

ANNUAL REPORT 2015

A global puzzle of government interventions



EUROPEAN DREDGING ASSOCIATION





ANNUAL REPORT 2015

A global puzzle of government interventions



EUROPEAN DREDGING ASSOCIATION



Table of contents

industrial policy	6
research and development policy	12
environmental policy	20
climate change and coastal protection policy	30
social policy	38
EuDA 2015 AGM conference	46
international markets policy	50
EuDA organisation	58

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



INDUSTRIAL POLICY

Seeing our sector's vision through the maze of interventions.

Governments intervene on markets in various ways and with various objectives. As market makers, buyers and suppliers or as regulators and tax authorities, governments' interventions do play a significant role in the growth and development of selected markets or in the protection and emergence of domestic champions. In doing so, governments can also create competition distortions or negatively affect level playing field. As a general principle, governments should provide a legal framework for global and domestic level playing fields where all competitors play by the same rules and governments should abstain from interfering with company management and decisions.



2015 was a year of dredging bonanza!

M. Stordiau, Chairman

When world champions decide to retire, there is no better moment to leave than on a high. For me, as it happens, there was no better year to release my Chairmanship of EuDA than 2015, after being at the helm of the association for more than 12 years. In 2015, with the completion of the new Suez Canal, in only a third of the initially planned duration, the Eu-



The new Suez Canal - Egypt

Project description
Total length: 72 km
New Canal from km 60 to km 95 (35 km)
Deepening and widening of the Great Bitter Lakes by-passes and Ballah by-pass (37 km)
Project objectives
Minimise the waiting time for vessels to 3 hours at most
Shortening the transit time from 18 hours to 11 hours for the southbound convoy
Facilitate traffic in the two directions and
Minimise the waiting time for transiting ships
Attract more ships to the Suez Canal, and increase the number of ships the Canal can handle daily (from 49 to 97 on average)
Project facts and figures
Dredging works: 258 mn m³
Duration of execution: 10 months (Nov. 2014 - Aug. 2015), (excl. mobilisation 2 months)
Estimated cost: EGP 15 billion (~2.1 billion US\$, ~1.9 billion euro)
Highest daily output of dredged quantities was achieved on 31/05/2015: 1.73 mn m³
Number of dredgers employed: 45 dredgers (incl. 27 CSDs and 13 TSHDs)
Number of sedimentation basins: 20 basins

(Source: <http://www.suezcanal.gov.eg>)

European Dredgers have shone worldwide and demonstrated their power, capacity, flexibility and ingenuity (we are engineers after all). In line with this huge mobilisation of dredging equipment and manpower, the rest of the year was good with high occupation rates which resulted in a record year for dredging turnover and profits.

Unfortunately, 2015 was also marked by human tragedies around the world, caused by the war in Syria and the rise of Radical Islamists promoting acts of terrorism worldwide. These contributed to the significant increase of the influx in Europe of migrants and refugees looking for a better life or only for shelter. 2015 was marked by exportation of terror acts into Europe, with Paris, France, targeted more specifically and repeatedly in January and in November.

On the European scene, the carrying capacity of Member States to cope with asylum seekers was tested to its limits. Additional turmoil came from the ‘unmanageable’ Greek debt and the associated risks of Eurozone collapse following a ‘Grexit’. Even a ‘Brexit’ was mentioned. Only time will tell whether the Union can weather such existential crises. But being a European and Belgian citizen, I can only quote the Belgian motto: “Eendracht maakt macht (Dutch) - L’union fait la force (French) - Einigkeit macht stark (German)” and in plain English “Strength through Unity”.

In 2015, the European Dredging Association (EuDA) focused its efforts on the main issues for the dredgers, which included:

- 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 and the threat from China

With regards to the State Aid Guidelines to Maritime Transport, EuDA has conducted an internal study to collect information and evidence to better support its requests and recommendations presented to DG Competition on the occasion of its consultation. Moreover, EuDA selected a theme for its 2015 Conference that covered these Guidelines and put them in the context of global markets and unfair competition from (Chinese) State-owned Enterprises (SOE). During its Annual Conference, EuDA warned that the tied financial schemes (capturing external markets for the Chinese SOEs and closing them down for all other competition) were a more important threat than effectively recognised, both inside and outside of the EU. Europeans need to make sure that their European companies would not be excluded from, but are able to access the infrastructure markets targeted in the “One Belt, One Road” Chinese Strategy.

2015 Members of the EuDA Board



J. Rohde, Vice Chairman



P. van der Linde, Treasurer



M. Fordeyn



P. Verheul



E. Lokkerbol



G. Streimel



C.J. van de Graaf

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

Adoption of the EU regulation on air emissions by marine vessels

The Commission’s Regulation on “*monitoring, reporting and verification (MRV) of carbon dioxide emissions from maritime transport*”, the so called MRV regulation, was adopted on 29/04/2015 and imposed on all ships calling in European ports, regardless of the Flag, to report amongst others on an annual basis their fuel consumption and related CO₂ emissions. Due to the use of energy for both sailing and working, a certain number of shipping sectors, including dredging, were exempted from the scope of this regulation in the first phase of its implementation. Based on in depth internal analy-

sis, EuDA argued that the optimisation of CO₂ emissions for dredgers should be applied to the dredging project as a whole and not to individual ships. Indeed, sailing and working conditions (distances, soil hardness, specific ecological requirements) can vary significantly from one project to the other. The European dredging fleet is one of the most recent, advanced and high tech in the world, with matching CO₂ track records: the CO₂ emissions/m³ have decreased on average by 15 % from 1990 to 2010.

In this context, the UN FCCC COP21 meeting in Paris has marked a landmark with a globally binding agreement on CO₂ emissions’ reductions.

The EU Free Trade Negotiations with North America

In 2015, EuDA continued its support to the Comprehensive Economic Trade Agreement (CETA) between the EU and Canada. With regards to dredging, the Canadians have agreed to open their private as well as federally procured markets. EuDA would like CETA to enter into force as soon as possible in order to have the opportunity to demonstrate the high added value services its members can provide.

With regards to the Transatlantic, Trade and Investment Partnership (TTIP) between the EU and the US, 2015 was kind of an all or nothing year as no clear deal meant that the US elections in 2016 would take the centre stage. As far as dredging is concerned the main market access barrier that needs to be removed is the Dredging Act (protecting local dredgers from any foreign competition).

Goodbye

As it is my last Editorial for EuDA, I would like to thank all the colleagues that helped me build this Association and turn it into a reliable and constructive maritime stakeholder. European Dredgers are in good hands and I wish my successor all the luck and success he or she can hope for. The selection of this person is not yet complete and his or her name not yet known. I entrust the helm of the Association into the capable hands of Jeanette Rohde, our Vice-Chairman, who will certainly find the new face of European Dredging.

*With our respectful goodbyes,
Je vous tire ma bien respectueuse révérence,
Marc STORDIAU Chairman
and his colleagues of the Board of EuDA.*



C.J. van de Graaf

Thank you, Cees!
Cees van de Graaf Sr was part of the original management team that took the reins of EuDA in the cornerstone year of 2003, marking EuDA's 10th Anniversary. The new team gave the Association a renewed impetus,

regrouping more members behind its new focus and further developing and strengthening EuDA's relationship with the European Institutions!

Inside and outside the board meetings, discussions between competitors are never easy and we had to face critical moments over the years: like in 2012, when we needed to convince you with hard evidence and arguments of the solidity of our EuDA CO₂ Strategy.

Cees represented the dredging company Dutch Dredging in the EuDA Board with its usual thoroughness and independence. His views during the board meetings were appreciated over the years as well as his commitment to the dredging industry.

On behalf of your colleagues in the EuDA Board of Directors, I would like to thank you, Cees, for your reliability and dedication during these years to EuDA. We wish you all the best in your retirement and a swift and complete recovery! We already had the opportunity to welcome in the Board of EuDA your successor Mr Kees van de Graaf Jr, your son.

Thank you, Cees. Take good care and Farewell!

Marc STORDIAU, Chairman



M. Stordiau

Thank you, Marc!
Marc Stordiau was the leader of the management team that took over the reins of EuDA in the cornerstone year of 2003, which marked the Association's 10th Anniversary. Thanks to the new team and the leadership of

Marc, EuDA received a renewed impetus, regrouping more members behind its new focus and vision, further developing and strengthening EuDA's relationship with the European Institutions!

Inside the Board, discussions between competitors are not always easy and particularly on sensitive topics, like in 2009 when the Pompei, a Belgian flagged and owned stone dumper, was hijacked with its crew along the coast of Somalia. I had just joined EuDA two days earlier and we organised immediate action and statements at a press conference. Result driven, you taught me to learn fast and act right: throwing me in the deep end of the 'European Institutions' pool and supervising my constantly improving swimming technique.

In the Board, all members are committed to the good functioning of the Association but the role of the chairman, beyond this commitment, is to make it work. And it did for more than 12 years! Marc Stordiau represented the dredging company DEME in the EuDA Board but as chairman he had to rise above partialism and individualism, to remain neutral, keeping the interest of the whole

industry as the main priority. You told me to ignore as much as possible the voting rules in our statutes but instead to work towards and aim for consensus, unanimous consensus. The strength of consensus cannot be underestimated as it gains full support of the other Board members but also their respect. You were respected, and still are. Now you will be missed for your knowledge of political processes, influence and diplomatic skills.

On behalf of your colleagues in the EuDA Board of Directors, on behalf of the entire European Dredging Association, I would like to thank you, Marc, for your vision, engagement, reliability and work during all these years you kindly dedicated to EuDA.

We wish you all the best in your new endeavours and welcome your DEME successor, Mr Eric Tancre, on EuDA's deck. We look forward to identifying the new "perle rare" who will take the helm of the EuDA ship and pursue the successful journey of the European Dredgers.

Thank you, Marc. Good luck to you and Farewell!

**Paris SANSOGLU,
Secretary General**





Public support for research reduces risks and stimulates innovation.

Public support in precompetitive research, development and innovation (RDI) projects is welcome even needed to reduce the risks of knowledge building and stimulate private competitive RDI projects. Multidisciplinary cooperation, RDI and continuous investment in advanced high tech equipment, have brought and kept the European Dredgers at the world's leading edge of knowledge and technology to provide their specialised services to maritime activities including transport and coastal infrastructures, offshore energy and marine aggregates. Public support for precompetitive RDI projects provides extra leverage and new opportunities for reaping even more results from the current private efforts.

European Dredgers Innovating around the world

Where the global markets are open, the European dredgers can keep growing in their high-tech high added value maritime market segments and maintain their global leadership only by innovating faster than their competitors imitate them. This is why the European dredging companies are continuously investing in Research, Development and Innovation (RDI) 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.

For instance, 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.



European Maritime Day 2015, Athens: “Ports and Coasts, gateways to maritime growth”

Created by a tripartite declaration by the Presidents of the European Commission, the European Parliament and the Council of the EU, the European Maritime Day (EMD) is celebrated on and around the 20th May every year and aims to raise the visibility of a Maritime Europe. In its previous editions, the European Maritime Day took successively place in Brussels (2008), Rome (2009), Gijon (2010), Gdansk (2011), Gothenburg (2012), Valetta (2013) and Bremen (2014).

The 2015 edition of the European Maritime Day Conference was organised in Athens and focused on “Ports and Coasts, gateways to maritime growth”. EuDA took a particularly active role and raised the visibility of the sector. Indeed, EuDA was invited by DG MARE to speak at the Thematic Session 2 on “Working with nature – Innovative solutions for jobs and growth in coastal areas” (more details hereafter).

Moreover, EuDA jointly organised with the European Marine Board (a leading European platform for marine research) a workshop on “Maritime Cultural Heritage and Blue Growth: What’s the Connection?” (tackling the issue of underwater archaeology) and participated in a workshop the European Marine Board and the Joint Programming Initiative Oceans were organising on “Today’s students, tomorrow’s professionals: How innovative training can support blue growth”.

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



EMD 2015 Thematic Session 2 on “Working with nature - Innovative solutions for jobs and growth in coastal areas”

Showcasing **nature-based solutions** that support sustainable jobs and growth, the session discussed how sustainable development and regeneration of coastlines, coastal cities and ports could offer **new opportunities for balanced economic development**. Sharing stakeholders’ experiences, the session acknowledged the role of oceans as economic powerhouses, considering the links between offshore and near-shore environments.

Moderated by **Mr Kurt Vandenberghe**, DG RTD Director and **Ms Marianne Wenning**, DG ENV Director, the session included presentations by **Mr Paris Sansoglou**, Secretary General of the European Dredging Association; **Ms Stella Kyvelou**, ESPON Programme Contact Point Director; **Mr Kenneth Black**, Principal Investigator, Scottish Association for Marine Science; and **Ms Pauli Merriman**, Project Director, Baltic EcoRegion Programme, WWF.

Political outcome and key messages:

- Nature-Based Solutions (NBS) provide opportunities to create new jobs and enhance well-being in a sustainable way for coastal regions and cities.
- NBS can also offer cost-effective protection against climate-related threats, especially when considered in combination with issues at the wider oceanic level. “Think global, act local” is a message that retains its importance as the Commission’s understanding of links between levels increases.
- Coastal regeneration for the enhancement of ecosystem services through NBS provides new opportunities and ways for different actors (private sector, industry, local government, citizens) to work together to address major environmental challenges and enhance local well-being.
- Integrated Coastal Zone Management and the Blue Economy are inherently linked through land-sea interactions.
- Finally the Commission explained the new approach (under the “Juncker Plan”) it applies to research projects, which are described as investments in innovative demonstrator projects (rather than ‘grants’ for ‘another’ research project) with the ambition of also including long term payback periods (20-30 years).
- ‘Building with Nature’ projects are considered fitting proposals to be presented to the Commission for such investments.

Key messages of the workshop on “Maritime Cultural Heritage and Blue Growth: What’s the Connection?”

Maritime cultural heritage is not the same as those on land and we need to think outside the box for the right tools, both to explore and to manage. The offshore industrial sector has demonstrated that it is possible to turn obstacles (of archaeological finds/delay of the project) to assets (of public support/added-value). It is very important therefore to engage with archaeologists early, to have inter-disciplinary collaboration and to derive positive benefits from communicating and engaging with the public.



Key messages of the workshop on “Today’s students, tomorrow’s professionals: How innovative training can support blue growth.”

Marine graduate training needs:

- active partnership between academia, policy and industry through co-design of marine graduate courses, internships, work experience and practical training;
- to bridge the culture gap between disciplines, marine and maritime sectors, to create an interdisciplinary and adaptable workforce that can tackle holistic ocean issues;
- greater coordination, harmonisation and visibility across Europe to connect and align marine training with the needs of employers, particularly in the context of Blue Growth.

The main points of EuDA’s intervention were the following:

“In their ‘High Tech - High Wage - High Added Value’ end of a niche market, European Dredgers need Highly Educated, Highly Trained and Highly Skilled professionals.

To remain competitive worldwide, besides technical improvements for better performing and more efficient new vessels and equipment, European Dredgers need to stimulate technical improvements and lead the innovation process in fields as varied as hydraulic, geotechnical, nautical, structural (e.g. from hard structures to soft structures), ecological (e.g. Building with Nature) and communication.

To do that, European dredgers have had to continuously invest in their people and/or hire new people:

- to build and/or acquire more knowledge from a broader range of disciplines;
- as well as to develop the needed new skills to integrate them into their projects and processes.

One of the growing strengths of the European dredging companies is the capacity of their people to manage complexity and:

- solve complex ‘purely engineering’ problems;
- manage multidisciplinary;
- manage multicultural;
- build mutual trust with the clients and the local stakeholders.”





ESW 2015

At the initiative of the European Community Shipowners' Associations (ECSA), shipowners and shipping industry leaders have joined forces to launch the inaugural European Shipping Week (ESW) in the first week of March 2015.

As a member of the ESW Steering Group, EuDA organised its Board meeting on 03/03/2015 and a double event on 05/03/2015, combining a seminar on *'Innovations improving Maritime Safety'* with a technical visit of a dredger in operation.

Joint Industry Statement

In their Joint Industry Statement, the major European Shipping Associations highlighted that the main political issues of concern covered: level playing field issues (including fiscal measures supporting level playing field), shipping emissions (CO₂, SO_x and NO_x), the need to attract young people to the seafaring profession, the need for administrative simplification, the migrant crisis in the Mediterranean and finally market access around the world.

Seminar on Innovations improving Maritime Safety and Technical Visit

With the support of the Port of Zeebrugge and the Belgian Federation of Dredging Contractors, EuDA

organised a double event, combining a Seminar and a technical visit, on 05/03/2015 in Zeebrugge.

The EuDA seminar was addressed by high level speakers from the European Commission, **Mrs Barbara Sellier**, Deputy Head of Unit for Maritime Safety, from the European Maritime Safety Agency (EMSA), **Mr Markku Mylly** EMSA's Executive Director and from the Port of Zeebrugge, **Mr Joachim Coens** its Managing Director. The Seminar was moderated by **Mr John Richardson**, FIPRA International. The technical presentations were given by respectively **Mr Bernard Malherbe**, JDN, **Mr Frank Verschraegen**, DEME, **Mr Francois Duthoit**, DCNS and **Mr Paris Sansoglou**, EuDA, who gave the participants food for thought and lead to lively discussions. EuDA also prepared an Information Paper summarising the key findings and messages from the presentations, discussions and conclusions of the seminar.

The technical visit included a tour by boat, on board of which participants were given general introductions to dredging and to the port of Zeebrugge. The participants were lead to a project site and were explained the purpose and the working of the TSHD "Artevelde" doing maintenance dredging work in the port of Zeebrugge.





From protection to partnership.

Instead of compensating it, partnering with Nature leads the way towards sustainable development and win-win-win situations for society, ecology and economy. Governments should promote and facilitate sustainable approaches such as Building with Nature. Indeed, thanks to long term cooperation with universities and hydraulic labs and also to continuous investment in advanced and high tech equipment, the European Dredgers have developed innovative solutions and new sustainable approaches, integrating both physical and ecological aspects of nature into their project designs and implementation.

Air Emissions

Most of the work on CO₂ related issues is coordinated and executed by a well-established EuDA working group dedicated to CO₂ emissions and functioning as the European Dredgers' central knowledge point on emissions. For a 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 greenhouse gases (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, limiting to **0.10 %** the sulphur content of marine fuels to be used in designated SO₂ Emission Control Areas (SECAs) was adopted by the European Council in 2012. The Directive finally entered into force on **01/01/2015** (in line with the Annex VI of the MARPOL Convention) and applies to the North Sea, the English Channel and the Baltic Sea.

During its 2013 sulphur dedicated workshop, EuDA concluded that "the most realistic technical solution for the dredgers working in a SECA to comply with the sulphur requirements is to switch from heavy fuel oil to marine diesel oil". Since then, the position of the European Dredgers has evolved and they are currently considering alternative fuels, such as LNG, and they are even building LNG dredgers.

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 (ECA) of the Baltic Sea. The Baltic ECA is expected to request a similar limit to be extended to NO_x emissions.



2015 Members of the EuDA Environment Committee from left to the right
P. van der Klis (EnvCom Chairman, Van Oord), G. van Raalte (Boskalis), M. Russel (BMAPA), C. Schillemans (Vereniging van Waterbouwers), I. Pallemans (JDN), K. Allaert (JDN), P. Vercruijse (DEME) and P. Sansoglou (EuDA).

Motorways of the Sea

On 20/05/2015, EuDA was invited by the new Motorways of the Sea (MoS) Coordinator, Mr Brian Simpson (Former Chairman of the European Parliament Commission on Transport – TRAN) to exchange views. On this occasion, EuDA highlighted that:

- Ports are a key priority for Motorways of the Sea.
- Dredging is not a problem ... it is part of the solution!
- Dredging is a vector for European maritime excellence.

and recommended:

1) Policy coordination and integration of objectives

The joint (DG ENV and DG MOVE) guidelines for the implementation of the Habitats Directive in Estuaries and in Rivers are key examples where policy makers worked together, in cooperation with the stakeholders, and managed to better integrate and thereby implement more effectively their respective policies.



2) Project cooperation and integration of purposes

*At project level, it is important to take ‘nature’ into account at the design phase and to engage with the stakeholders at an early stage, before the final design of the project (e.g. the **Building with Nature** approach); to this end, it is also useful to engage with the contractors at an early stage (e.g. **Early Contractor Involvement**) in order to benefit from their knowledge to prepare the project’s requirements; these approaches have often proved useful in gaining support from the public and in accelerating the entire licensing procedure (reducing costs and delays).*

3) ‘Multipurpose’ Waterborne Infrastructures in a Transport Infrastructure System

Waterborne infrastructures need to be working as an integrated system providing ‘multipurpose’ services, whereby the same infrastructure is used for different purposes at different times or the infrastructure is used for a cluster of compatible, or even complementary, purposes (e.g. an artificial island built as a safe place of refuge could be designed to also reduce coastal erosion and store renewable energy). These ‘multipurpose’ waterborne infrastructures are interconnected and integrated in a system of multimodal (water, land, air) transport infrastructures.

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 cancellation.

Ems Paper conclusions

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 2015, EuDA further promoted the conclusions of its Paper on the Ems Case on different occasions, including in the EuDA presentation at the European Dredging Summit on 07/10/2015 in Antwerp.

Fitness Check of the Birds and Habitats Directives

Following up on its workshop on “*coordinated implementation of nature, biodiversity, marine and water policies*” (02-03/12/2014, Brussels), aimed at identifying and discussing the possible synergies between Water, Waste and Biodiversity legislations and improvements in terms of ecological/environmental status, the European Commission started in 2015 a large exercise of assessing whether Environmental directives are ‘fit for purpose’ (REFIT). In this context, EuDA participated in the DG Environment conference on 20/11/2015 presenting the findings of the “Fitness check of the EU Nature Directives”.

Mini-symposium on “North Sea Herring, spawning ground collaborative mapping”

Represented by Mark Russell, British Marine Aggregate Producers Association (BMAPA), EuDA participated on 03/12/2014 in a mini-symposium on “*North Sea Herring, spawning ground collaborative mapping*” organised by the International Council for the Exploration of the Sea (ICES) in Copenhagen. The meeting was overall very constructive and positive with regards to the work and thinking

undertaken by the Dredgers. EuDA constructively challenged the standard approach, ‘*no extraction during spawning period*’, questioning:

- 1) the rationale of controlling extraction (a minor pressure) while there was no control on the fishery actively targeting and removing the stock prior to spawning;
- 2) the rationale of controlling extraction (a minor pressure) while there was no control on other similar pressures (demersal fishing gear) that would continue to occur;
- 3) the unusual ‘black or white’ advice (extraction - no extraction), giving no room for manoeuvre to regulators.

Further to this symposium and this positive contact, BMAPA contributed to an article to be published on the ICES website and went live at the end of September 2015 (link to video: [http://www.ices.dk/news-and-events/news-archive/news/Pages/Scienceand-industry-jump-into-\(a-gravel\)-bed.aspx](http://www.ices.dk/news-and-events/news-archive/news/Pages/Scienceand-industry-jump-into-(a-gravel)-bed.aspx)).

As a result of this activity, ICES updated its regional advice as follows: “*ICES advises, under precautionary considerations, that activities that have a negative impact on the spawning habitat of*



herring should not occur, unless the effects of these activities have been assessed and shown not to be detrimental.” (see example: <http://www.ices.dk/sites/pub/Publication%20Reports/Advice/2015/2015/her-47d3.pdf>).

This revised ICES advice represents a much more sensible and workable starting position than the automatic extraction ban during spawning period.

“Ecosystem Services provide a frame of communication between stakeholders, using their own value system, priorities and lingo.”

PIANC Workshop on “Ecosystems Goods and Services”

In the PIANC workshop on “Ecosystems Goods and Services” (EGS) organised on 06-07/05/2015 in Koblenz, EuDA took an active role by moderating the morning session on “*Monetary and non-monetary values of Ecosystem Goods and Services*” and animating the afternoon brainstorming session on “*Economic aspects of EGS*”. From its sessions, EuDA concluded that beyond the frame to assess the different values both in quantitative (monetary) and qualitative (non-monetary) terms, Ecosystem Services also provide a frame of communication between stakeholders, using their own value system, priorities and lingo.

With over 160 participants from various member States, the attendance was very good. Both presentations and following discussions were quite interesting. The main objective of PIANC EnviCom is to elaborate a paper on EGS before considering the establishment of a formal working group which would be tasked to provide guidance on how to use the Ecosystems Services concept and to link it (or not) to the best practices for ‘*Working with Nature*’.

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.

Roadmap to a circular economy

The concept of 'Circular economy' has progressively been elaborated by the European Commission. With the 'Circular economy' motto "waste is a resource to be put to beneficial use", DG Environment aims at stimulating and maximising the re-use/re-cycling of waste.

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 pro-

grammes 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 (broadening the geographical scale and introducing human activities impacts on water quality and ecosystems).

EuDA continued to closely follow the developments in the implementation process of the Marine Strategy Framework Directive (MSFD) through CEDA's Marine Strategy Navigation Group. The main development concerned a technical report on MSFD's Descriptor 6 on Seabed Integrity prepared

by ICES (the International Council for the Exploration of the Sea). In this report, ICES proposed a switch from the current criteria (6.1 *Physical damage, having regard to substrate characteristics* and 6.2 *Condition of benthic communities*) to 'more appropriate' ones (6.1 *Functionality* and 6.2 *Recoverability*). From EuDA's analysis, it was inconclusive whether this proposal would bring an effective improvement to or any clarification of the descriptor. In any case, the advice from ICES was not followed by the Commission.

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

Weser Case

A complaint was made by a Non-Governmental Organisation (NGO) about the potential for deterioration associated with the proposed dredging of the 744 km long Weser River (passing through Bremen and ending in Bremerhaven). A German court concluded that ‘deterioration’ under the Water Framework Directive included deterioration within a status class. For the dredgers the main question was whether business would be affected or not and in which way.

On 01/07/2015, the European Court of Justice (ECJ) finally ruled its case on the dredging of the Weser River.

The definition of ‘*deterioration of the status*’, was clarified by the ECJ, which specified that within a class, a reduction of the ecological quality ratio does not constitute a ‘deterioration of the status’ unless the water body is classed in the lowest class (‘Bad’), in which case any reduction of the ecological quality ratio would constitute a ‘deterioration of the status’. This means business as usual except in water bodies with very bad ecological quality.



With regards to the question of the dredgers, the ECJ specified that dredging includes both capital and maintenance dredging (ECJ Judgment, point 20) and that “a deterioration of the status of a body of water, even if transitory, is authorised only subject to strict conditions” (ECJ Judgment, point 67).



Thank you, Gerard!

No members of the EuDA Environment Committee have been there from the start, except for you, Gerard. You contributed to all the environmental policy lines and initiatives taken by the European Dredging Association over the last 12 years.

You were also our link with the Central Dredging Association's Environment Commission of which you have been a member for 20 years. Furthermore, you have also been teaching the environmental aspects of dredging in the IADC-CEDA ad hoc seminar.

The Environment Committee is continuously facing urgent and difficult challenges affecting the dredging sector. For each position of and request from EuDA, you gave a thorough feedback and relevant suggestions, making EuDA's positions and arguments stronger, more realistic and thereby more convincing towards the European Commission.

We wish you to enjoy your well-deserved retirement. On behalf of the EuDA EnvCom, we would like to take this opportunity to thank you very much, Gerard, for your commitment to EuDA's Environment Committee. We appreciated your enthusiastic contributions and clear points. We thank you for the time and for the valuable advice you gave us (and our predecessors) over all these years.

We wish you all the best in your new endeavours and welcome your successor Mr Daan Rijks.

Thank you, Gerard. Farewell!



G. van Raalte

**Pieter van der Klis,
EnvCom Chairman**

Thank you, Ivo!

Ivo Pallemans joined the EuDA Environment Committee in 2014 and reinforced the team with the expert views from Envisan, the Environmental Division of Jan De Nul. We appreciated, Ivo, your active participation in the discussions and your valuable contributions.

On behalf of the EuDA Environment Committee, we would like to take this opportunity to thank you, Ivo, for your commitment to our committee and for the time and advice you gave us with regards to environmental issues and legislation affecting the European dredgers.

We appreciated your enthusiastic contributions and clear points.

We wish you all the best in your new endeavours and welcome your successor Mr Karel Allaert.

Thank you, Ivo. Farewell!



I. Pallemans

**Pieter van der Klis,
EnvCom Chairman**



Go with the flow of waterborne opportunities.

As Sea-Level Rise becomes a closer reality, governments around the world should promote the building of resilient waterborne infrastructures. Thanks to their multidisciplinary approach, European Dredgers can design and build for their clients multipurpose waterborne infrastructures that provide added value to society (e.g. coastal protection), nature (e.g. restoration of Blue Carbon Habitats) and economy (e.g. port expansion and development).



W. Dirks (Chairman, Van Oord)

2015 Members of the EuDA CO₂ Working Group from left to the right

A. Schrijen (Boskalis), P. Vercruijse (DEME), R. Kolman (IADC), K. Allaert (JDN), F. van Dongen (Vereniging van Waterbouwers) and P. Sansoglou (EuDA)

From its inception, the CO₂ Working Group worked towards establishing and implementing the EuDA common CO₂ Strategy. In 2015, the CO₂ WG pursued its implementation work with regards to the EuDA CO₂ Strategy and focused particularly on the targeted external communications, which are 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 on 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.

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, still under preparation, are meant to provide fair and trans-

“With factual information, EuDA raised awareness in the EU and IMO on the dredging specifics regarding CO₂ matters.”



parent industry backed methods to support clients on estimating CO₂ emissions for dredging 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 of misunderstanding of dredging processes or because of unfair or non-transparent calculation methods, these CO₂ requirements could introduce competition distortions and potentially pose a threat to the industry.

The general approach of the EuDA CO₂ Strategy to communicate towards or lobby the national administrations (including the representatives in the European Council) is making as much as possible use of the existing national communication channels from the joint networks of EuDA and IADC: for instance, the Vereniging van Waterbouwers takes the lead when lobbying the Dutch administration. During the preparatory phase of the Regulation on Monitoring, Reporting & Verification (MRV), a constructive cooperation between DG CLIMA, Rijkswaterstaat (RWS), Vereniging

van Waterbouwers and EuDA was established and considerations were made as to avoid jeopardising the progress and results already achieved regarding the CO₂ emissions from dredging projects in the Netherlands.

TGEF reactivated

The TSHD External Communication was designed to be ad hoc and adaptable to the targeted adminis-

trations' 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). The TGEF was reactivated in 2014 for this purpose as well as for the compilation and finalisation of two additional External Communications (on CSD and on BHD) in 2015.



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

The MRV Regulation was adopted on 29/04/2015 and published in the Official Journal (OJ L 134 R) on 19/05/2015. As announced in 2014, the final text explicitly excludes dredgers from the scope in a first phase.

Recital (14):

“All intra-Union voyages, all incoming voyages from the last non-Union port to the first Union port of call and all outgoing voyages from a Union port to the next non-Union port of call, including ballast voyages, should be considered relevant for the purposes of monitoring. CO₂ emissions in Union ports, including emissions arising from ships at berth or moving within a port, should also be covered, particularly as specific measures for their reduction or avoidance are available. These rules should be applied in a non-discriminatory manner to all ships regardless of their flag. However, since this Regulation focuses on maritime transport, it should not establish monitoring, reporting and verification requirements for ship movements and activities not serving the purpose of transporting cargo or passengers for commercial purposes, such as

dredging, ice-breaking, pipe laying or offshore installation activities.”

Article 3 c)

“c) ‘voyage’ means any movement of a ship that originates from or terminates in a port of call and that serves the purpose of transporting passengers or cargo for commercial purposes;”

These excerpts confirm that in its first phase, the Regulation targets cargo and passenger vessels, doing straight maritime transport, and excludes from its scope ships combining work and sailing activities and representing a marginal share of the total tonnage and CO₂ emissions, such as dredging.

The entry into force of the Regulation was 01/07/2015.

No revision date for this regulation has been foreseen, however, like any other European legislation, this regulation will be subject to impact assessment and to possible later amendments.

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).

PIANC Coalition on Climate Change

In 2015, EuDA joined a Climate Change Coalition led by PIANC. EuDA co-signed a position paper on “Navigating a changing Climate” that was presented in December 2015 at the 21st Conference of the Parties of United Nations Framework Convention on Climate Change (UN FCCC COP21) in Paris. This position was composed of a press release, a roadmap and an action plan, including PIANC’s, EuDA’s and the other members of the coalitions’ relevant publications or workshops.

By cooperating with PIANC and CEDA in joint initiatives, EuDA further increased the visibility of the European Dredgers with regards to Climate Change Adaptation and Mitigation.

“Urgent action is needed to protect vulnerable areas from Climate Change consequences and increase their resilience.”

EuDA CO₂ emission figures 2014

As part of the EuDA CO₂ Strategy, the CO₂ Working Group has collected and compiled the 2014 data for the CO₂ emissions of the European dredging fleet.

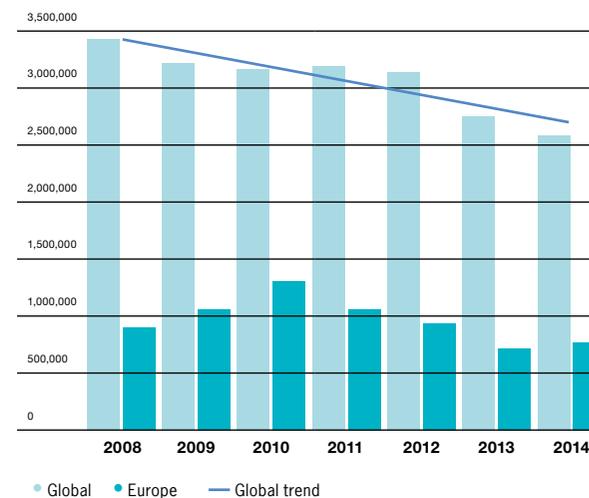
In absolute numbers, the world seagoing dredging fleet was estimated to have produced 6.3 Mton of CO₂ in 2008. The emissions of the European Dredgers

(EuDA members) in 2008 were about 3.4 Mton. From 2009, the European dredgers' CO₂ emissions continuously dropped to 2.7 Mton in 2014.

The growth of the global economy is 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.

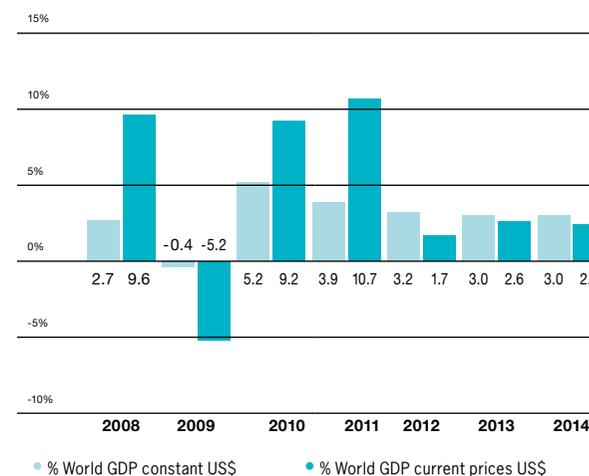
EuDA fleet CO₂ emissions

(source: EudA)



Evolution of World GDP

(source: IMF)



EuDA fleet CO ₂ emissions (2008-2014).		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	985,998	3,108,075
	European operations and emissions	501,981	283,388	896,361
2013	Global operations and emissions	1,666,135	880,657	2,774,959
	European operations and emissions	527,013	219,866	696,476
2014	Global operations and emissions	1,598,624	846,514	2,672,869
	European operations and emissions	530,519	228,823	724,198

The figures in 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.

Workshop on Climate Change Adaptation (ECCA 2015, Copenhagen)

On direct invitation by the European Commission, EuDA organised with CEDA a joint workshop on “*Sustainable Dredging Approaches to Climate Change Adaptation: Solutions from the European Dredging Community*” at the European Conference on Climate Change Adaptation (ECCA 2015) in Copenhagen on 12/05/2015.

Climate Change Adaptation (CCA) is about controlling the consequences of the rising temperature of the Earth due to excessive anthropogenic emissions of Greenhouse Gases (GHGs) in the atmosphere. CCA strategies aim at mitigating the climate change consequences on vulnerable areas and building up their resilience.

With 80 % of the largest population centres located along the coasts, the potential for climate change related (natural) disasters is significant on both human populations and marine, estuarine and fluvial ecosystems. The main threats from climate change include sea level rise, increased temperature of the seawater surface, changes in (seasonal) precipitation and hence river flow, increased frequency of extreme events

(floods, droughts, storms, surges), ... There are some certainties in which direction the challenges go but there are also uncertainties on how to deal with those. Uncertainty can be reduced by building new knowledge and by developing new ‘adaptable’ approaches, such as adaptive management and monitoring. The need for action to protect vulnerable areas and increase their resilience is real and urgent: first the planning, then its execution.

The joint EuDA-CEDA workshop presented the views of academics, policy makers and practitioners. After introducing the workshop’s objectives, presentations introduced sustainable concepts and described examples for the planning and execution of CCA projects in coastal, estuarine and fluvial systems, transforming the threats from Climate Change into opportunities for humans and Nature.

Moderated by **Mr Polite Laboyrie**, Witteveen & Bos and CEDA Environment Commission Chairman, the workshop opened with a presentation on “CCA Challenges, possible impacts and im-

plications for the dredgers” by **Prof. Dr. Jürgen Kropp**, Potsdam Institute for Climate Impact Research (PIK), followed by a presentation on the “European strategy, policies and actions” by **Mrs Birgit De Boissezon**, DG RTD Head of Unit for Sustainable Management of Natural Resources. Then, **Mr Pieter de Boer**, Rijkswaterstaat (RWS), presented the Dutch “National strategy, policies and actions” and **Mr Vincent Malfère**, Port of Le Havre, presented his port’s “Corporate strategy and actions”. Finally, the “Dredgers’ point of view” was presented by **Mr Bernard Malherbe**, JDN, and Mr Paris Sansoglou, EuDA.

The ECCA 2015 Conference was well attended in general and the European Commission was well represented, both among the speakers and in the audience, in the EuDA-CEDA workshop. Moreover, the discussions with the panellists and audience raised more awareness about dredging and its new approach to projects (Building with Nature).





Substandard social practices distort global competition.

The Human Factor is deeply anchored as a core European value, promoting decent working conditions and maritime excellence. It is also a key asset for knowledge-based and innovative industries. In some other parts of the world, work still needs to be done to eliminate substandard social practices.

As a general principle, governments should eliminate sub-standard social practices distorting global competition at the cost of the safety, health and wellbeing of their own workforce.

EU Mid Term Review consultations

The long term policy papers from DG MOVE were due for revision in order to assess progress on issues and challenges, and consider possible reallocation of resources and priorities. DG MOVE opened two public consultations, nearly synchronised, on the future of maritime transport for the Maritime Strategy, and the future of the whole transport chains in Europe for the White Paper received similar contributions from EuDA. EuDA essentially pleaded for improvement of global level playing field and the continuation of State Aid to Maritime Transport, for the opening and access to world markets, for a global approach to legislate global sectors (e.g. through IMO), for the reduction of administrative burdens, for continuing the efforts to fight piracy, for the recognition and support of sustainable initiatives such as Building with Nature, Blue Carbon restoration, for the support of multipurpose waterborne infrastructure through initiatives like the TEN-T (TransEuropean Transport Network), Motorways of the Sea or the Connecting Europe Facility (CEF).

EU State Aid: follow-up on 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. These measures aimed at improving the global level playing field, at fulfilling objectives of common European interest (including safety, security and environmental friendliness of maritime transport, flagging and re-flagging to Member States’ registers), at maintaining and improving maritime know-how, and 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 today, with significant challenges, such as operating sea-going vessels against fierce global competition, including the rising threat from Asian, particularly Chinese, State-owned companies (as mentioned in the 2015 Annual Conference, for more

details see the special Conference part, hereafter), 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.

The Maritime Guidelines were revised in 2004. Compared to 1997, the revised 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’*

“The State Aid Guidelines to maritime transport aim at improving global level playing field.”

activities). These dredging vessels, however, continue to play a key competitive role in the maritime dredging cycle: making projects more efficient and economical.

From its 2013 consultation, DG COMP concluded that there was no reason to remove any currently accepted benefits. Based on this result, Commissioner Almunia decided to **extend, unchanged, the 2004 Maritime Guidelines** for an undetermined period of time (without any foreseen revision date). The prolongation of the unchanged Maritime Guidelines was only a decision made by Commissioner Almunia alone and not by the entire College of Commissioners, which together make final European Commission decisions. However, this does not mean that the decision or the guidelines are not valid, on the contrary.

With regards to the current status of the Maritime Guidelines, they are still valid: indeed, the market developments since 2013 were not such for the Commissioner for Competition, **Mrs Margrethe Vestager**, to change the approach. With regards to the next step(s), it seems that Commissioner Vestager is waiting for the responses from Greece to the DG COMP enquiries on cases of State Aid to Maritime Guidelines before presenting a decision to her colleagues for approval. With the collection of the new evidence, some clarifications of the 2004 Guidelines might be necessary in light of the decisions made. During the Annual EuDA Conference (see the special Conference part, hereafter), the Commission explained that limited revision of the Guidelines at some point in time could not be completely ruled out. This tends to also confirm that out of the two possible options

to choose from: **minor changes** (clarification by integrating post 2004 decisions) or major review (involving a full procedure lasting a few years), the former is the most likely during the mandate of Commissioner Vestager.

In 2014, EuDA started compiling specific evidence to support its argumentation towards DG COMP with regards to 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. As little hard data could be collected in the initial approach, EuDA opted for a more qualitative approach based on individual interviews of the HR and Tax experts from the EuDA member companies. In the course of 2015, EuDA completed its internal survey.



2015 Members of the EuDA Social Committee from left to the right
B. Monteyne (Chairman, DEME), B. T. Franzen (Rohde Nielsen), H. Bleker (Vereniging van Waterbouwers), K. De Geyter (Jan De Nul), G. Klaver (Van Oord), R. Veenstra (Boskalis) and P. Sansoglou (EuDA)



“A minor revision of the Maritime State Aid Guidelines may still happen during the mandate of Commissioner Vestager.”

The survey did indeed gather useful evidence and concluded with the following recommendations to the Commission:

1) The Maritime Guidelines should be extended in time.

The prolonged effects of the **economic and financial crises**, the **fierce global competition**, the unfair practices by Asian economic actors and the **lack of global level playing field** are justifying the use of the Community Guidelines on State Aid to Maritime Transport (Maritime Guidelines). The Maritime Guidelines are needed to compensate for the competition distortions and should be kept.

2) Clarify “maritime dredging” to exempt Dredgers from the ‘50 % Rule’.

Compared to their 1997 version, the 2004 Maritime Guidelines imposed stricter conditions on Dredgers: they excluded self-propelled cutters from their scope and introduced the so-called ‘50 % Rule’. In light of the approach followed by the European Commission in the **Danish Case** (confirming that the unloading phase was an integral part of transport and therefore eligible), the inclusion of the loading phase of the maritime dredging cycle under the scope of the

Guidelines seems perfectly appropriate and justified. This precision, combined with the clarification of the definition of “maritime dredging” (fully eligible under the Guidelines), would help justify the exemption of the Dredgers from the ‘50 % Rule’. This exemption would have positive impacts on the Dredgers by reducing their administration costs, uncertainties and risks.

3) Include self-propelled sea-going vessels faced with fierce global competition.

Several ship types play key competitive roles in the maritime dredging cycle and help make the projects more efficient and economical. Given that the circumstances in which they operate are “analogous” to the ones of vessels eligible under the current Maritime Guidelines (self-propelled sea-going vessels faced with fierce global competition, at significant risk of relocation outside the EU and significantly contributing to the employment of EU seafarers), and, following the approach of the European Commission in the Danish Case, the eligibility to the Maritime Guidelines should be extended to the self-propelled ocean-going cutter suction dredgers as well as offshore service and supply vessels (e.g. cable/pipelayers, stone dumpers, jack-ups, ...).

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 67 Flag States representing around 80 % of the world tonnage. Among the ratifying countries in 2015, India did ratify. However, the US is still noticeably absent from the ratification list.

The attention of the EuDA members was drawn to the fact that the **MLC certificate** will have to be renewed to comply with the 2014 amendments of the MLC 2006 on Seafarers abandonment and crew claims. In this context, it is important to note that in the ILO Special Tripartite Committee, ICS requested the right to extend the validity of the existing certificate for up to 5 months from the expiry date.

Following these amendments of the MLC 2006, the EU legislation, which is a direct transcription of the ILO Convention, was also 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.

In most cases, these amendments do not affect the European Dredgers, however the two key issues being discussed with regards to the implementation of the MLC in the Netherlands include: the treatment of project specific personnel as part of the seafarers' teams (for the purpose of MLC) and the newly introduced amendments to the ILO MLC.

Many EuDA members shared the same concern over such definition, the consequence of which implies the presence on board of all documents (e.g. contracts) necessary to prove MLC compliance for these staff members. In order to improve this situation, EuDA intends to assess the situation in the EU Member States and provide some best practices and / or recommendations for a pragmatic, workable definition of non-seafaring personnel for the purpose of the MLC 2006.

STCW Recognition of the Philippines

Following EMSA's 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. This could potentially have serious consequences for all the European shipowners employing Filipino officers

(and in some cases also Filipino seafarers) as the renewal of the certificates would not be recognised anymore. Moreover, a snowball effect of de-recognitions of the Philippines would also be likely to occur in the US, Japan and other IMO members.

This situation was taken very seriously by the Filipino authorities, unlike in the case of Georgia, where the EU had to remove its STCW recognition to force all appropriate measures to be taken to correct the failures in the Georgian training systems before giving the STCW recognition back a few years later. The Philippines is already taking significant corrective actions in order to prevent the recognition removal. The situation is not fully resolved yet but no deadline was set for the de-recognition of the Philippines. In the latest list of EU recognised 3rd countries with regards to their national systems of seafarers' training and certification, the Philippines is still included.

Legislation on Pilotage Exemption Certificates by DG MOVE

So far, no concrete developments have occurred since DG MOVE organised its consultation on **PECs (Pilotage Exemption Certificates)** in 2013. The Legislative proposal should have been formulated in 2015. EuDA contributed to this consultation by

highlighting that a European framework on PECs would need to harmonise procedures across the EU Member States, to keep administration simple and to avoid unnecessary costs. EuDA will monitor developments.

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.

After a rejection by the Committee on Employment and Social Affairs of the draft report on this proposal at the end of the 2014 parliamentary term, an agreement was reached by the main EU-level social partners (ECSA and ETF) and changed the situation.

The new agreement was found balanced as it should provide better worker protection while maintaining the competitiveness of the maritime sector.

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.

Schengen Visas

The 2014 proposed amendments by the European Commission to the "*Handbook for the processing of visa applications and the modification of issued visas*" seemed to go in the right direction. The intention of the Commission 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). This simplification should also reduce the administrative burden.

The European Parliament primary committee dealing with this is the Committee on Civil Liberties, Justice and Home Affairs (LIBE). Discussions in the

European Parliament are progressing in the right direction. However, discussions in the Council remain very difficult. As the current aim of the Member States is to balance security and economic considerations with regards to the **migrants' crisis**, Member States are reluctant (or opposed in some cases) to provide multiple entry visa for three to five years (to bona fide seafarers). Discussions in the Council of Ministers will most likely continue in 2016.

Despite these considerations by the European and international shipowners, EuDA members perceived an improvement in the procedure which seems a little easier, but still very long.

European Maritime Day workshop on Training and Innovation

In the context of the European Maritime Day, EuDA was invited by the European Marine Board (EMB) to participate as panellist in the workshop on "*Today's students, tomorrow's professionals : How innovative training can support blue growth*" (28/05/2015 in Athens). Please refer to Chapter 2 (above) for more details on the workshop and EuDA's intervention.



Conference's Summary

Governments' interventions in competitive markets impact on the functioning of these markets: they set the general rules of "unhindered and fair competition" and in some cases bend these rules to favour the one or the other national champion. Financial support provided by governments to companies is distorting competition and can take many forms. EuDA's Annual conference focused on two such approaches, State Aid and Tied Aid which have opposite objectives and effects on the global dredging markets.

The competitive advantages developed by the European dredging companies to allow them to compete on the global markets and remain leaders in their trade include high added value specialised services, high productivity and high environmental friendliness when delivering resilient waterborne infrastructure. As far as large complex infrastructure projects are concerned, the other worldwide competitors cannot match the level of the European Dredgers' services in quality and in price. In unbiased and open markets, Europeans have demonstrated their strong dominance with over 80 % of the open world markets.

When some non-EU countries decide to bend the rules, they take measures that keep foreign competition off their domestic market and, additionally, they can also provide unfair advantages to their national companies competing outside their domestic market. One of

the most commonly used schemes on non-domestic markets is Tied Aid, whereby large amounts of development aid are granted to a targeted country (usually a resource-rich developing country, non-signatory of the WTO Government Procurement Agreement) with the explicit condition of using exclusively the donor's national contractors for the development works. The consequences are severe distortions in these markets or even temporary closure to any foreign competition (for as long as the donor's aid lasts).

However, unfair competition practices are like coastal erosion: markets are eroded and lost at a steady pace. Left untackled in the long term, these practices can wear out even the most resilient of companies. This is why Europe has developed counter-schemes aiming at reducing competition distortions on global markets and reinforcing level playing field. One of the financial instruments used by Europeans to reduce distortions on some global markets is the State Aid Guidelines to Maritime Transport, which stopped the deflagging of European vessels and avoided the complete relocation of the maritime industries outside Europe.

The Conference opened with an overview of the European State Aid Guidelines to Maritime Transport. Then selected Tied Aid cases inside and outside Europe were presented followed by a description of possible ways forward for the European Dredgers.

The Conference's programme included:

- **Introduction to the Conference Theme and Speakers:**

Mr Filip Tuytschaever

Contrast - European & Business Law,
Conference Moderator

- **Introduction to European State Aid to Maritime Transport:**

Mr Henrik Mørch

Head of Unit for State Aids to Transport and Acting Director for Transport, Post and Other Services,

Overview of the European State Aid Guidelines to Maritime Transport

- **Examples of third country threats in Europe:**

Mr Ulrich Paetzold

Secretary General of the European Construction Industry Federation,
Examples of threats in Europe

- **Examples of third country threats around the world and Next Steps for Dredging:**

Mr Paris Sansoglou

Secretary General of the EuDA,
Examples of threats around the world and What's next for European Dredgers?

- **Open Discussion and Conclusions**

- “*Competition is a process of rivalry (on price, quality, skills, ...) between suppliers seeking to win business.*” UK Office of Fair Trading
- Unfair trading practices can be eliminated by proper regulation of the markets which can also stimulate lower prices, better quality goods and services, greater choice for consumers, and provide strong incentives for firms to be more efficient and to invest in innovation, and create the right conditions fostering effective competition and productivity growth.
- Governments intervene on markets as regulators and fiscal authorities but they can also act as market makers, buyers and suppliers. Public procurement should be executed in a transparent way, exempt of any unfair practices. Moreover,

“State-Owned Enterprises have no incentives to implement Market Economy principles.”

the taxes and subsidies governments choose to impose change the costs of the concerned businesses and influence the decision making in those businesses. Therefore, they can affect competition both negatively, reducing competition, or positively where market failures (e.g. Maritime Guidelines) and cyclical difficulties (e.g. banks in 2008) need to be addressed or where wider social or economic objectives (e.g. regional development, economic stimulation) can be achieved.

- Subsidies generally cause less distortion in highly competitive markets.
- The Maritime State Aid Guidelines are a unique instrument in the sense that they aim to address unfair practices from third countries, including more favourable fiscal treatment, lower environment and social standards, and creating competition distortions in global markets.
- Under the Guidelines, ‘dredging’ activities become eligible to benefit from aid, under the strict condition that the dredging vessels concerned spend at least 50 % of their operational time in maritime transport on maritime transport activities (including *sailing loaded - sailing empty - unloading of extracted material; excluding **excavating and sailing while excavating***). Separate accounting for maritime transport activities is required.

- The DG COMP public consultation concluded that the Guidelines’ objectives and main principles remain valid and that the Guidelines are still effective and needed, as 19 of the 23 EU coastal Member States have tonnage tax schemes.
- No imminent revision of the Maritime Guidelines is in view, although a limited revision of the Guidelines at some point in time cannot be completely ruled out.
- The case of the tendering of the A2 motorway in Poland (2009), clearly showed that irregularities and unfair treatment of competitors could also happen inside Europe to the detriment of European companies. This construction case highlighted the weaknesses in the tendering side as well as in the ‘cavalier’ approach of the third country contractor, namely a Chinese State-Owned Enterprise (SOE) using non-market economy approaches to pricing, risk evaluation, margins setting and compensating its managerial inefficiencies with the financial and political support of its government.
- State-Owned Enterprises (SOEs) have no incentives to implement Market Economy principles or approaches, and usually don’t. When private companies experience managerial inefficiencies in the medium to long term, they go bankrupt. When SOEs experience similar or worse mana-

Participants and guests
at the EuDA 2015 AGM
Conference



gerial inefficiencies, they, not only, can remain in business (e.g. thanks to regular capital injections from their government) but also thrive at the expense of their (private) competitors. The non-implementation of Market Economy principles or approaches can in effect keep inefficient business models or technologies in the markets, often leading to substandard or faulty under-priced products or services, and ultimately bringing no added value to the clients (or even destroying value), at the expense of competitors with real competitive advantages, but also with real shareholders, requiring healthy financial results in the medium to long term.

- The tied financing practices, that were briefly described during the conference, have allowed Chinese SOEs to secure large foreign infrastructure projects, for instance in Africa, to progressively dry out these markets of any non-Chinese competitor, and to ultimately eliminate from these targeted markets any (fair) competition practices.
- Besides, these Tied Financing Schemes stimulate the learning curve of Chinese SOEs outside China, catching up on more technologically advanced competitors from countries with less organised or innovative financial firepower.
- Europe is more under threat from these unfair financial practices than effectively recognised, both inside and outside of the EU.

- Europe needs to develop an equivalent financial powerhouse, a European institution capable of financing sustainable public and private investments outside Europe, e.g. the EIB with a scope enlarged to also serve external policies.
- Finally, before blindly supporting the Chinese Infrastructure Plan, the famous “One Belt, One Road” (OBOR), Europeans should make sure, in reality and not just on paper, that the European companies are not excluded from the OBOR infrastructure markets, but are able to access them, including China’s domestic markets, without discriminatory fiscal treatment, and that the European companies are also eligible for funding from China’s OBOR strategy.

*“The Chinese
“One Belt, One Road” should
allow competition from
European Contractors and not
reduce their market access.”*





Unfair competition is killing business.

As a general guiding principle, governments should abstain from using practices that close down international dredging markets, such as Tied Financing Schemes, and should also open their domestic dredging markets to foreign competition. Nationalisation of sectors can de facto close down previously open markets. This is the case when public procurement procedures are bypassed, and when significant parts of the domestic market are reserved without any tender to the protected State Owned Enterprise. Worldwide competitors playing by the same rules and having unhindered market access can only benefit society as a whole.

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 liberalisation process so far between EU and Canada provides clues as to how complicated Free Trade Agreement negotiations can be:

- 1) in May 2009, the EU and Canada have started negotiating a Free Trade Agreement;
- 2) the Comprehensive Economic and Trade Agreement (CETA);
- 3) in October 2013 (4 years later), EU and Canada reached a political agreement;
- 4) in August 2014, the final text of the agreement was completed and officially published in September 2014;
- 5) 'legal scrubbing' is taking place before final signature in 2015.

With regards to the content of the CETA agreement, EU and Canada agreed on the key elements and principles: removing over 99 % of tariffs between the two economies and creating sizeable new market access opportunities in investment and services, including dredging. For dredging, **European built, flagged, owned and crewed dredging vessels (and equipment)** may compete in private dredging projects as well as publicly (federally) 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).

EuDA fully supports CETA and would welcome the completion of the process and its entry into force any time soon.

EU-US negotiations (Transatlantic Trade & Investment Partnership)

Largest economy in the world and free trade champion, the US is the biggest trade partner of the EU and a top priority to negotiate a Free Trade Agreement with. By removing a wide range of trade barriers between both economic zones, such an agreement could create the biggest free trade area in the world. In July 2013, the EU and the US have

started negotiating the **Transatlantic Trade and Investment Partnership (TTIP)**.

The EU and the US intend to make the TTIP a **model agreement** that could shape global rules on trade and could be used as a template for all the following agreements. Therefore, besides the elimination or reduction of tariffs across most 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 and possibly a "low hanging fruit".

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



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

EuDA built up **Market & Legal Intelligence**, on which to base the EuDA Strategy. In 2014, the gathered data-information-knowledge allowed EuDA to establish the following principles for its Strategy:

- 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**.

In 2015, EuDA continued to build up Market & Legal Intelligence, and worked essentially in the implementation of coordinated actions: *more information collection and analysis, information actions in Europe and information actions in the US.*

‘Political’ Analysis: Mutual Benefits

As mentioned in the principles of its US Strategy, EuDA’s approach aimed to provide clear facts and objective arguments supporting and demonstrating that it is in the mutual interest of the EU and the US to open their respective dredging markets to each other. On one hand, the European dredgers would gain access to a significant world markets so far inaccessible.

On the other hand, the US would be able to

- access the best available dredging knowledge, technologies and know how in the world;
- create more jobs, training and development opportunities for US citizens;
- obtain more with the same budgets (more added value, lower costs and shorter time per project);
- dispose of better and more efficient waterborne infrastructures;
- obtain significant improvements in terms of safety (e.g. coastal protection) and environment (e.g. Building with Nature);
- use a more efficiently the Tax Payers’ money for their waterborne infrastructures.

The European Dredgers try to “keep it simple” during the negotiations: targeting the minimum legislative changes and essentially focusing on the workable solution.

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

‘Technical’ Analysis

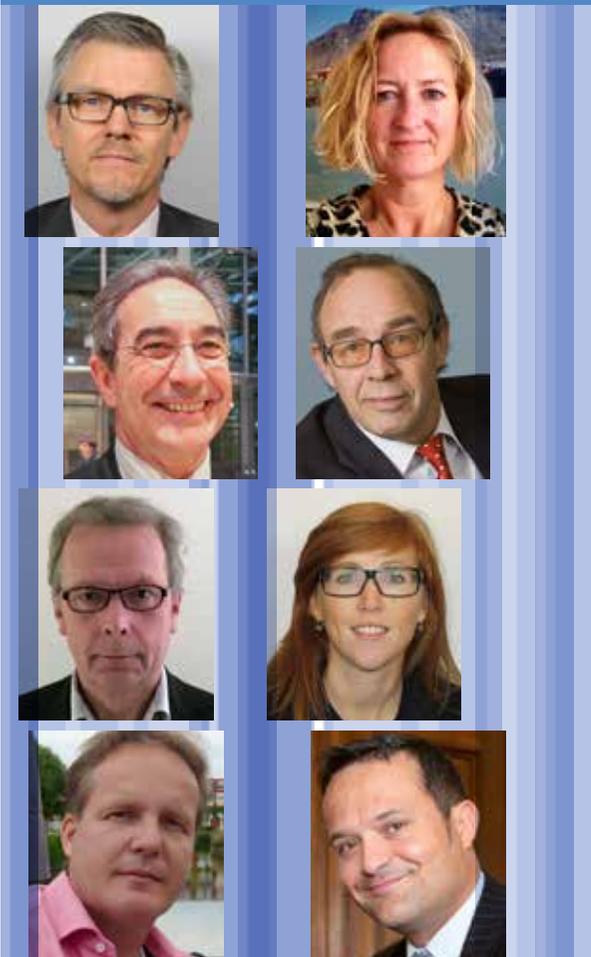
Among the legislative barriers, mainly two separate American acts prevent EU dredging companies from entering the US dredging market: the Dredging Act and the Jones Act. However, these two protectionist laws do not need much change to grant market access to the European dredging industry. The opening to European dredging companies would only require minor modifications to the two Acts to overcome the impediments posed. For instance, the Dredging Act could be adapted to grant ‘*national treatment*’ to European dredging companies: then the European companies, their vessels and their crew would be treated as local US companies or citizens. Moreover, a minor part under the definition of merchandise under the Jones Act could be removed (“*valueless material*” and “*dredged material*”) and preferably add ‘*that crews of dredging vessels are not to be considered “passengers” under the Act*’.

Highlights of EuDA’s 2015 activity

European Administrations

The European administrations, including European Commission’s and Member States’ officials, were regularly informed and provided with the arguments of EuDA (summarised in the “*TTIP Imple-*

2015 members of the TG USMA from left to the right
 Jacques Paynjon (Chairman, DEME), Lone Voigt Starris (Rohde Nielsen),
 Alan Lievens (Jan De Nul), Freek de Wit (Van Oord),
 Jaap Bogaards (Boskalis), Sofie Verlinden (DEME),
 Robert Poelhekke (NABU) and Paris Sansoglou (EuDA)



mentation Memo for Dredging”, which describes in two pages the EuDA Strategy towards opening up the US market).

In 2015, EuDA’s actions at European level included regular exchanges with **DG TRADE officials** from all levels of the hierarchy: *Commissioners and their staff, the Chief TTIP Negotiator and his Deputy, the lead TTIP negotiator for Services in Trade and the specialised Commission services within DG TRADE, DG MOVE and DG ENTR.* EuDA’s action at national level concentrated on the **BeNeLux administrations**, among which Luxembourg held the EU Presidency until December 2015 and will be followed the Netherlands until June 2016.

European support is a constant work and support should be obtained also from the other Member States, e.g. Germany and Finland, as well as from the European Parliament.

From the Commission side, the 9th, 10th and 11th rounds, respectively in Washington, Brussels and Miami, passed without any major news or breakthrough regarding dredging. However, it has to be noted that the US requested an intersession in Washington on transport issues including maritime

transport and dredging. There again no new developments to report.

After Round 10, **Mr Marco Düerkop**, Lead TTIP negotiator for Services announced his departure from DG TRADE. **Thank you Marco!** and good luck with your new endeavours in the EU delegation in Switzerland. EuDA would like to welcome his successor as Lead TTIP negotiator for Services: **Mr Miroslav Galar**.

EuDA 2014 and 2015 Annual Conferences

With its 2014 and 2015 Annual Conferences on “*Trade Barriers around the world*” and “*State Aid and Tied Aid: Different Approaches to Global Competition*”, EuDA further promoted its Strategy and its argumentation to a High Level and broad audience, *highlighting the possible ways forward for the European Dredgers in the US.*

The EuDA 2015 Annual Conference on “*State Aid and Tied Aid: Different Approaches to Global Competition*” drew the attention to the pitfalls of government intervention and the threat of State Owned Enterprises (see Conference’s key messages in Chapter 5).

Lobbying Campaign in the US

From the very start, EuDA was aware of the importance of organising an **information campaign in the US**. The main objective of the **lobby activities in the US** would be to gather support and momentum in order to ultimately obtain the changes of the legislation in order for European Dredgers to access the US dredging market.

In 2014, the political targets were carefully selected and approached in order to keep as much as possible a **'low profile'** and work 'below the radar' to raise as little attention as possible when attempting to gather support and momentum. However, in the summer 2015, EuDA's campaign in the US turned public.

Indeed, in August 2015, the Wall Street Journal Op Ed¹ (by **Daniel Ikenson**, Cato Institute) opened a debate (response two weeks later by **Chris Philips**, Pacific Maritime Magazine) in the US on the state of the US ports and the dredging capacity and the positive perspective of opening their market to the Europeans.

In the annual conference of the International Chamber Shipping in London (09/09/2015), US Maritime Administrator, **Paul 'Chip' Jaenichen** (Head of Mar-

Ad) described a seriously **decreasing US international flagged fleet** (-50 % in the last 30 years with 25 % only in the last 3 years) **and most US ports in need of upgrading** (the funds for which have been provided for through the Water Act, "authorising" a selection of ports to "appropriate" US Federal money for upgrading their infrastructure). In his speech, Mr Jaenichen stated "*Today 'going international' is a standard and basic element for business growth strategies*". The European Dredgers agree and are eager to provide their help to the US dredging project owners.

On another occasion in 2015, EuDA had the opportunity to talk directly to some US ports and their representatives explained that the **main problem to implement the Water Act was US dredging capacity**: indeed, in some ports' tenders "*only 1 quote is received for an upgrade work, without any commitment in time (start and duration) and for a significant amount of money*". Some ports' representatives maintained that it would be impossible for all Water Act supported ports to start their dredging works at the same time although they need dredging urgently (due to the completion of the expansions of the Panama and Suez Canals).

US Flagged Privately-Owned Vessel Fleet		
2011 (latest available in 2014)	Ship type	Number
	Dry Cargo Barges	26,971
	Dredges	462
	TOTAL Jones Act ships	41,094

US Flagged Privately-Owned Vessel Fleet		
2014 (latest available in 2015)	Ship type	Number
	Dry Cargo Barges	26,897
	Dredges	555
	TOTAL Jones Act ships	41,106

source: Transport Institute, <http://www.trans-inst.org/jones-act.html>

As a consequence of the opening of a public debate, some facts and figures on US dredging vessels and available on-line were reviewed in August 2015. It is interesting to note that since the TTIP negotiations have started in 2012, there has been a statistical boom in US dredges **+93 vessels**, from 2011 to 2014, while the total Jones Act ships have increased by 12 over the same period. It is also interesting to note that the information cannot be cross-checked with the other official statistics, according to which only 9 (Jones Act) dredges have been built by US shipyards between 2007 and 2014 (source: <http://www.shipbuildinghistory.com/today/statistics.htm>).

¹ Op Ed or "opposite the editorial page" is a piece typically published by newspapers, magazines, and the like which expresses the opinions of a named author usually not affiliated with the publication's editorial board.

These are clearly defensive actions taken by the US dredging industry in reaction to EuDA's lobbying actions in the US.

The next phase of lobbying 2016-2017 should prove to be critical in the ultimate success of our common actions. The Commissioners for Transport and for Trade have jointly asked the European Industries to provide them with the necessary facts, data or information to make actual business cases for the US (and for Europe). In 2016, EuDA aims at substantiating its political argumentation with factual information and data.



Thank you, Alan!

Alan Lievens joined the EuDA Task Group on US Market Access (TG USMA) in 2014 when it was created and, with his experience in the Americas (Canada and Latin America), complemented a team of experts of various backgrounds. Following his retirement from Jan De Nul, Alan Lievens had to give up his seat in the TG USMA. We appreciated, Alan, your active participation in the discussions and your valuable contributions.

On behalf of the EuDA TG USMA colleagues, we would like to take this opportunity to thank you, Alan, for your commitment to our task group and for the time and advice you gave us with regards to market access issues affecting the European dredgers in America.

We appreciated your enthusiastic contributions and clear points. We wish you all the best in your new endeavours and welcome your successors from Jan De Nul, Mr Jan Neckebroek and Mr David Luty.

Thank you, Alan. Farewell!



A. Lievens

**Jacques Paynjon,
TG USMA Chairman**

Thank you, Jacques!

Jacques Paynjon joined the EuDA Task Group on US Market Access (TG USMA) in 2014 when it was created. He took the chair of the Task Group and led a team of experts of various backgrounds to achieve what European Dredgers had not managed to do for the last 20 years: access the US dredging market. We appreciated, Jacques, your active participation in the discussions of the EuDA Board and your Task Group's valuable contributions.

Unfortunately, due to ill-health, you had to step back from the TG USMA, you helped establish and ran for two years.

On behalf of EuDA and your TG USMA colleagues, we would like to take this opportunity to thank you, Jacques, for your commitment to our task group and for the time and advice you gave us with regards to market access issues affecting the European dredgers in America.

We appreciated your enthusiastic contributions and clear points. We wish you a full and prompt recovery and all the best in the future.

Thank you, Jacques. Take good care!



J. Paynjon

**Marc Stordiau,
EuDA Chairman**



EUDA ORGANISATION

The key to success in unifying efforts and coordinating actions.

Following the example of the unification of the European Institutions, European Dredgers united under the Flagship of the European Dredging Association (EuDA). For more than 20 years, EuDA has grown into a reliable and reputable European maritime association, voicing the concerns of the European Dredgers and shaping European and international legislation and policies on transport, environmental, social or trade issues.



Belgium

Baggerwerken Decloedt & Zoon N.V.
DEME Building Materials N.V. (DBM)
DEME Environmental Contractors N.V. (DEC)
Dredging International N.V.
Dredging & Contracting Belgium N.V.
Eraerts Dragages et Entreprises S.A.
Fédération du Dragage Belge A.S.B.L.
GeoSea N.V.
Jan De Nul N.V.
Kalis S.A.
Van Oord België B.V.B.A.



Bulgaria

Boskalis Offshore Subsea Contracting B.V.
Dredging International (Bulgaria) Services



Cyprus

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



Denmark

Rohde Nielsen A/S



Estonia

Terramare Eesti OU



Finland

Dredging International N.V. (Branch Finland)
Terramare Oy



France

Atlantique Dragage S.A.R.L.
CBD SAS
Eco Systèmes de Dragage
Granulats de la Manche Orientale GIE (GMO)
Société de Dragage International 'SDI' S.A.
Sodranord S.A.R.L.
Sodraco International S.A.S.



Germany

Detlef Hegemann GmbH Nassbaggerei
GeoSea N.V. (Branch Germany)
HDC Wasserbau GmbH Nord
Heinrich Hirdes GmbH
Jan De Nul Nassbaggerei und Wasserbau GmbH
Nordsee Nassbagger-und Tiefbau GmbH
OAM-DEME Mineralien GmbH
Strabag Wasserbau GmbH
Van Oord Deutschland GmbH
Vereinigung der Nassbaggerunternehmen E.V.



Gibraltar

Van Oord (Gibraltar) Ltd.



Ireland

Irish Dredging Company
Van Oord Ireland Ltd.



Italy

Boskalis Italia Srl
DEME Environmental Contractors N.V.
(Branch Italy)
Dravo S.A.
Jan De Nul (Italia) SpA
Societa Italiana Dragaggi SpA 'SIDRA'



Latvia

Baltic Marine Contractors SIA
Dredging International N.V. (Latvian Branch)



Lithuania

UAB Boskalis Baltic



Luxembourg

Dredging and Maritime Management S.A.
Dredging International (Luxembourg) S.A.
GeoSea (Luxembourg) S.A.
Societe de Dragage Luxembourg S.A.



Netherlands

Baggerbedrijf De Boer B.V. / Dutch Dredging B.V.
Baggermaatschappij Boskalis B.V.
Boskalis Nederland B.V.
Boskalis International B.V.
Boskalis Offshore B.V.
Royal Boskalis Westminster N.V.
de Vries & van de Wiel B.V.
DEME Building Materials BV (DBM)
Dredging and Contracting Rotterdam B.V.

Mijnster zand- en grinthandel B.V.

Paans & Zonen B.V.

Oceanflore 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



Spain

Baggerwerken Decloedt & Zoon España S.A.

Boskalis B.V. Sucursal en España

Dravo S.A.

Dredging International España S.A.

Sociedad Española de Dragados S.A.



Sweden

Boskalis Sweden AB

DEME Environmental
Contractors N.V. (Branch Sweden)



UK

Boskalis Westminster Ltd.

British Marine Aggregate
Producers Association (BMAPA)

DEME Building Materials Ltd

Dredging International (UK) Ltd.

DEME Environmental
Contractors N.V.
(Representative Office UK)

Jan De Nul (U.K.) Ltd.

Llanelli Sand Dredging Ltd

Rock Fall Company Ltd.

Van Oord UK Ltd.



Norway

Van Oord Norway AS



Poland

Boskalis Polska Sp. z o.o.



Portugal

Boskalis Sucursal em Portugal

Dragapor Dragagens de Portugal S.A.

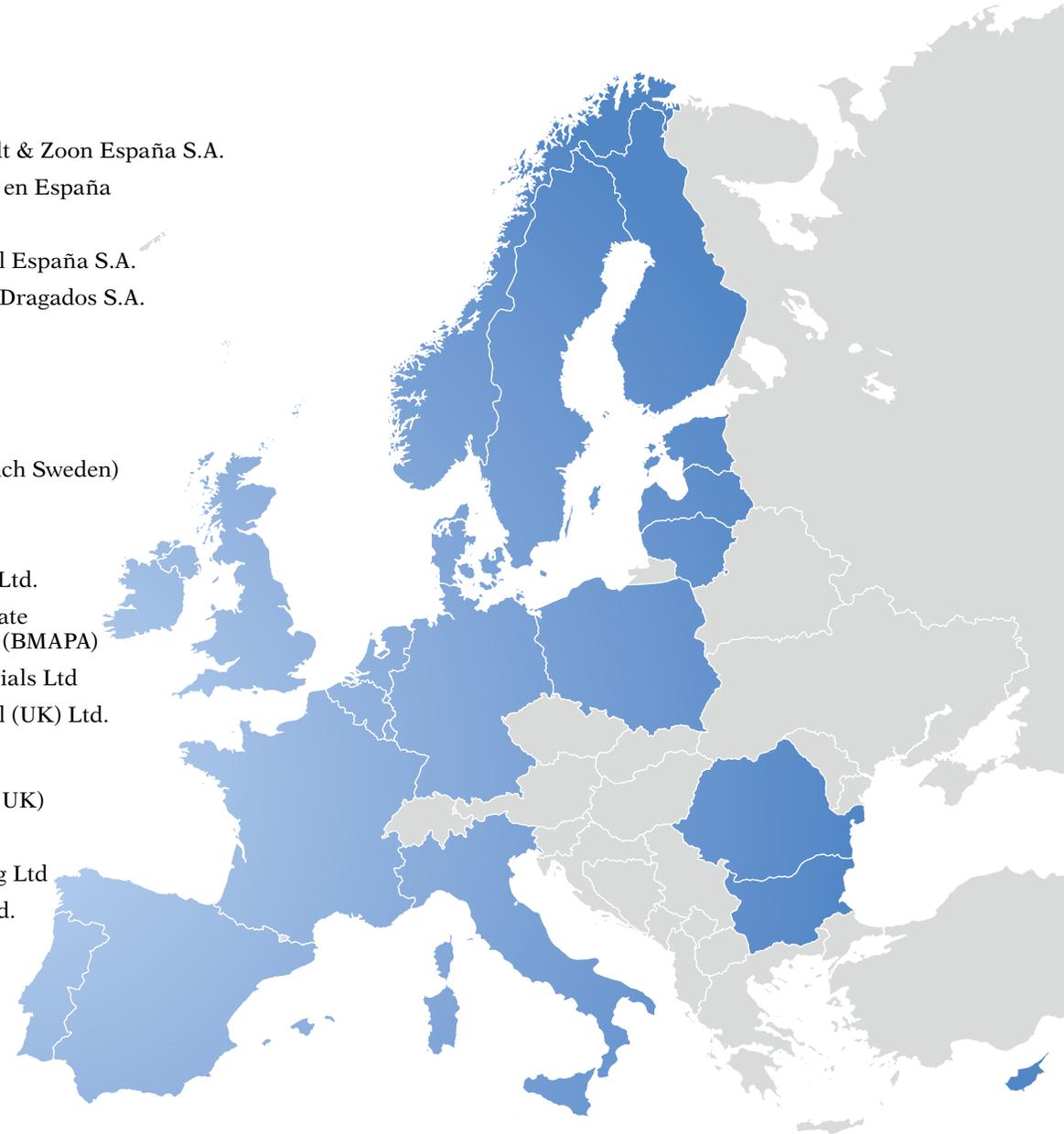
Dravo S.A.

Dredging International N.V. (Branch Portugal)

Romania

Van Oord Dredging and Marine Contractors

Boskalis International B.V.



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 members of EuDA gathering at the Annual General Meeting. The Members of this Committee are necessarily from a different member organisation than the EuDA Treasurer's.



2015 Members of the Verification Committee from left to the right
M. Fordeyn (Jan De Nul) and Markus Stünkel (Strabag Wasserbau GmbH)

THANK YOU, Markus!

Due to a recent change of ownership of your company's dredging assets, you became part of the same group of companies as EuDA's Treasurer. Therefore, you had to cease your activity for the Verification Committee, although you had just joined it. In 2015, you made sure the EuDA accounts were true, transparent and without irregularities. The Verification of the proper administration of the Association is as vital as are its policy papers and positions. EuDA is very grateful for your dedication and support.

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

We wish you all the best in your new endeavours.

Thank you, Markus. 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 9.2 bn Euro in 2014. Although 70 % of operations take place outside Europe, 90 % of the returns flow back to Europe.

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

EuDA has registered as Interest Representative Nr 2492574893-58 under the EU transparency register. 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

148, Avenue Grandchamp 1150 Brussels Belgium T. +32 (0)2 646 81 83 F. +32 (0)2 646 60 63 E-mail info@euda.be www.european-dredging.eu