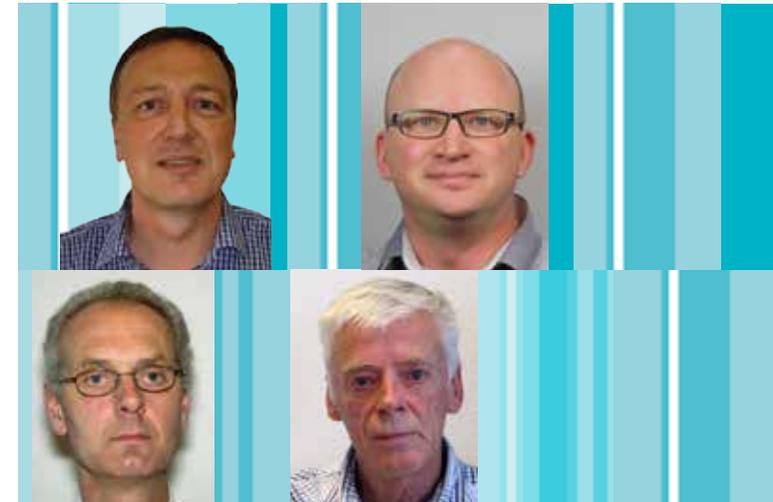
Although proactive, this initiative of EuDA is timely and anticipates the growing trend among European public administrations to include CO₂ emissions (performance) in the requirements of the future tenders, while also trying to improve the level playing field during the tendering phase. When wrongly taken into account by consultants because dredging processes are misunderstood, or when the calculation methods are neither fair nor transparent, these CO₂ requirements could represent a potential threat to the industry.

The External Communications were designed as an interactive document within an iterative process through which, Dredgers can exchange complex information, build mutual understanding and, more importantly, build mutual trust with their clients.

Thanks to their long term working relationship with the Dutch Dredgers Association (Vereniging van Waterbouwers), Rijkswaterstaat (RWS) was selected as the initial step of the global approach of the EuDA CO₂ Strategy. In 2013, the discussions focused on the methodology for the TSHD, the most common type of dredger. In 2014, the discussions were brought forward towards the European Commission and DG CLIMA in the context of the preparation of the Regulation on Monitoring, Reporting & Verification (MRV), in order to make sure that the new MRV Regulation would not jeopardise the progress and already achieved results of the constructive cooperation between RWS and Vereniging van Waterbouwers.

TGEF reactivated

The TSHD External Communication was designed to be ad hoc and adaptable to the targeted administrations' needs. RWS requested the harmonisation of the units in the graphs and the inclusion of data tables supporting the graphs. The technical work to adapt and finalise the External Communication on TSHD was done by the Task Group on Emission Figures (TGEF) which was reactivated in 2014 for this purpose and for compiling and finalising the other two External Communications (on CSD and on BHD) in 2015.



2014 Members Task Group on Emission Figures from left to the right

above K. Allaert (TGEF Chairman, JDN), P. Vercruijsse (DEME)
below E. Reinders (Boskalis) and F. Kints (Van Oord).

Draft EU Regulation on Monitoring, Reporting & Verification (MRV)

In June 2013, the European Commission proposed a new regulation on Monitoring, Reporting & Verification (MRV) accompanied with a policy communication. The proposal should create an EU-wide legal framework for collecting and publishing verified annual data on CO₂ emissions from all large ships (over 5,000 GT) voyaging into, out of and between EU ports, irrespective of where the ships are registered. If validated by the European Parliament and the Council, these rules would apply from **1 January 2018**.

The next steps in the Commission's policy would include: the establishment of the CO₂ emissions from maritime transport, the establishment of a global energy efficiency standard and ultimately, in the medium to long term, the introduction of further measures, including Market Based Measures, be it only on 'regional' basis (only applying in Europe).

The legislation was written to clearly target and capture shipping activities (essentially the transport of goods and passengers). And in its initial version, it was difficult to determine whether dredgers would be included in its scope or not.

EuDA prepared a position paper for the attention of the European Commission and Member States representatives in the European Council on the possible issues of the MRV proposal with regards to dredgers. In this position, EuDA argued that many elements in the regulation's approach were unsuitable or inapplicable to dredgers because these vessels both sail and work while the ships targeted by the legislation mainly sail. Moreover, EuDA advised that the collection of individual ship data should not lead to their individual publication. The monitoring of CO₂ emissions is generally done through the fuel consumption, the measuring of exhaust gases that would also allow the measuring of other emissions such as NO_x or SO_x would require installation of specific equipment and would create (significant) additional costs. EuDA also recommended the use of existing documents such as the emissions certificates issued by Classification Societies in the context of ISO 14064.

From its exchanges of views with EuDA, DG CLIMA concluded that the dredgers and other service (working) vessels should probably be excluded from the scope of the regulation in a first phase, as the publication of inappropriate measurements of CO₂ performance could be both misleading and potentially damaging for these vessels' industries.

The proposed Regulation on Monitoring, Reporting and Verification (MRV) should be approved by the European Council and the European Parliament. To support EuDA's argumentation in these fora, a one-page version of the EuDA position on MRV was also circulated in preparation of the European Council meetings.

According to the latest received information from this Council meeting, **dredgers should be excluded from the scope of the MRV regulation** in a first phase: as the other 'service vessels' which do both work and sailing. However EuDA will actively follow the process until the final text is agreed.

EuDA CO₂ emission figures 2013

As part of the EuDA CO₂ Strategy, the CO₂ Working Group has collected and compiled the 2013 data for the CO₂ emissions of the European dredging fleet.

In absolute numbers, the world seagoing dredging fleet was estimated to have produced 6.3 Mton of CO₂ in 2008. The emissions of the European Dredgers (EuDA members) in 2008 were about 3.4 Mton.

From 2009, the European dredgers' CO₂ emissions continuously dropped to 2.8 Mton in 2013.

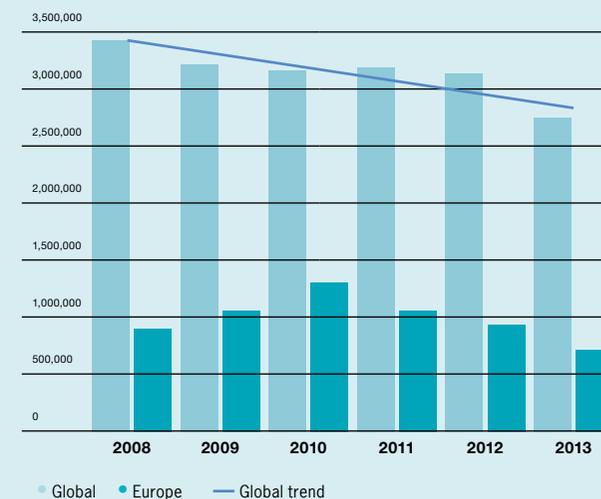
For comparison, the growth of the global economy over the same period (2008-2013) has been slowing down and the inversion of the ratios between constant and current prices growth rates could be the symptoms of issues to come with regards to inflation-deflation.

EuDA fleet CO ₂ emissions (2008-2012).		source: EudA)		
EuDA Sea-going dredging equipment		Installed power kW	Fuel consumption ton	CO ₂ emissions ton
2008	Global operations and emissions	1,510,000	1,090,000	3,440,000
	European operations and emissions	420,000	280,000	880,000
2009	Global operations and emissions	1,587,000	1,016,000	3,211,000
	European operations and emissions	511,000	307,000	1,088,000
2010	Global operations and emissions	1,591,462	998,930	3,155,225
	European operations and emissions	654,069	419,853	1,326,014
2011	Global operations and emissions	1,779,152	1,002,702	3,163,003
	European operations and emissions	636,790	356,809	1,126,267
2012	Global operations and emissions	1,845,002	995,998	3,108,075
	European operations and emissions	501,981	283,388	896,361
2013	Global operations and emissions	1,666,135	884,069	2,774,959
	European operations and emissions	527,013	244,423	696,476

The figures above confirm that the worldwide CO₂ emissions of the European Dredgers are decreasing since 2008. The reduction in the CO₂ emissions can be partly attributed to the effects of the economic crisis, reducing the level of occupancy. With the reclamation phase of Maasvlakte 2 concluding in the Netherlands, the level of CO₂ emissions in Europe, which peaked in 2010, is now well below 2008.

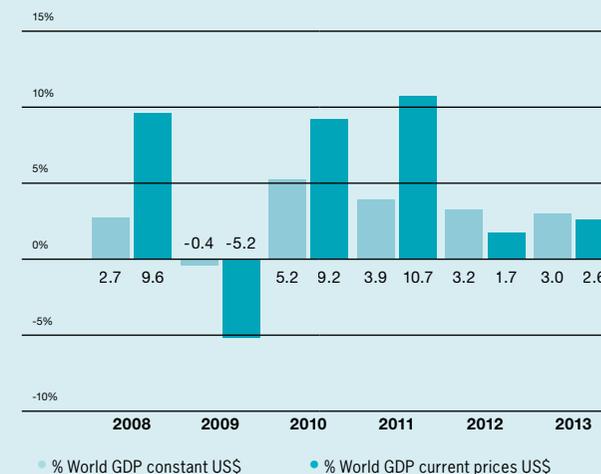
Evolution of the EuDA fleet CO₂ emissions.

(source: EudA)



Evolution of World GDP

(source: IMF)



Blue Carbon and its Opportunities for the Dredging Industry

What is Blue Carbon?

Blue carbon refers to the capture of atmospheric carbon and its long-term storage by the world's oceans and coastal biotopes (mangroves, seagrasses, salt marshes, coral reefs, etc.). The capture of CO₂ occurs through the plants' photosynthesis and the long-term carbon storage occurs through the natural growth processes in the ecosystems' plants and animals (respectively the **gross primary and secondary productions**). Besides these, the **net carbon uptake** is also impacted by carbon exchanges of sediments and nutrients coming from the rivers and run-offs from the land mass, and by the burial of organic detritus and carbon rich sediments underneath the biotopes.

Why should companies be interested in it?

Blue carbon ecosystems are far more efficient at capturing atmospheric CO₂ (thereby reducing its concentration) than the terrestrial carbon sinks (known as 'green carbon').

The continuous increase of the concentrations Greenhouse Gases (GHGs) in the atmosphere, of which CO₂ has the most significant impact, is

causing concerns over global warming, climate change and their consequences on vulnerable coastal areas. So far, the political spotlight around the world has been essentially targeting the industrial air emissions (*source*) but too little has been done with regards to directly reducing the actual atmospheric carbon concentrations (*output*).

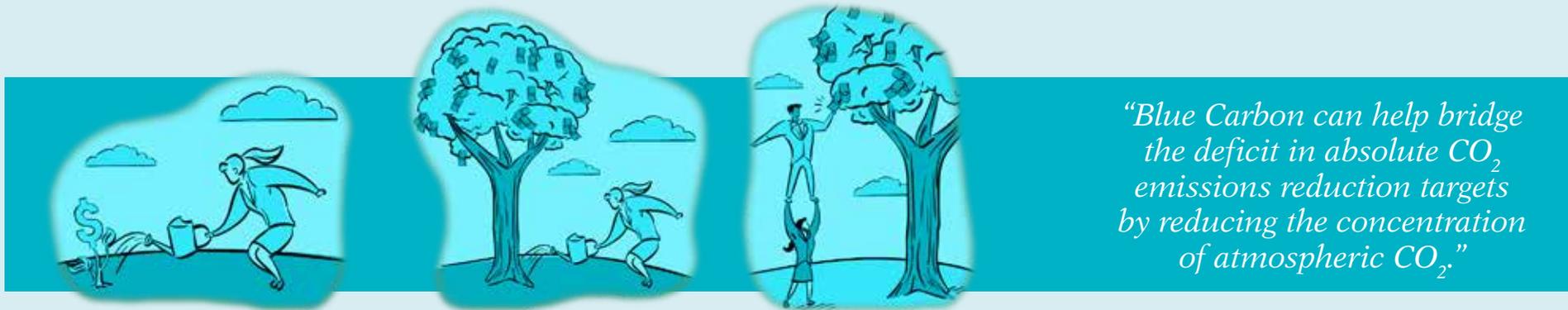
International, European, regional and national legislations have set long-term targets and are progressively forcing industries to significantly reduce their CO₂ emissions (carbon footprint) through technical, operational and market based measures. However, energy efficiency improvements and the increased use of alternative (renewable) non-fossil fuels cannot alone achieve the absolute reduction targets set by politicians. Moreover, absolute targets means that the emissions' reduction should be achieved regardless of the level of industrial activity directly linked to the global economy. When the economy picks up the level of activity increases and can compensate and even overcompensate, in absolute terms, the CO₂ reductions achieved in relative terms through energy efficiency improvements.

The only way to solve this dilemma is to increase the atmospheric carbon capture and directly work on reducing the CO₂ concentrations. The absolute CO₂ reduction can only be achieved by measures targeting the emissions AND by measures targeting the concentrations.

What is still needed to implement the concept?

However this CO₂ capture should be politically supported as well as recognised and rewarded by a (mandatory) market based system (not yet in place for the maritime emissions).

The dredging industries, like most industries depending on fossil fuels for running their activities, should develop a long-term strategy of carbon capture through preservation and restoration of 'natural carbon sinks' habitats. This could be used to offset their own or other industries' emissions. The first step of this strategy is to obtain an effective market-based system in which the impact of preserved or restored 'Blue Carbon' habitats can be monetised by selling permits representing



the equivalent CO₂ emissions that are annually captured (thereby offset) by these biotopes (notwithstanding the monetisation their other valuable services). This requires political recognition and support, as well as a fair way of risk sharing among parties involved. The dredging sector at large can and should play an important role in implementing programmes for the restoration and development of the blue carbon biotopes, but cannot solve this problem on its own.

Short example cases
(inside and outside Europe)

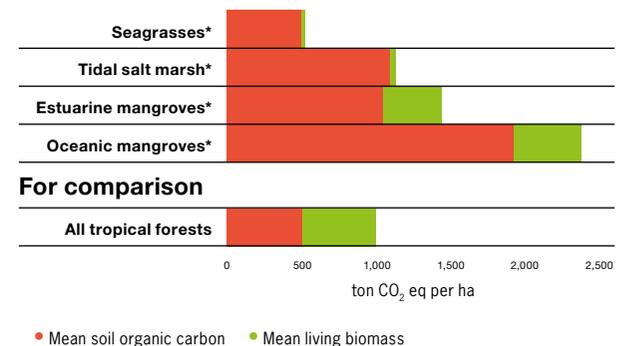
Tidal Salt Marshes: salt marshes have probably the highest carbon sequestration contribution of all ecosystems, with very high **net carbon sequestration rates** and high carbon sequestration capacity.

Seagrass Meadows: seagrass meadows (marine flowering plants) are very productive ecosystems, depositing large amounts of carbon (through the degradation of leaves), part of which are mineralised. The contribution of seagrass beds is more significant in the temperate climate zones.

Mangrove Forests: mangrove forests have a high primary productivity and have the highest carbon sequestration rates. The capacity (surface area) is less important than the salt marshes. Mangrove forests are particularly productive in the tropical zones.

Coastal Habitats protect massive amounts of carbon

(Source: Nicholas Institute for Environmental Protection)



* Soil-Carbon Values for first metre of depth only (Total depth = several metres)





P. J. van der Giessen

Thank you, Piet-Jan!

When we established the CO₂ WG in 2008, you very quickly joined the discussions and provided the group with your valuable views and experience. You even took a leading role on other sensitive environmental issues and chaired the Ballast Water Task Group.

We appreciated your enthusiastic contributions and clear points. On behalf of the EuDA CO₂ WG, we would like to take this opportunity to thank you, Piet-Jan, for your dedication, time and efforts for the EuDA CO₂ WG.

However the good work will continue with your successor Arjan Schrijen who we welcome onboard and to whom we wish all the best.

Thank you, Piet-Jan.

Good luck to you and success in your new endeavour!



P. Tison

Thank you, Pierre!

When EuDA established the CO₂ WG in 2008, you joined us and provided the group with your valuable views and experience. When you became member of the EuDA Board, you continued your active participation in the WG whose workload kept rising. Thanks to you, some key messages relating to the EuDA CO₂ Strategy were transmitted to the Board members by one of their peers and this has certainly helped EuDA's communication and decisions on a topic that very soon became very sensitive.

On behalf of the EuDA CO₂ WG, we would like to take this opportunity to thank you, Pierre, for your dedication, time and efforts for the EuDA CO₂ WG.

However the work will continue and we welcome onboard your successor Filip David to whom we wish all the best.

Thank you, Pierre.

Good luck to you and success in your new endeavour!

Wouter Dirks, Chairman







“Knowledge-based industries
like dredging need
highly educated, trained and
skilled labour.”

Mieke Fordeyn
Jan De Nul - Belgium

EU State Aid:

Public Consultation by DG Competition

The Community Guidelines on State Aid to Maritime Transport (hereinafter the ‘**Maritime Guidelines**’) were first introduced in 1997. Recognising the strategic importance of maritime transport for the European economy in general and for the European maritime cluster in particular, the Maritime Guidelines provided an EU-wide framework for Member States to apply positive measures (*not operational aid*) to counteract competition distortions and imbalances on the global maritime markets with voluntary measures. They aimed at improving the global level playing field, at fulfilling objectives of common European interest (including safety, security and environment friendliness of maritime transport, flagging and re-flagging to Member States’ registers), at maintaining and improving maritime know-how, at protecting and promoting employment for European seafarers.

The maritime transport sectors, which include maritime dredging, were faced in the late 90’s, and still are now, with significant challenges, such as operating sea-going vessels against fierce global competition (*incl. rising threat from Asian, particularly Chinese, State-owned companies*), running the significant risk of relocation outside the EU.

In so doing, the Maritime Guidelines attempt to partially compensate for the market failures on the global maritime markets. They allow the EU Member States to provide certain incentives to maritime sectors involved in the transport of goods and passengers by sea in order to (re)flag EU vessels and employ (more) Europeans.

They were revised in 2004 and prolonged in 2013. Compared to 1997, the Maritime Guidelines imposed stricter conditions in 2004 and resulted for the dredgers in the exclusion of self-propelled cutters from the scope of the guidelines and the introduction of the 50% rule (*imposing that 50% of the operational time is spent doing ‘maritime transport’ activities*). These dredging vessels, however, continue to play a key competitive role in the maritime dredging cycle: making projects more efficient and economical.

Based on the results of its 2013 consultation, the Commission Vice-President and Commissioner for Competition, Mr Joaquín Almunia, had decided to **extend the maritime guidelines without a change**. The decision should be validated by the College of Commissioners before becoming a Commission decision. However, this does not mean that

the decision or the guidelines are not valid, on the contrary. It means that the 2014 Commissioner for Competition, **Mrs Margrethe Vestager**, will have to decide whether or not to present this decision to her colleagues for approval.

In 2014, EuDA has been compiling evidence and preparing argumentation to convince DG COMP’s hierarchy of the soundness of the Dredgers’ requests to exempt (maritime) dredgers from the 50% rule and to include the self-propelled seagoing CSDs in the scope of the guidelines.

Besides the CSDs, EuDA is also analysing the possibility of including other vessels in the scope of the guidelines, such as offshore service and supply vessels (e.g. stone dumper).

“The Maritime State Aid Guidelines aim at improving global level playing field.”

Implementation of the Maritime Labour Convention at European level

The ILO Maritime Labour Convention was ratified in August 2012 and came into force in August 2013. The latest ratifications brought the number of signatories to 65 Flag States representing around 85% of the world tonnage. Among these, the remaining Flag States of interest to EuDA members included Italy ratifying the MLC in 2013 and Ireland in 2014. However the Convention will only be in force in these Flag States respectively in 2014 and 2015.

This 12 months delay is given to the Flag State administrations to complete the process of MLC certification. In the meantime, as the convention is ratified and in force, all ships have already to comply with MLC 2006 since August 2013 with all the

systems in place on board the ship and functioning with the proof of compliance (MLC certificate or equivalent).

The Tripartite Committee at ILO gathers representatives of ILO (including Member States' government representatives), the shipowners (ICS-ISF) and the Unions (ITF). The Special Tripartite Committee meeting in Geneva on 7-11 April 2014, agreed on amendments to MLC 2006 with regards to *Seafarers abandonment and crew claims* (securing financial security for repatriation and compensation for contractual claims under the shipowners' liability).

In most cases, the situation does not affect the European Dredgers, however, EuDA raised the attention of the EuDA members that the **MLC certificate**

will have to be renewed to comply with these recent amendments on seafarers abandonment and crew claims.

Following these amendments of the MLC 2006, the EU legislation, which is a direct transcription of the ILO Convention, had to be updated. Regardless of how mechanical this process might appear, attention is needed as there is always the risk of the Commission enforcing stricter legislation and creating competitive distortions.

According to a 2014 survey on seafarer pay issues (Crewtoo Survey 2014), MLC makes the vast majority of respondents feel happier about being at sea, given the protections, rights, and safeguards that it has brought.

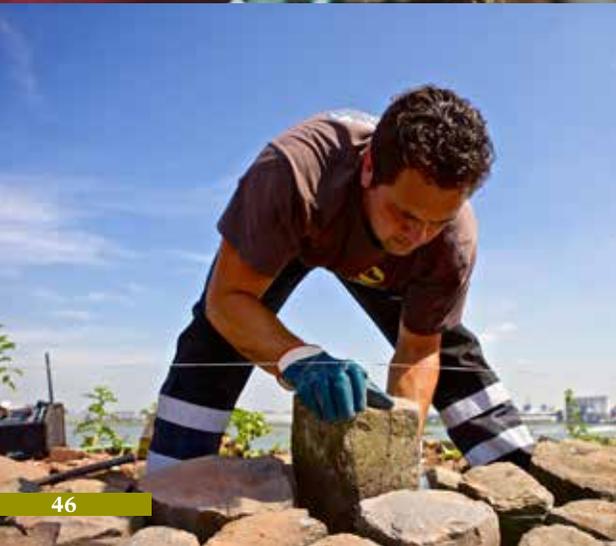


2014 Members EuDA Social Committee from left to the right

B. Monteyne (Chairman, DEME), B. T. Franzen (Rohde Nielsen), H. Bleker (Vereniging van Waterbouwers), P. Piron (Jan De Nul), A. Heijnen (Van Oord), R. Veenstra (Boskalis), P. Sansoglou (EuDA)



“EuDA supports policies aiming at reducing administrative burden.”



STCW Recognition of the Philippines

Following EMSA investigations revealing significant failures in the quality of the training system of the officers and seafarers in the Philippines, the European Commission was threatening to sanction the country by removing its STCW Recognition. If implemented, this could potentially have serious consequences for all the European shipowners employing Filipino officers (and in some cases also Filipino seafarers) with regards to the renewal of the certificates, which would not be recognised anymore. Moreover a snowball effect of de-recognition could also occur with US, Japan and other IMO members.

Unlike in the case of Georgia, where the EU did remove its STCW recognition before obtaining the rectification of the shortfalls, this situation was taken very seriously by the Filipino government which took significant corrective actions in order to prevent the recognition removal. The situation should be resolved in a near future, hopefully without a de-recognition of the Philippines by the EU.

Revision of 5 European Directives to include seafarers' protection.

After 3 consultations from 2007 to 2013 and an impact assessment, the Commission proposed in 2013

to amend 5 European Directives in order to repeal the existing seafarers' exclusions and make sure that the seafarers' protection is increased (but not reduced: '*non-regression clause*').

The directives to revise included:

- 1 *Directive 1998/59/EC on Collective Redundancies;*
- 2 *Directive 2001/23/EC on Transfer of Undertakings;*
- 3 *Directive 2002/14/EC on Informing and Consulting Employees;*
- 4 *Directive 2008/94/EC on Employer's Insolvency;*
- 5 *Directive 2009/38/EC on European Works Council.*

In most cases, the Member States' national legislations were already providing the necessary protection to the seafarers on board European flagged vessels and EuDA member companies were already compliant. So the expectation is that the revisions will have limited or no impact on them except maybe more administration.

At the end of 2014, the social partners, represented by ECSA and ETF (European Transport Federation

representing the Seafarers' Unions), reached an agreement, which will be put through the European Parliament and European Council in the course of 2015.

Schengen Visas

In 2014, the European Commission proposed amendments to the '*Handbook for the processing of visa applications and the modification of issued visas*'. The amendments seemed to go in the right direction as the intention was to simplify the procedure for 'bona fide' sailors and grant them multiple visas, through the Visa Information System (VIS, exchanging visa data, particularly on short-stay visa applications, typical for seafarers), and should reduce the administrative burden.

Besides this European initiative, there were also developments internationally at ILO with regards to Seafarers' Identity Documents (SID). Since its inception in 2003 the ILO SID Convention has not fully achieved its goal of facilitation of travel for seafarers in the context of continuously increasing global security measures (resulting from 9/11). Therefore, the ILO is considering introducing international co-operation regarding the SID Convention either in June 2015 or 2016 and approving changes to the biometric profile.



A. Heijnen

Thank you, Angelique!

Following changes to her responsibilities within Van Oord, Angelique Heijnen had to give up her seat in the Social Committee.

On behalf of the EuDA Social Committee, we would like to take this opportunity to thank you, Angelique, for your dedication and commitment to the EuDA Social Committee and the social legislative issues impacting on the European dredgers.

We appreciated your enthusiasm and contributions. We wish you all the best in your new endeavour and welcome your successor Mr Geert Klaver in our Committee.

Thank you, Angelique.
Farewell!



P. Piron

Thank you, Philip!

Following some reshuffling of his activities within Jan De Nul, Philip Piron had to give up his seat in the Social Committee.

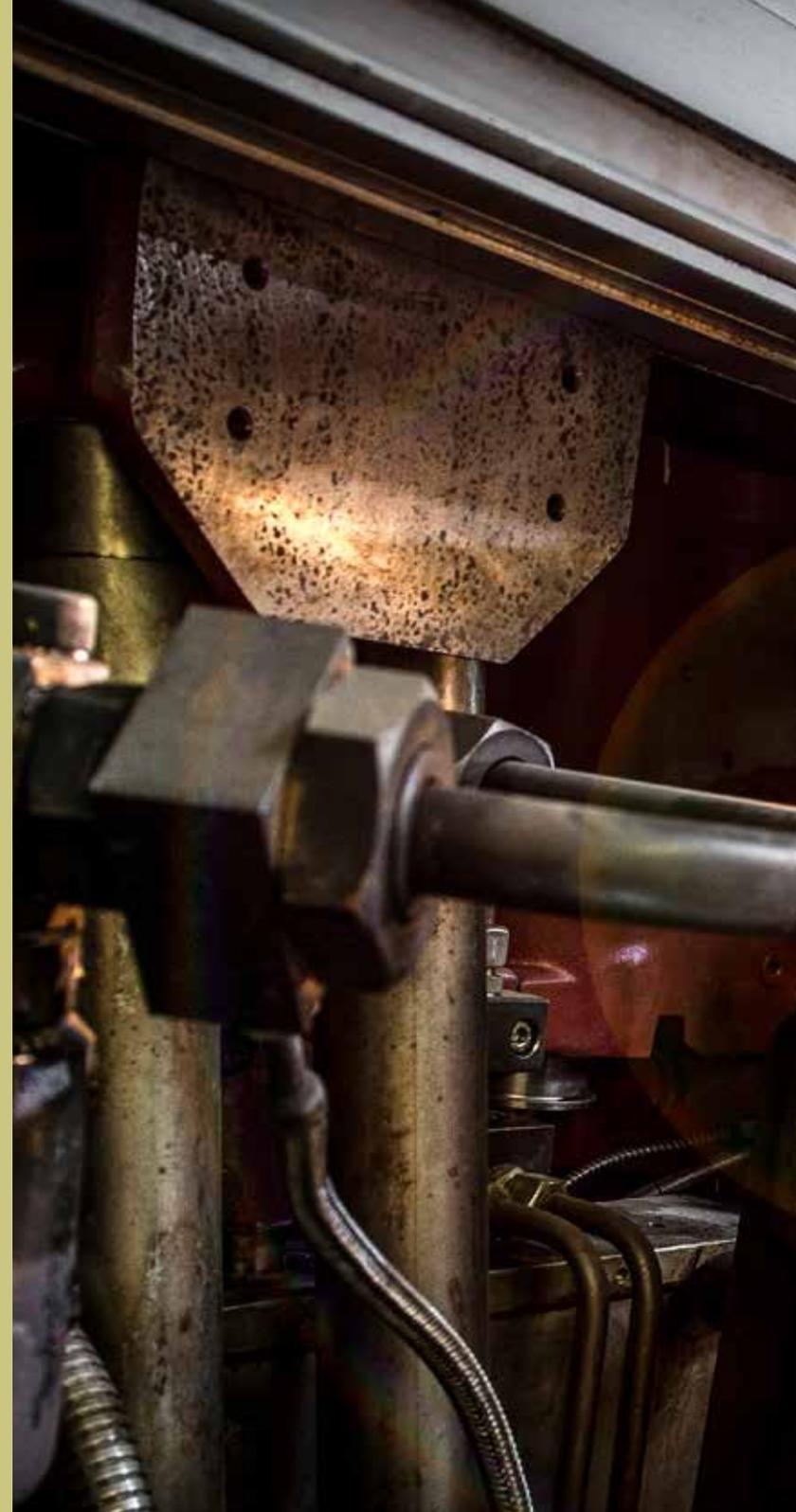
On behalf of the EuDA Social Committee, we would like to take this opportunity to thank you, Philip, for your dedication and commitment during all these years to the EuDA Social Committee and the social legislative issues impacting on the European dredgers.

We appreciated your active participation and clear points.

We wish you all the best in your new endeavour and welcome your successor Mrs Kathleen De Geyter in our Committee.

Thank you, Philip.
Farewell!

**Bruno Monteyne,
SocCom Chairman**









“European dredgers
want unhindered access
to the world markets.”

Cees van de Graaf
Baggerbedrijf De Boer - Dutch Dredging
the Netherlands

Following the failure of the WTO Doha Round, the direct **'bilateral' agreements** are preferred over the WTO multilateral approach. In this context, the EU has been engaging in trade negotiations to conclude New Generation Free Trade Agreements with priority trade partners from Asia such as ASEAN, India, Vietnam, Malaysia, Singapore, South Korea or Japan, from Latin America such as MERCOSUR, Colombia, Peru or Central America, from North America such as Canada and the US, and from African, Caribbean and Pacific countries such as South Africa.

EU-Canada Comprehensive and Economic Trade Agreement (CETA)

The EU and Canada negotiated a Free Trade Agreement, the Comprehensive Economic and Trade Agreement (CETA), for which EU and Canada reached a political agreement on the key elements and principles in October 2013. This agreement should remove over 99% of tariffs between the two economies and create sizeable new market access opportunities in services (including dredging) and investment.

However, the process of this agreement was unfortunately not fully completed and needed transcrip-

tion in an agreed final text that would have to be approved, on the European side, by the European Council and the European Parliament and, on the Canadian side, by the different provinces. The text was finally agreed in **August 2014** and officially published a month later.

With regards to the liberalisation of (all) dredging markets between the two economic zones, there was a contradiction between the agreement under the 'Services' chapter, liberalising the private dredging projects, and the agreement under the 'Public Procurement' chapter, where dredging was not liberalised. With the support of EuDA, the Commission clarified these last technical issues and hurdles with its Canadian counterpart and finalised the opening of both the private dredging markets and the federally procured markets.

Extract from the EU and Canada agreement published in September 2014. The new treatment of dredging under public procurement is described as follows (p. 653):

"For federal entities in Annex X-01, this Annex includes dredging services, and dredging services that are incidental to construction services contracts, subject to the following requirements:

1 The vessel or other floating plant equipment used in the supply of the dredging services:

- a. is of Canadian or European Union make or manufacture; or
- b. has been predominantly modified in Canada or the EU and has been owned by a person located in Canada or the EU for at least a year prior to the submission of the tender by the bidder; and

2 The vessel must be registered in:

- a. Canada; or
- b. a Member State of the EU and have been granted a temporary licence under the Coasting Trade Act. The temporary license will be granted to the EU vessel, subject to applicable non-discretionary requirements*. The requirement that a temporary licence will only be issued if there is no Canadian duty or non-duty paid vessel available will not be applied to the application for that temporary licence."

* For greater certainty, the Coasting Trade Act does **not impose nationality requirements on crew**.



“The EU ambition CETA and TTIP to be models for new generation Free Trade Agreements.”

This means that **European built, flagged, owned and crewed dredging vessels (and equipment)** may compete in publicly procured dredging projects as long as they fulfil the other requirements of the temporary Coasting Trade licence (such as proper insurance and safety, should also be met before the granting of the license).

The new treatment of dredging for private projects is described as follows (pp. 794-795):

“This reservation [this means exclusion from liberalisation] does not apply to [...]”

- 1 [...]
- 2 [...]
- 3 **Dredging**

* Canada reserves the right to not extend these benefits to enterprises of the United States.
 This means that **European operated, flagged and owned dredging vessels (and equipment)** are included in (not excluded from) the liberalisation, with regards to accessing private dredging projects.

“TTIP is an opportunity for all European Dredgers to seize.”

EU-US negotiations (Transatlantic Trade & Investment Partnership)

In July 2013, the EU and the US started the negotiations for the **Transatlantic Trade and Investment Partnership (TTIP)**, which the EU and the US intend to make a model agreement to shape global rules on trade and to become the template for all following trade agreements. Therefore, besides the elimination or reduction of tariffs across most, if not all, sectors (including services, investment and public procurement), the EU and the US want to tackle non-tariff barriers such as differences in technical regulations, standards and approval procedures, which cost unnecessary time and money to companies selling their products or services on both markets. The time to conclude these negotiations could take from 3 to 5 years in the most optimistic cases (ending between 2016 and 2018).

The EuDA Task Group on US Market Access

EuDA provided input to the **2013 EU consultation on TTIP** and prepared a **Memo** drawing the main lines of its Strategy. The Commission Unit dealing with ‘Trade in Services’ showed great interest in the European dredging industry because they represent an ‘offensive interest’ for Europe in the negotiations.

2014 members of the TG USMA from left to the right Jacques Paynjon (Chairman, DEME), Lone Voigt Starris (Rohde Nielsen), Alan Lieveens (Jan De Nul), Freek de Wit (Van Oord), Jaap Bogaards (Boskalis), Sofie Verlinden (DEME), Robert Poelhekke (NABU) and Paris Sansoglou (EuDA)



As TTIP is **an opportunity for all European Dredgers** to seize, EuDA established in 2014 a temporary Task Group on US Market Access (TG USMA) to provide advice to the Board of EuDA. The main purpose of the TG USMA is to establish a **EuDA common Strategy** and provide solid argumentation and technical support to the European negotiating parties in order to obtain improved access to the US dredging market.

The EuDA Strategy

TG USMA's built up **Market & Legal Intelligence**, on which to base the EuDA Strategy. In 2014, TG USMA gathered data-information-knowledge, analysed the situation to define suitable targets and started implementing coordinated actions.

The gathered information and experience allowed the TG USMA to establish a general approach of EuDA Strategy based on the following principles:

- *be as objective and factual as possible;*
- *include a progressive approach (in the spirit of trade negotiations) with clear targets;*
- *include possible quantification of the impacts and gains for Europe and for the US; and*
- *exclude or minimise legislative changes.*

The implementation of EuDA's Strategy needed work and coordinated actions on both sides of the Atlantic.

The European administrations, including European Commission and Member States' officials, were approached and provided with the argumentation of EuDA through various Memos, including a *Strategy Paper on Opening of US Dredging Market*; a *TTIP Implementation Memo for Dredging*; a *Summary Paper on US Dredging legislation*; and a *Jones Act Economic Report*. In July 2014, EuDA participated in the TTIP event of the Italian Presidency in Rome and at the TTIP Stakeholders' meeting organised in Brussels.

From the very start, TG USMA recommended to initiate an **information campaign in the US**, the main objective of which would be to gather support and momentum.

In the 7 rounds of the negotiations in 2013-2014, developments were slow but the ambitions on both sides remained high. Maritime transport was still on the table at the end of the year. One reason was also linked to the political changes in the two negotiating zones: **mid-term elections in the US** and

nomination of a new Commissioner for Trade, **Mrs Cecilia Malmström**, as well as a new Commission (Commission Juncker). These developments should not alter the political will however the part of more substantial discussions during the negotiations was certainly delayed.

Main Findings

No Reciprocity: it has to be noted that US dredging companies have free access to some of the EU Member States' dredging markets while European dredging companies are not allowed on the US dredging market (protected by the Dredging Act & the Jones Act). The typical example is the US dredging company Great Lakes which has worked on the Oresund Bridge (between Denmark and Sweden) and has been pre-qualified for the next Fehmarn Belt Bridge (between Denmark and Germany). **In the dredging projects, there is no reciprocity of treatment between EU and US.**

US Dredging Market: the size of the US dredging market for European dredging companies can be conservatively estimated **between 1 and 1.5 bn US\$**. In the US Market, there are recurrent dredging works (maintenance dredging), one-offs (capital dredging) and emergency responses (to natural disasters).



“By granting market access to Europeans, US would benefit from the best available dredging knowledge, technologies and know how in the world.”

'Pure dredging' activities can be estimated at about **900 MUS\$**. The segment of fall pipe can be estimated at about **150 MUS\$**. And offshore oil & gas related works (berming, pipe-laying, ...) can be estimated at about **500 MUS\$**. Some of the offshore works, like cable laying can legally remain outside the scope of the Jones Act qualification under strict conditions.

Local US Dredging Competition: the US market is quite regional as it is, in a lot of cases, limited to **regional Contractors** (small and medium size industry). Compared to the European fleet, the US fleet is 1/10 in numbers and composed of smaller ships (essentially cutters and hoppers) than the Europeans.

Main Barriers: with regards to the legal barriers, mainly two separate American acts prevent EU dredging companies from entering the US dredging market: the Dredging Act and the Jones Act. These two protectionist laws do not need to change much to grant market access to the European dredging industry. The opening to European dredging companies would require legislative modifications including, for instance:

- *to the Dredging Act: give 'national treatment' to European dredging companies. Such a treatment would give the European companies, their vessels and their crew equal treatment as local US companies or citizens.*

Among the protective measures requiring vessels to be US built, owned, flagged and crewed, the 'Ownership' restriction (75% into US citizen's hands) is the most serious access barrier. Lifting the ownership requirement for the dredging sector would already allow the European companies to enter the American market by buying existing US companies and to compete from within.

Mutual Benefits: while European Dredging companies would gain in accessing a big but so far closed market, the opening of the US dredging market, should also significantly benefit the American public and the waterborne transport industry. Besides the extra dredging capacity that will be needed to upgrade the US ports to the new (post-) Panamax standard, the US would benefit from the best available dredging knowledge, technologies and know how in the world.

The opening of the US market to European Dredgers could translate for the **US workforce** into more jobs, training and development opportunities for US citizens offered by the internationally operating European dredging contractors; for the **US (dredging) clients** into more added value for the same budget (or much lower costs per project); for the **US port & shipping** industries into better, bigger and more efficient infrastructures; for the **US tax payers & local administration** into possibly significant improvements in terms of safety (e.g. coastal protection) and environmental (e.g. Building with Nature) standards with a more efficient use of their money.

**Breaking trade barriers around the world:
Special focus on the world dredging markets**

Conference's Summary

Trade is an essential part of human activities since prehistoric times. With the exchanges of products, services and knowledge inherent to its nature, trade contributed to economic as well as to scientific and cultural development of the human societies around the world and helped them transform into today's globalised human society.

Trade development is inseparable from transport. Transport technology and infrastructures helped establish, maintain and develop the trade flows. Thanks to international shipping, the links between the trade network nodes have been further multiplied and expanded from local, to regional, to international and now global with the port networks connecting their multimodal logistics chains.

Along with the trade routes, systems and measures were quickly invented to capture some of the wealth and opportunities of the passing merchants. Not long after trade started, Trade Barriers were also raised to protect the local industries from foreign competition. However, the protection of local industries produces in the long term negative side effects that can overall counterbalance the initial short term benefits.

In the worldwide dredging markets, many types of Trade Barriers have been put in place to restrict

market access to foreign competition or to totally exclude it. In such unopened markets, European Dredgers are either prevented from delivering the full extent of their added value or prevented from delivering any value at all.

With the development of trade, Trade Barriers were further refined and, along with the tariff and non-tariff barriers, came their antidotes with the 'panacea' being the free trade agreements. Following the recent failure of the 'multilateral' negotiations of the WTO Doha Round, the direct 'bilateral' Free Trade Agreements (FTAs) between economic zones have been reactivated.

The EuDA Conference opened with an overview of the main Trade Barriers around the world and looked into the way trade negotiations can manage to lift some of them with the recent example of Canada and US. Some possible ways for the European Dredgers to enter the US market were briefly outlined and generated strong interest from the audience with constructive reactions and a lively debate.

*"Opening or not opening the US
dredging markets to the EU,
is about deciding to win together
or lose together."*

The Conference's programme was the following:

- **Introduction to the Conference Theme:**
Mr Paris Sansoglou
EuDA Secretary General, Conference Moderator
- **Trade Barriers Overview:**
Mrs Luisa Santos
BUSINESSEUROPE Director Department for International Relations
Overview of the Main Trade Barriers around the World
- **Measures to lift Trade Barriers:**
Mr Marco Düerkop
European Commission DG TRADE Lead TTIP Negotiator for Services,
EU Trade Negotiations with Canada and USA
- **Case for the Dredgers:**
Mr Andrew Durant
Managing Director, Samuels International Associates
Possible ways for European Dredgers to enter the US Market
- **Open Discussion**

- From the start of civilisation, **Trade** has been an engine for the development of human activities through the exchange of agricultural products, manufactured goods, specialised services, ... and knowledge. Over time, Trade has both evolved with and influenced human societies: *Trade* has become the cement of today's 'Global Civilisation'.
- Whereas transport is the main catalyst for *Trade*, **Seaborne Trade** is the main vector for **Globalisation**. In this globalised world, Europe's leading role and significant added value in supply chains are put under pressure.
- Besides its positive purposes, *Trade* has also developed an 'arsenal' of economic weapons which can be used to mount or dismount **Trade Barriers**, used for political purposes more and more often. The most damaging Trade Barriers for industry include regulatory or standards barriers as well as restrictions on Public Procurement (e.g. 'Buy American Act'). In a military analogy, the available counter-weaponry to Trade Barriers include:
 - ***bilateral diplomatic actions can provide quick resolution ('light artillery');***
 - ***Trade Barriers regulations are used to force investigations of particular trade practices, however the process is slower ('heavier artillery');***
 - ***the conclusion/signing of Free Trade Agreements, can provide good but not quick results ('heavy artillery');***
 - ***WTO dispute settlement is the option of last resort ('nuclear option');***
- Free Trade Agreements are ideal solutions for countries with long standing issues or problems, where Trade Barriers were the only available political instrument for economic development and pacification (e.g. Africa and the Mediterranean).
- **CETA**, the concluded Free Trade Agreement between EU and Canada opened the private and federally procured markets to European dredgers: in the words of the European Commission, "*this was the best result ever for an FTA*".
- **TTIP**, the Free Trade Agreement under negotiations between EU and US, ambitions to become the **Agreement of the 21st Century** to be used as model for all future Free Trade Agreements. TTIP is therefore innovative and includes regulatory cooperation and conformity.
- The decision to **open the US dredging markets**, or not, needs strong political commitment on both sides of the Atlantic but comes down to deciding to either win together or lose together. EU and US dredging are different industries and the 'turnip truck' dredging companies can learn and gain a lot from those companies that are defining world class dredging with state of the art equipment and vessels implementing milestone mega-projects worthy of the best US Sci-Fi movies.
- European Dredgers should make their case in the US as pressure keeps mounting on the US waterborne infrastructure due to:
 - ***the new Post-Panamax standard;***
 - ***the boom in shale oil gas;***
 - ***the desire of the Obama administration for a legacy of long lasting trade infrastructures;***
- While European Dredgers need unhindered access to markets worldwide, including in the US. The US needs the European Dredgers and needs to put an end to a 110 years long error: the **Dredging Act**.

Participants and guests
at the EuDA 2014 AGM
Conference









“European dredgers
unite their voice
through EuDA.”

Gerhard Streimel
Strabag Wasserbau - Germany



Belgium

DEME Building Materials N.V. (DBM)
Dredging International N.V.
Fédération du Dragage Belge A.S.B.L.
Jan De Nul N.V.
Baggerwerken Decloedt & Zoon N.V.



Cyprus

BKW Dredging & Contracting Ltd.
Boskalis Westminster Middle East Ltd.
Boskalis Westminster Marine (Cyprus) Ltd.
Van Oord Middle East Ltd.



Denmark

Rohde Nielsen A/S



Estonia

Terramare Eesti OU



Finland

Terramare Oy



France

Atlantique Dragage S.A.R.L.
Société de Dragage International 'SDI' S.A.
Sodranord S.A.R.L.
Sodraco International S.A.S.



Germany

Brewaba Wasserbaugesellschaft Bremen mbH
Detlef Hegemann G.m.b.H. Nassbaggerei
Heinrich Hirdes G.m.b.H.
Jan De Nul Nassbaggerei und Wasserbau G.m.b.H.
Nordsee Nassbagger-und Tiefbau G.m.b.H.
Strabag Wasserbau G.m.b.H.
Vereinigung der Nassbaggerunternehmen E.V.



Gibraltar

Van Oord (Gibraltar) Ltd.



Ireland

Irish Dredging Company
Van Oord Ireland Ltd.



Italy

Boskalis Italia Srl
Dravo S.A.
Jan De Nul (Italia) SpA
Societa Italiana Dragaggi SpA 'SIDRA'



Latvia

Baltic Marine Contractors SIA



Luxembourg

European Dredging Company S.A.
Dredging and Maritime Management S.A.
Dredging International (Luxemburg) S.A.



Netherlands

Baggerbedrijf De Boer B.V. / Dutch Dredging B.V.
Baggermaatschappij Boskalis B.V.
Boskalis B.V.
Boskalis International B.V.
Boskalis Offshore B.V.
Royal Boskalis Westminster B.V.
de Vries & van de Wiel B.V.
Dredging and Contracting Rotterdam B.V.
Mijnster zand- en grinthandel B.V.
Paans & Zonen B.V.
Tideway B.V.
Van den Herik B.V.
Van der Kamp International Dredging B.V.
Van Oord ACZ Marine Contractors B.V.
Van Oord Nederland B.V.
Van Oord N.V.
Van Oord Offshore B.V.
Vereniging van Waterbouwers
Water Injection Dredging B.V.



Portugal

Dragapor Dragagens de Portugal S.A.
Dravo S.A.



Spain

Dravo S.A.
Sociedad Española de Dragados S.A.



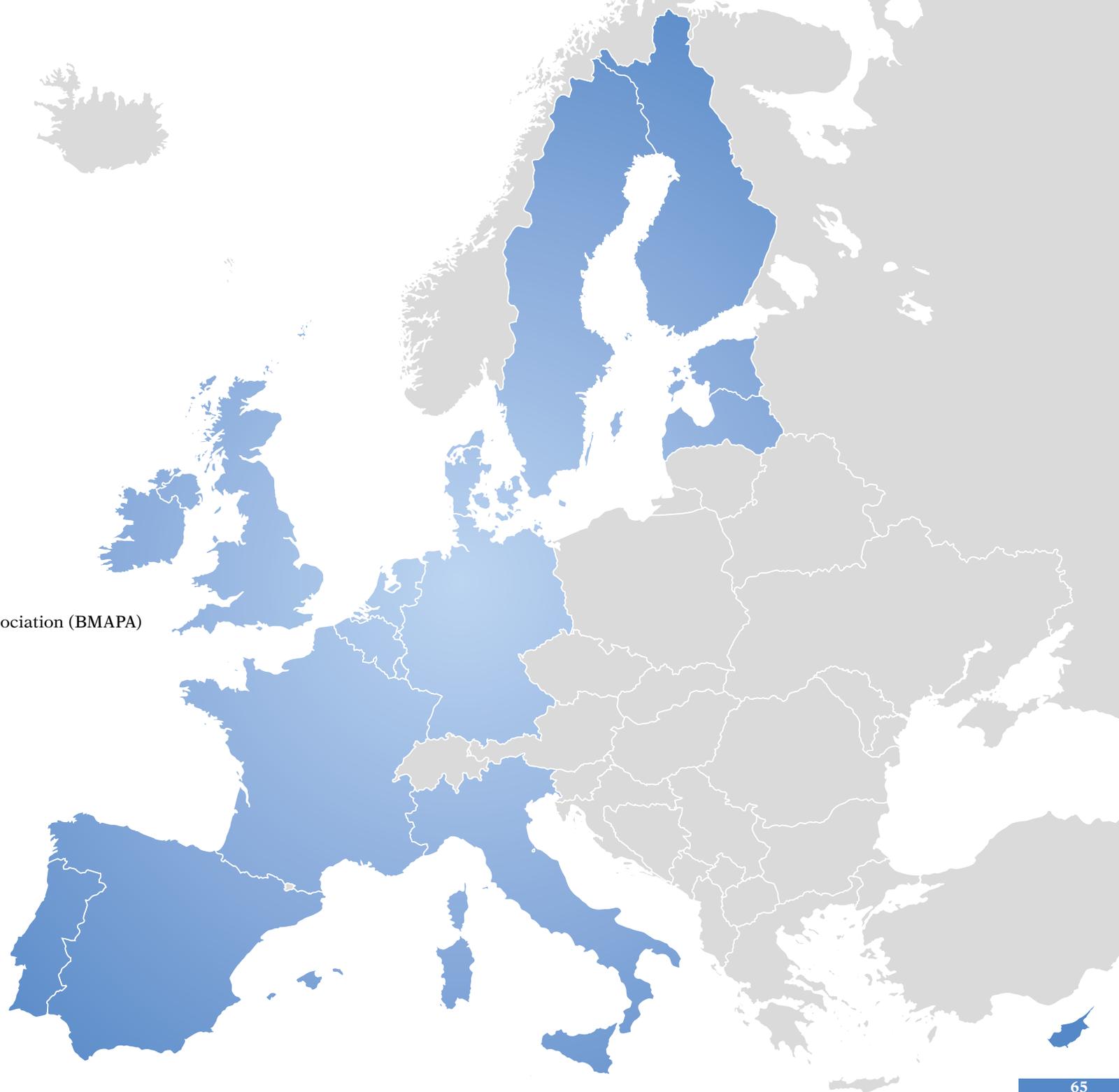
Sweden

Boskalis Sweden A.B.



UK

Boskalis Westminster Ltd.
British Marine Aggregate Producers Association (BMAPA)
Dredging International (UK) Ltd.
Jan De Nul (UK) Ltd.
Rock Fall Company Ltd.
Van Oord UK Ltd.



The purpose of the Verification Committee is to independently verify the annual accounts of EuDA and certify that they are true, transparent and without irregularities towards all the EuDA members at gathered the Annual General Meeting. The Members of this Committee are necessarily from a different member organisation than the EuDA Treasurer's.

Thank you, Walter!

For the last 10 years, you have been involved in the review of our accounts as advisor to the EuDA Treasurer or as member of the Verification Committee. Your critical eye raised many questions on the existing procedures and on possible improvements. This way, the Board and the Members were able to ensure that the governance of our association was proper. For the last 3 years, you verified the EuDA accounts were true, transparent and without irregularities, reflecting a proper use of the communal funds constituted by the membership fees. Your dedication and support to our Association cannot be understated.



2014 Members of the Verification Committee from left to the right
W. Bien (Boskalis) and H. van de Graaf (Dutch Dredging)

The Verification of the correct administration of the Association is as vital as are its policy orientations and strategic decisions.

On behalf of the EuDA Secretariat as well as the EuDA Members, I would like to thank you very much, Walter, for your commitment to EuDA and for the time and effort you put over the years.

Thank you, Hugo!

For the last 10 years, you have reviewed our accounts and made sure they were true, transparent and without irregularities, reflecting a proper use of the communal funds constituted by the membership fees. Your dedication and support to our Association cannot be understated.

The Verification of the proper administration of the Association is as vital as are its policy papers and positions.

On behalf of the EuDA Secretariat as well as the EuDA Members, I would like to thank you very much, Hugo, for your commitment to EuDA and for the time and effort you put over the years.

We wish you both all the best in your new endeavours. Thank you, Walter and Hugo. Farewell!

**Paris Sansoglou,
EuDA Secretary General**

About EuDA

Having celebrated its 20th Anniversary in 2013, the European Dredging Association ('EuDA') was founded in 1993 as a non-profit industry organisation for European dredging companies and related organisations to interface with the various European Union's ('EU') Institutions and also some International Organizations (such as IMO, HELCOM or ILO). EuDA members employ approximately 25,000 European employees directly 'on land and on board of the vessels' and more than 48,300 people indirectly (through the suppliers and services companies). The combined fleet of EuDA's members counts approximately 750 seaworthy EU-flagged vessels.

Dredging activities are not well known by the wider public, but as a matter of fact, the European dredging companies, members of EuDA, are world market leaders with about 80% share of the worldwide open dredging market and a turnover of 8.3bn Euro in 2013. Although 70% of operations take place outside Europe, 90% of the returns flow back to Europe.

The Association serves its members in all kinds of requests related to dredging issues, presently strongly emphasising Social and Environmental affairs. These issues are coordinated by the Secretariat and executed by its specialised working groups composed of experts from the member companies.

The Association will pursue its goals by endorsing policies to create fair and equitable conditions for competition; commits to respecting applicable national, European and international rules and regulations; commits to operating its fleet safely, effectively and responsibly.



EuDA Secretariat Paris Sansoglou, Secretary General Isabelle Gourdin, secretary

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