



ANNUAL REPORT
2024

European Dredgers,
championing
Europe's Sustainability
Excellence



EUROPEAN DREDGING ASSOCIATION





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TABLE OF CONTENTS

EuDA's Sustainability Statement	6
industrial policy	8
international markets policy	12
environmental policy	24
climate change and coastal protection policy	44
social policy	54
research and development policy	64
EuDA members and organisation	72

“If you want to move fast,
go alone,
if you want to go far,
move together”

African Proverb

EUDA'S SUSTAINABILITY STATEMENT

Organisations as well as individual companies interact directly or indirectly with the environment through what they do and how they do it.

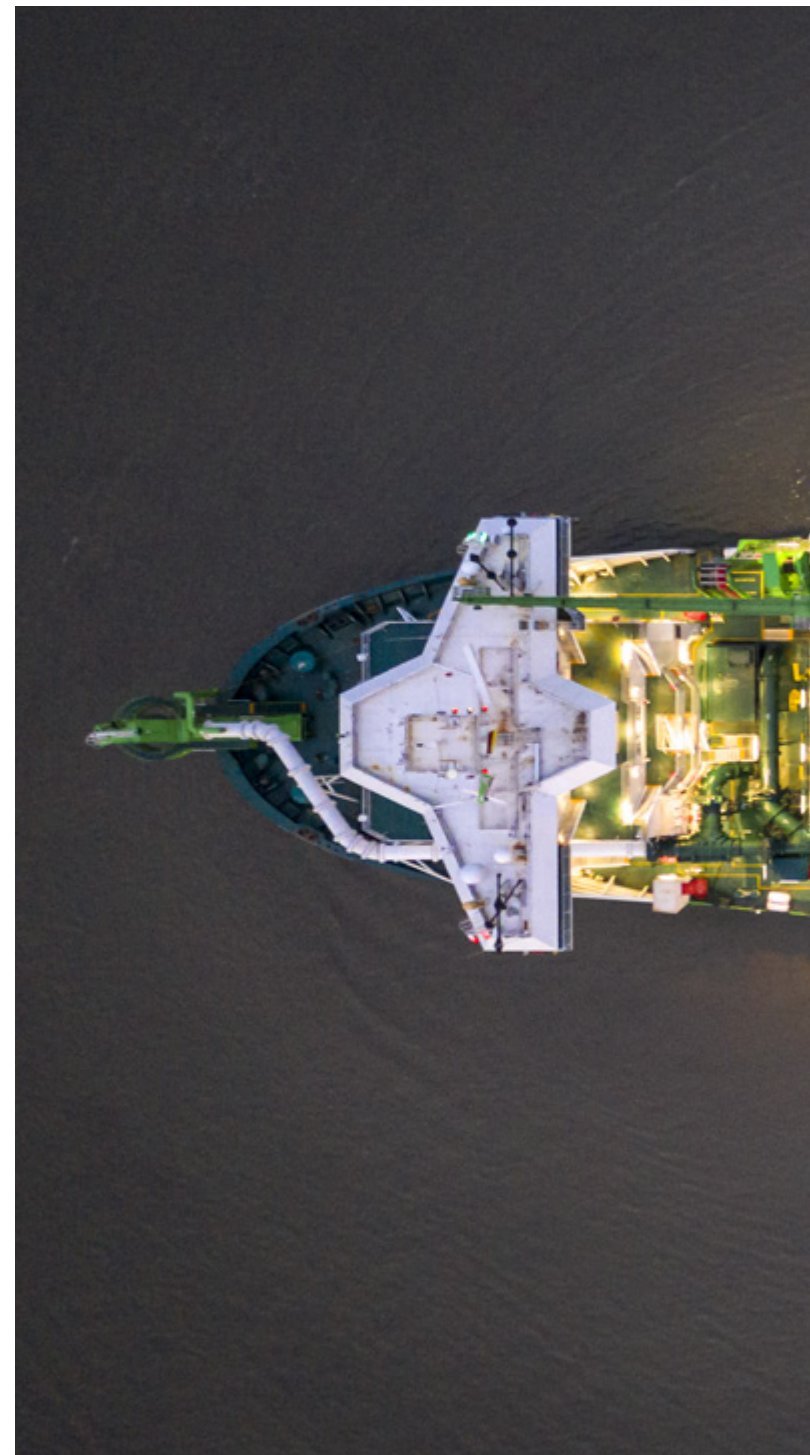
What dredging companies do is projects. Well-designed multiple purpose projects can contribute to sustainability by adding value to the environment, the economy and society during the entire life cycle of the infrastructure.

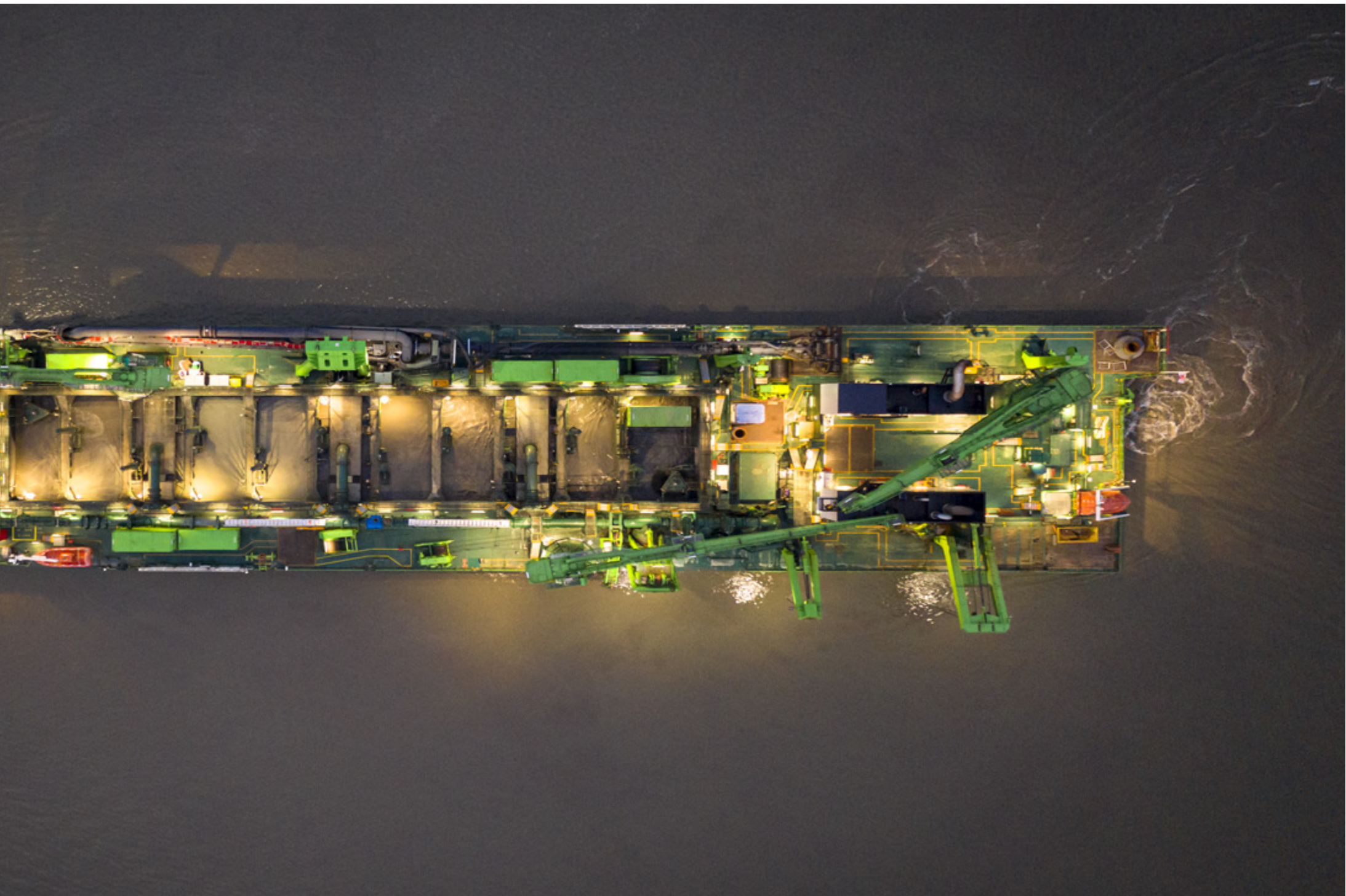
How dredging companies do projects can also provide substantial contributions to sustainability during the execution of the project (e.g. construction of infrastructures) by reducing impacts on or improving the state of the environment and/or society (e.g. use nature-based solutions, train & educate local workforce).

What EuDA does is to interface between the dredging industry and the European administrations. EuDA's contribution to sustainability results from the adaptation and improvement of the EU regulatory and governance frameworks in order to facilitate and maximise EuDA's individual members' contributions to sustainability.

How EuDA does it is by referring to the environmental footprint of the secretariat and the steps taken to reduce it.

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





higher

Always push your Ambitions Higher

The Green Deal is Europe's big policy framework towards a sustainable future, rebalancing sustainability's three pillars: economy, society and environment. Major imbalances need to be corrected in the long run.

Europe has Industrial Champions, such as strong dredging companies, capable of leading the world in designing, building and operating sustainable infrastructure as well as proposing sustainable solutions to major global threats from climate change. Europe needs to properly recognise its Sustainability Champions, such as the European Dredgers, and properly frame them with policies that will boost and reward their strategies towards Europe's sustainable excellence.

European Dredgers, championing Europe's Sustainability Excellence



MESSAGE FROM THE BOARD

2024, a “Pass the Baton” Year

In 2024, elections took place around the world and in Europe, triggering a rush to complete ongoing actions and initiatives and prepare the next batch of priorities. Roberta Metsola and Ursula von der Leyen were re-elected respectively as President of the European Parliament and as President of the European Commission. With their new mandates, they will pursue previous efforts towards a carbon neutral, more sustainable and more strategically independent Europe but also they will set a renewed emphasis on and prioritisation of European competitiveness.

Indeed, the new Commission Programme (2025-2029) foresees as centrepiece the **Competitiveness Compass**, the Commission’s new roadmap to restore Europe’s dynamism and boost the EU’s economic growth. It is essential to keep industry on board when implementing economic and environmental priorities. With this compass, the next Commission aims at boosting European competitiveness, particularly through decarbonisation and greening, with a more practical approach centred on the EU industries. This means that excessive administrative burden will have to be reduced and timelines between current reality and future ambitions will have to be matched.

Moreover, the current geopolitical context is more tense and uncertain. European values, such as democracy, freedom, rule of law and respect for human rights, are under continuous threat around the world. To achieve its long-term goal of economic prosperity, Europe needs to materialise its strategic autonomy and establish its own defence capability.

In this changing geopolitical global landscape, marked by increasing uncertainty and risks, EuDA worked in 2024 on its core priorities:

- 1) levelling the playing field inside and outside the EU
- 2) the Green Taxonomy
- 3) the EU “Fit for 55”

Levelling the Playing Field inside and outside the EU

When all competitors in a particular trade are bound by the same rules, the most successful are those which are the most competitive, be it thanks to higher productivity, higher quality or a mix of both. In today’s global markets, more and more statecraft interventionism is taking place. This means that economic motivation leaves the place to (geo)political priorities and is heavily supported by an arsenal of accompanying measures (direct and indirect subsidies, cheap loans, economic coercion, mega-package deals too big for individual companies or

even sectors, ...). Moreover, we often observe that these *Not (always) Economically Motivated Actors* (NEMA) tend to cut corners with regards to standards (for the environment, safety, working conditions, ...).

EuDA defends the global level playing field because it is the most effective way to incentivise and reward excellence and promote quality, safety and sustainability. Quality services, quality employment and working conditions are the only sustainable way forward, because ultimately, companies making continuous losses are unsustainable, because continuous disregard to safety will increase risks and accidents will be more frequent and because the human factor is one of the key engines of our high-tech innovative industry.

EuDA has welcomed the new trade instruments adopted by the Commission, such as the Foreign Subsidies Regulation (FSR) and the International Procurement Instrument (IPI) but there is still a long way to go before these instruments offer the guarantee that the level playing field will be fully enforced inside the Single European market also to the non-EU competitors. The announcement by the new Commission of the revision of the Public Procurement Directives during their upcoming mandate will be a defining factor in filling the remaining legislative gaps and stepping up the level playing field in Europe.

2024 Members of the EuDA Board

Marc Van den Broeck
(Chairman)



Kees van de Graaf
(Vice Chairman)
(Dutch Dredging)



Peter van der Linde
(Treasurer)
(Boskalis)



Mieke Fordeyn
(Vice Chairman)
(Jan De Nul)



Govert van Oord
(Van Oord)



Jens Schmidt
(Hegemann - Dredging)



Éric Tancre
(DEME)



Andrea Vollebregt
(Vereniging van
Waterbouwers)



The Green Taxonomy

The Green Taxonomy is providing a common reference system to financial actors for investing more sustainably. The challenge of this European legislation is to cover all economic activities, assess their levels of environmental sustainability and provide them with technical criteria that can guide the concerned companies on the transition path to reduce the negative externalities of their activities on the environment (and possibly increase their positive externalities). To date, dredging activities have not been properly understood by some of the European legislators and their experts. This explains partially why dredgers have not been given an equally fair chance to demonstrate in full their capability at making significant contribution to most of the climate change and environmental objectives of the Green Taxonomy. This situation has the full attention of the EuDA Board and actions are being carefully considered.

The EU “Fit for 55”

The EU “Fit for 55” is an ambitious legislative and policy package aiming to make the EU’s climate, energy, land use, transport and taxation policies fit for reducing net greenhouse gas emissions by at least 55% by 2030. EuDA is actively involved with the Commission services to clarify the implementation of some of the maritime “Fit for 55” initiatives to dredging activities. EuDA is a member of the Commission’s expert group providing advice on how to implement the EU Emission Trading Systems to shipping, including offshore and dredging vessels (ESSF ETS-MRV). EuDA is joining forces with other concerned stakeholders to avoid pitfalls in the new application of this legislation.

With our best regards,

Marc Van den Broeck, Chairman
and his colleagues of the Board of EuDA.

“Dredging is a
strategic enabler of
Europe’s Blue and
Green Economy

fairer

Always treat Competitors Fairly and Equally

Besides achieving or progressing towards its main environmental and societal objectives, a sustainable implementation of the Green Deal should also maintain, reinforce and, where necessary, improve both European global competitiveness and the global level playing field.

An indispensable prerequisite to achieve these is for the Green Deal to recognise and incentivise the competitive advantage(s) of the European Industrial Champions, such as the Dredgers, without penalising them. Market-based measures should apply equally and evenly to all players active in the same market, regardless of their nationality or country of origin.

European Dredgers, championing Europe's Sustainability Excellence



In 2024, EuDA focused on further refining the European Trade Strategic Toolbox to tackle the unfair trade practices inside and outside Europe (such as competition distortions or market access restrictions) by non-EU State-owned Enterprises (SoEs).

Access to the US dredging market

Even before the creation of EuDA in 1993, European Dredgers have repeatedly attempted to open the US market, closed to foreign competition by the 1908 Dredging Act. The US represents a huge market for dredging activities. In 2013, EuDA gave its full support to the EU Commission during the negotiations of a free trade agreement (FTA) with the US (Transatlantic Trade and Investment Partnership - TTIP). Unfortunately, the political priorities changed in 2017 and TTIP negotiations were stopped. EuDA then progressively refocused its activities away from the opening of the US but stands ready to support the EU when the negotiations for a possible FTA with the US restart. The result of the 2024 US election may delay any possible FTA with the US for another few years.



Eluding the Risks of

Partial Nationalisation in Germany

Background

In 2016, the German Federal Government tendered the building of the “Osteriff”, a 7,500 m³ Trailing Suction Hopper Dredger (TSHD) to support its current TSHD the “Nordsee”, operating in the Jade river. The tender was awarded to Pella Sietas GmbH, a Hambourg-based shipbuilder. The German government’s initial plan was to have the new State-owned dredging vessel operating in parallel with the “Nordsee” but on the maintenance works of the Elbe river. The works on the Elbe were then (and still are) procured via public tendering processes. Under these circumstances, a second TSHD operated by the German government would effectively be **closing 25% of its maintenance dredging market** and ultimately represent a form of nationalisation.



The Dredgers’ Strategy

Since 2016, EuDA joined forces and worked closely with the Vereinigung der Nassbaggerunternehmen (VdN), the German Association of Dredging Companies to raise the awareness of the German administrations

on this issue. From the start, the strategy prioritised political actions at local level (rather than legal actions).

VdN highlighted the importance of maritime transport for German trade and economic development, and, in particular, VdN convinced the German politicians and administrations of the strategic importance of maritime infrastructures for shipping and of the strategic importance of dredging activities which provide vital services (maintenance, upgrading, expansion) to these infrastructures. VdN also emphasised the high efficiency and reliability of the highly specialised and capital-intensive companies carrying out the dredging activities in Germany.

Moreover, the State’s involvement in the economy as economic operator is traditionally targeting strategic infrastructures and ensures that a minimum level of technical know-how is maintained in the

2024 Members of the MarCom

The Market Access Committee (MarCom) is a permanent committee established by EuDA to provide the EuDA Board with expert advice on issues inside and outside the EU relating to market access, trade and international affairs, which can have a significant impact on the European Dredging Industry.

administrations for decision-making. VdN reminded that such involvement should be kept to a minimum (and not replace private by public contractors). Therefore, to avoid further closing of the German market, VdN advised the German Shipping Administration to consider keeping **only one hopper dredger in operation** and replace the “Nordsee” when the ordered newbuilt is delivered. The German government confirmed that the new ship should normally replace the existing publicly owned vessel, ‘Nordsee’.

Since 2017, VdN has been building support for this idea from a broad range of German politicians and decision-makers from the national and federal administrations. The general understanding is “not to approve a budget to build and operate a second hopper dredger”, which would also conflict with the legal requirement of a 25%/75% share between the public and private fleet for the coverage of navigational dredging in Germany.

Issues with the Osteriff

The “Osteriff”, the newbuilt ordered in 2016 to support the “Nordsee” (both ships were to operate in parallel in the initial government plans), has been facing severe delays (more than 2 years) and serious cost increase (50% budget overrun). Following the bankruptcy of the shipyard building the ship, an agreement was finally found to complete the ship (+/- 80% completed) at the Blohm & Voss shipyard in Hamburg by the end of 2026. The government confirmed that the ship should normally replace the ‘Nordsee’.

Thanks to the lobbying of VdN, the German Federal Budget does not foresee any new dredgers: no other dredger than the “Osteriff”, the water injection dredgers proposal has been stopped.

Milestones in delivering the strategy

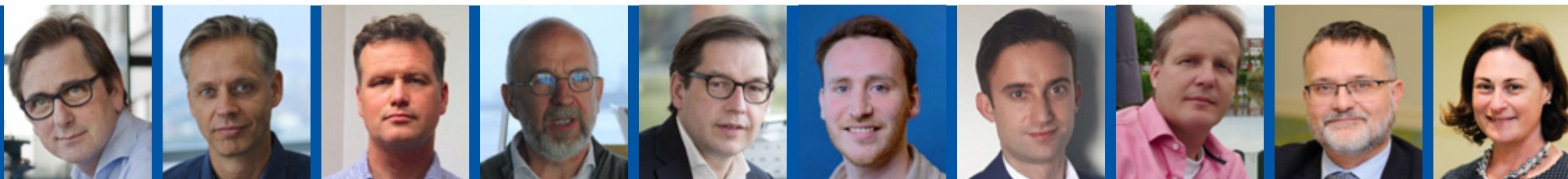
VdN has achieved the following key milestones:

- confirming itself as a competent, constructive and

reliable partner with **a growing influence on a wide political network in Germany**;

- raising awareness on and obtaining further recognition of the **strategic importance of the dredging sector**;
- having its position (**status quo** in private-public market shares) better understood, better perceived and much more generally accepted;
- establishing an **annual structured dialogue** with the administration in charge of the Waterways and Shipping (*Generaldirektion Wasserstraßen und Schifffahrt- GDWS*) to constructively discuss and ensure, for instance, safe access to Germany’s ports;
- joining forces with the **German construction industry** on common positions regarding unfair competition from Chinese SoEs.

At this stage, given the negative experience with this newbuilt dredger, there are no indications that the government will procure a second hopper dredger.



Robert de Bruin
MarCom Chairman,
(Van Oord)

Hans Mooij
(Boskalis)

Kobbe Peirs
(Jan De Nul)

Francis Verhees
(Jan De Nul)

Robert Middelhoeck
(Van Oord)

Lennart Menger
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Yves Cornardt
(DEME)

Robert Poelhekke
(NABU)

Paris Sansoglou
(EuDA)

Silvia Selandari
(EuDA)



Overview of activities in 2024

German Government

With the change of government in 2021, a new approach towards China, marking the end of the ‘Merkel era’ became the new reality: no more “*Wandel durch Handel*” (*change through trade*), but a more pragmatic and reciprocal attitude. In 2024, the German Government followed up on its 2023 **China Strategy**, which entails “de-risking” from China, re-defining the relationship to reduce dependencies and ensure fair market conditions. Generally, the coalition government also wants to see a greening of shipping.

New Flag and Visa requirements

in German public tenders

Since 2022, German public tenders for dredging projects required the vessels used by the contractors to fly a European flag and to comply with labour and social requirements. In particular, only dredging vessels or equipment registered in the EU and flying a European flag are allowed to execute public tender contracts in Germany. Moreover, to work on a vessel, non-EU workers need a visa entitling them to work in Germany. These new requirements are making the access to the German dredging market more difficult for non-EU SoEs using mainly non-EU flagged vessels with non-EU staff.

Next Steps

The German government is expected to pursue its policies on the greening of shipping and on reducing Germany’s dependency from Russia and China. Elections at federal level will be held in February 2025, which might lead to a change in federal government. In 2025, VdN will continue its proactive outreach campaign to political decision-makers at federal and regional level as well as high-level communication with the Waterways Administration.

Unfair trade practices in Europe by non-EU State-owned Enterprises Background



Many of the trade practices used by non-EU State-owned Enterprises (SoEs) have the potential to significantly distort competition (with foreign State subsidies). Most of the cases affecting European Dredgers emanate from Chinese State-owned Enterprises (SoEs). For over a decade, EuDA has been actively involved in counteracting or reducing the impact of unfair trade practices by Chinese SoEs worldwide. In a position paper, EuDA described how the Chinese domestic market is de facto closed to European dredgers. EuDA was involved in countering the first case of unfair practices to win a dredging project inside Europe (the Case of Swansea Bay Tidal Lagoon in 2015). Building on these examples

as well as on cases of tied financing schemes (that close markets in Africa, South America and Asia), EuDA argued against recognising the Market Economy Status of China in WTO. Since 2018, EuDA is involved in monitoring and, where necessary, reviewing standards for dredging vessels proposed under ISO TC8 WG11 led by China (see chapter on R&D hereafter).

Identified Practices and their Impact

In its analysis, EuDA has identified the following practices explaining the significant worldwide growth of the Chinese SoEs in the dredging market:

- **protection of the domestic market:** Chinese SoEs execute the vast majority of the projects; the 2020 “dual circulation” policy, confirms that China views its domestic market as a possible source of renewed growth for its own companies, in addition to global trade;
- **capture of Chinese financed export markets:** in the framework of the Belt and Road Initiative (BRI), China finances projects outside China and ties the financing to the exclusive execution by Chinese SoEs; besides tied financing schemes, China also uses political influence, mega-package deals and any other means available to exclude non-Chinese competitors;
- **capture of foreign-financed export markets:** thanks to State subsidies and disregard for minimum

environmental, ethical and social standards, Chinese SoEs can capture projects funded or financed by the EU or the World Bank outside China, when the minimum quality standards are not effectively enforced by the lending institution;

- **use of market dominance in exposed-captured export markets:** in the third country markets where the presence of Chinese SoEs has grown into a monopoly or an oligopoly (with no meaningful foreign competition), these SoEs can dictate higher prices for projects;
- **acquisition of strategic assets and strategic companies:** Chinese SoEs acquire strategic companies in the global supply chains with the aim of forcing the transfer of key knowledge/ technology or of gaining more exclusive market access to the detriment of the local/national interests.

The generalised and systematic use of the above mentioned unfair trade practices over the past ten years has enabled Chinese SoEs to triple their international market share in construction from 7% to 21% globally and to double their market share in Africa from 28% to 56%. These gains were made at the expense of European international construction and dredging contractors, despite their competitive advantage (in terms of technology and know-how). It

has also to be mentioned that without cheap Chinese financing, many of these projects would probably not have been financed nor executed for lack of economic sustainability. But even when only considering the economically feasible projects, for which European contractors had a fair chance of winning, the damage already caused by these unfair practices to the European Dredgers outside Europe is undeniable, although difficult to estimate with accuracy.

European Response, a Work in Progress

With the Chinese SoEs threatening many strategic European sectors, the EU needed to react decisively to ensure that fair competition and level playing field remain the norm inside Europe.

Since 2019, a core majority of European industrial and political leaders realised the ambiguity of the relationship with China, which they described as a “*cooperation partner*”, a “*negotiating partner*”, an “*economic competitor*” as well as a “**systemic rival**”.

Europe then adopted a realistic, assertive and multi-faceted Plan of 10 fundamental actions, that included the full use of trade defence instruments and public procurement rules.

The first completed action was the publication in 2019 of the European Commission’s “*Guidance on the participation of third country bidders and goods in the EU procurement market*”. This guidance highlighted that, among key functioning principles for public procurement, “*Art. 43 of Directive 2014/25/EU does not grant secured access to the EU procurement market to all third country operators*”. The upcoming revision of the Public Procurement Directives, announced by von der Leyen, will offer the opportunity to explicitly clarify in the text of the directives that unless a country is a signatory of the WTO Government Procurement Agreement (GPA) or has signed a Free Trade Agreement (FTA) with the EU, its **access to the EU public procurement market is not secured** and its companies can be rejected from tenders for this reason only. Romania is the first Member State to have translated this provision into national law which automatically rejects non-complying contractors from its public procurement market.

Europe also took action to equip its procurement market with appropriate instruments to enforce and improve the level playing field. In 2022, the EU adopted the long-awaited International Procurement Instrument (IPI) and the Regulation on “**levelling the playing field as regards foreign subsidies**” (FSR). While the IPI



attempts to enforce reciprocal treatment in accessing public procurement markets, the FSR regulation is aiming at preventing foreign subsidies, foreign State ownership and other unfair trade practices from distorting procurement procedures and at ensuring that firms benefit from fair access to both private and public contracts. The FSR regulation empowers the European Commission to take action both in public procurement procedures and in unwanted concentrations.

With the FSR regulation, the Commission is recognising the importance of the level playing field for a well-functioning European Single Market and for Europe's prosperity. This gives a strong signal on how important EU competition rules, trade defence instruments and public procurement rules are in ensuring fair conditions for companies to work, grow and thrive in the European Single Market.

Overview of activities in 2024

Building intelligence

In 2024, EuDA continued to gather and analyse information, experiences and issues with unfair competition from non-EU SoEs that the dredgers and other construction contractors face around the world. The EU has long recognised the pan-European importance of critical infrastructures, including

transport, energy and communications infrastructures. These infrastructures are priority and strategic assets for Europe and need to be treated as such. EuDA is of the opinion that all major transport infrastructures should be treated as strategic to Europe (meaning their planning, design, financing, construction, operation and acquisition should be monitored and checked against key strategic European criteria).

Strategic Trade Toolbox

From the scale and wide range of the above-described Chinese practices, it is clear that these cannot be tackled by a single legislative instrument alone but by a combination of tools covering a wide range of policies: **there is no silver bullet** and a toolbox of complementary trade instruments is the most effective approach.

It is also clear that **the EU needs to continue to diligently fill the gaps and tackle the loopholes in its legislation**. To this end, with the help of its high-level advisor, EuDA developed a comprehensive approach comprising multiple instruments and policies: a European Trade Strategic Toolbox. Since 2018, EuDA has been developing its own strategic toolbox which contains existing instruments or possible new instruments necessary to give an adequate response to these unfair trade practices.

In its **European Strategic Trade Toolbox**, EuDA has identified the following instruments:

- 1° Require **Maximum European Content Requirement** in all EU-funded projects (e.g. projects funded by the Connecting Europe Facility or the Global Gateway);
- 2° Generalise use of the Commission's **guidance for 3rd country bidders' participation in EU public tenders** (2019);
- 3° Enforce Reciprocal Treatment in market access (**International Procurement Instrument**, IPI, adopted in 2022);
- 4° Apply and enforce EU State Aid regulations to all companies working in the EU (including non-EU SoEs; **Foreign Subsidies Regulation**, adopted in 2022);
- 5° Apply the Green Taxonomy **minimum ethical, environmental and labour safeguards** in EU public procurement and all EU-financed projects;
- 6° Establish a **Regulation on Trade Defence Instruments for Construction Services** (to provide *anti-dumping and anti-subsidies measures* for the construction sector, to be developed on the basis of the existing TDI for goods);
- 7° Enforce the **Anti-coercion Instrument** (ACI – adopted in 2023) to protect the EU and its Member States from coercive external measures affecting trade and investment.

Strong Cooperation and Alliance with the Construction Associations

Since 2019, EuDA joined forces with the European construction industry associations (FIEC and EIC) and worked jointly on developing EU Trade Defence Instruments for Construction Services (TDI for Construction). In 2021, EuDA, FIEC, EIC and UNIFE launched a joint website (<https://soes-in-europe.eu/map.php>), to highlight facts and figures showing the increased activity of non-EU SoEs in the European public procurement market in just over 10 years. This neutral online information is meant for European politicians and decision-makers and to raise their awareness of the imminence of the threat and the urgency to take action. The website is regularly updated with new cases.

The discussions with the Commission on new instruments, including a TDI for Construction, were suspended until the International Procurement Instrument (IPI) and the Foreign Subsidies Regulation (FSR) were adopted and enforced. IPI entered into force and into application in August 2022, while the FSR Regulation entered into application in July 2023.

In July 2023, EuDA-FIEC-EIC launched a joint complaint to trigger an *ex officio* market investigation in the construction industry (including dredging) under

the Foreign Subsidies Regulation by the European Commission. In 2024, EuDA followed up on this complaint through a meeting with DG TRADE, which was held together with FIEC, to discuss the Foreign Subsidies Regulation and the Trade Defence Instrument for Construction Services.

Next Steps

In 2025, the main focus of EuDA will be on the revision of the Public Procurement Directives and on following up on the *ex officio* market investigation in the construction industry (including dredging) under the Foreign Subsidies Regulation.

“Europe has realised that China is not only a cooperation partner, a negotiating partner and an economic competitor but also a systemic rival.”





THANK YOU, Robert!

Robert Middelhoek joined EuDA's trade activities in 2020 and reinforced our trade team in the Market Access Committee. With his experience and network of market intelligence, data and statistics on dredging activities around the world, he was a key member of a team of experts who had very different but complementary backgrounds.



Robert Middelhoek
(Van Oord)

On behalf of the EuDA MarCom colleagues, we would like to take this opportunity to thank you, Robert, for your commitment to the industry, to our work and for the time and advice you gave us with regards to market access issues affecting the European dredgers worldwide.

We wish you all the best in your upcoming challenges.
Good luck to you and Farewell Sailor!

Thank you, Robert

Robert de Bruin
Chairman

THANK YOU, Robert !

Robert de Bruin joined the EuDA Market Access Committee (MarCom) in 2022. He chaired the MarCom in 2024, until a new chairman was selected.



Robert de Bruin
MarCom Chairman,
(Van Oord)

With Robert at the helm, MarCom focused on the key trade issues concerning unfair trade practices, mainly by the Chinese State-owned Enterprises inside Europe and around the world.

Although you will continue to work as a member of MarCom, we would like to say that we appreciated, Robert, your commitment, your keen work and enthusiasm.

We welcome your successor Mr Kobbe Peirs.

Thank you, Robert
Keep up the good job!

Marc Van den Broeck
Chairman

further

Always aim for Further Progress

The Green Taxonomy's 6 objectives include climate change adaptation and mitigation, reducing pollution, achieving a circular economy and improving water quality and biodiversity.

European Dredgers hold the key to building, upgrading, modernising and maintaining sustainable waterborne transport and offshore energy infrastructure. Given a proper legislative framework, all this sustainability potential can be materialised and further developed.

European Dredgers, championing Europe's Sustainability Excellence



European Green Deal

Background

Adopted in December 2019, the European Green Deal is the EU's overarching legislative and policy framework designed to improve Europe's environmental footprint as well as to fuel its economic growth and to improve its social and working conditions. The Green Deal is the EU's top priority and its main objectives include: no net emissions of greenhouse gases by 2050 (Paris Agreement commitments), decoupling of economic growth from resource use, and a just and inclusive for all transition (no person and no place is left behind). Although very ambitious, these objectives can be achieved, but require a strong cooperation between policy-makers and stakeholders.

The European Green Deal's Sustainable Finance and Green Taxonomy

Among the many initiatives taken by the Commission under the Green Deal, there are two initiatives that will have a potentially significant impact on the European industry and economy: **Sustainable Finance** and the **Green Taxonomy**.

Sustainable Finance

Sustainable Finance is about financing the European Green Deal (refocus and channel the financial flows towards activities making a significant contribution towards the Green Deal's objectives) and about increasing the financial resilience of the economy, the companies and the citizens.

The European Green Deal needs to be financed and the transition to a sustainable economy needs to be incentivised, because significant investment efforts are required from all sectors of the economy. Both public and private financing frameworks must support these efforts to reach the 2030 climate and energy targets. Moreover, financial sustainability is also part of the challenge and particularly the increase of the financial resilience of the economy, companies and citizens. Sustainable investments will need an enabling framework, the **Green Taxonomy**, with appropriate tools and structures, to promote the “*financing of green activities*” and the “*greening of finance*”.

Green Taxonomy

The **Green Taxonomy**¹, published in June 2020, was designed to identify (more) sustainable practices and incentivise them through sustainable financing in order to achieve the environmental objectives of the Green Deal. To this end, it established criteria for determining whether an economic activity qualifies as environmentally sustainable and to establish to what degree an investment in such activity is environmentally sustainable.

The Green Taxonomy regulation initially only covered climate change objectives (mitigation and adaptation) and was based on the work concluded by the Technical Expert Group (TEG) in 2020. It is designed as a series of legislative texts that will progressively encompass all economic activities and environmental objectives. These legislative pieces also cover the 4 additional environmental objectives (combatting pollution, promoting circular economy, preserving and restoring biodiversity and improving water quality) based on the work concluded by the Platform for Sustainable Finance (PSF) in 2022 (*TWG Report* and *TWG Supplementary Report*, corresponding to roughly 2 annual batches of work on TSCs).

¹ Regulation 2020/852 on the “establishment of a framework to facilitate sustainable investment”.

2024 Members of the EuDA Environment Committee

The Environment Committee (EnvCom) is a permanent committee established by EuDA to provide its Board with expert advice on issues with environmental legislation faced by the members inside the EU, which can have a significant impact on the European Dredging Industry.



Pieter van der Klis
(EnvCom Chairman,
Van Oord)



Paul Vercruysse
(DEME)



Karel Allaert
(Jan De Nul)



Edgar van Oers
(Boskalis)



Harold Slump
(DD-DB)



Liesbeth den Haan
(Van Oord)



Mark Russell
(BMAPA)



Michiel Spitzer
(Vereniging van
Waterbouwers)



Paris Sansoglou
(EuDA)



Silvia Selandari
(EuDA)

A new Platform on Sustainable Finance (PSF 2.0) was established in 2023. EuDA's membership of the PSF was not renewed in PSF 2.0 and neither were its partners. The PSF . 2.0 has kept a similar structure but has less members and has shifted its priorities from the Technical Working Group towards **data availability and applicability**.

Dredgers' Issues and Lobbying Strategy

In 2021 and in 2023, the Commission proposed Delegated Acts (DA) to further implement the Green Taxonomy. These acts excluded "dredging of waterways" from taxonomy eligibility under waterborne infrastructures (6.16) in the DA on Climate Change Mitigation (CCM) and in the DA on Climate Change Adaptation (CCA). This was the result of a serious misunderstanding about dredging within the Commission.

EuDA established a dedicated lobbying strategy on the Green Taxonomy. As part of this strategy, EuDA met with DG FISMA in September 2023, made submissions to the FISMA consultation in December 2023 and organised a meeting with DG ENV Unit C1 for Sustainable Freshwater Management in 2024.

Moreover, Mrs Olazabal, the Head of Unit of DG ENV C1, was invited to the EuDA Annual Conference in 2024 and gave a keynote address on the Green Taxonomy (see coverage of the 2024 Annual Conference here after).

Another part of the strategy is to secure and maintain the support from DG CLIMA's Unit on Climate Change Adaptation Strategy (whose Head of Unit, Mrs E. Visnar, was speaking at our 2022 Annual Conference).

In 2023, EuDA approached the Directors General of DG FISMA, DG ENV, DG CLIMA and DG MOVE of the Commission. EuDA asked for the **clarification** of the treatment of dredgers (more specifically the "exclusion of dredging of waterways" in climate change adaptation and mitigation from the Regulation on Green Taxonomy). EuDA highlighted the fact that such an exclusion is **discriminatory** as dredgers don't have any requirements/criteria to comply with.

The strategy is also considering alliances. EuDA is not alone and some experts from the administrations managing inland navigation infrastructures (INE-Inland Navigation Europe) share our views and concerns. Some of them have already started working on possible Technical Screening Criteria and asked to cooperate with EuDA.

In 2024, the Board decided to establish a EuDA task group on sustainability that would be tasked to develop a ‘EuDA Strategy on Sustainability’ and to deal with the Green Taxonomy issues of the dredgers.

Core EuDA Requests on the Green Taxonomy

In all taxonomy-related consultations and discussions, EuDA recommends that:

- the construction, modernisation and maintenance of infrastructure enabling low carbon water transport should include dredging activities, including maintenance (with clear Technical Screening Criteria (TSC) for Substantial Contribution (SC) and Do Not Significant Harm (DNSH));
- the construction, modernisation and maintenance of adapted waterborne transport infrastructure should also include dredging activities.
- **dredging activities** are considered **as enabling activities** for infrastructures
- the Commission establishes a dedicated Sector Team to develop ad hoc TSCs for dredging as an enabler for Adaptation and as an enabler for Mitigation.

EuDA meeting with DG ENV

EuDA organised a meeting in March 2024 with Unit DG ENV C.1 responsible for Sustainable Freshwater Management. This meeting was the first in a structural dialogue that should help progressively clarify possible misunderstandings or issues about dredging. These exchanges should also help the dredgers with the Green Taxonomy and the Water Framework Directive in the medium to long term.

The Unit on Sustainable Freshwater Management focuses on the Water Framework Directive and its team only knew about the dredging applications of concern to them. They were positively surprised by the broad variety of activities performed by the EuDA members, showed interest in understanding them better and in learning more about the innovative technologies and approaches (including Nature-based Solutions) that European Dredgers can deploy to reduce their environmental impacts. They were particularly interested in learning more about the potential of dredging regarding the 6 objectives of the Green Taxonomy (climate change mitigation and adaptation, pollution, biodiversity, water quality and circular economy).

In the short to medium term, EuDA’s main ambition is to convince the Commission of the necessity to include dredging activities in the taxonomy. EuDA is ready to join a possible taxonomy working group tasked to define technical screening criteria for **dredging activities as enablers** of infrastructures contributing to either or both Climate Change Mitigation and Adaptation.

EuDA Reflection on the Green Taxonomy

At the request of the Board, EuDA organised in June 2024 a workshop on the Green Taxonomy. The purpose of the workshop was to identify possible issues and associated corporate risks for the European dredging companies with regard to the Sustainable Finance legislations as well as to identify/discuss possible solutions and ways forward.

In conclusion of its reflection, the group confirmed that:

I. Lobbying

EuDA should consider the following lobbying targets:

- a. to increase the scope of eligible dredging and related activities (e.g. *remove exclusion of dredging of waterways* from Delegated Acts on Climate Change Adaptation and Mitigation, under 6.16 and shift towards “**all dredging activities enabling a taxonomy eligible activity should also be taxonomy eligible**”);



NB: eligibility is only the first step. The main challenge is “alignment” where DNSH criteria will have to be fulfilled.

b. *to make GT simple to use and implement (e.g. list all enabled activities by dredging that are excluded from GT, the remaining would be GT eligible).*

“Dredging activities should be taxonomy eligible with some exceptions that relate to projects for specific industries.”

II. Guidance

With the current lack of clarity on eligible dredging and related activities, the validation of eligibility and alignment of dredging and related activities by financial auditors is quite burdensome, time-consuming and costly.

A **EuDA guidance may clarify** the definition of the dredging and related activities, clarify the (data and information gathering) processes for validating their eligibility, identify technical criteria to demonstrate their alignment (thereby improving certainty and predictability for the companies and reducing their administration costs).





III. Technical Screening Criteria

Finally, the group confirmed that **GT alignment is an individual exercise** and should be left to the companies. However, there is common interest in the establishment of practical and achievable technical screening criteria (TSC), which will be used to assess alignment with GT.

The Blue Dot Network

At the initiative of Australia, Japan, the United Kingdom and the United States, a Blue Dot Network (BDN) supported by the OECD was established. The BDN is a voluntary private-sector-focused and government-supported certification scheme, based on quality infrastructure standards on business conduct, sustainable infrastructure finance and good infrastructure governance as set out in the G20 Principles for Quality Infrastructure Investment, the G7 Charlevoix Commitment on Innovative Financing for Development, the Equator Principles and guidelines such as the OECD Guidelines for Multinational Enterprises. The OECD is coordinating technical support to develop and operationalise this quality infrastructure certification framework.

The BDN aims at tackling the **USD 2.5-3.5 trillion investment gap, at fostering investments in quality**

infrastructure and at providing an **internationally-recognised certification framework** to assist countries in pursuing investments in infrastructure that support sustainable growth and resilient economic recovery and maximise the positive economic, social, environmental and development impact.

“With its quality 3 dots scheme, the OECD Blue Dot Network ambitions to attract investments in sustainable infrastructure.”

The BDN is involving external stakeholders, including EuDA, in its Executive Consultation Group and in technical Working Groups, including:

1. investment efficiency and outcomes
2. environmental and social considerations
3. transparency and integrity

In 2022, EuDA became a member of BDN’s Executive Consultation Group and joined the BDN Working Group 2 on Environmental and social considerations.

Finally, Mr Lau, the Head of the Secretariat of the OECD BDN, was invited to the EuDA Annual Conference

in 2024 and gave a keynote address on the Blue Dot Network (see coverage of the 2024 Annual Conference hereafter).

Water & Marine Strategy Framework Directives

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

They are built around the following concepts:

- River basin management (cross-border);
- Good Ecological Status (water quality);
- Good Environmental Status (including human activities).

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 used the so called “combined approach” of emission limit values and quality standards. The Marine Framework Directive is the more recent of the two and the timeline of its first loop includes: the completion of the Member States’ respective monitoring programmes in 2014, then their programmes of measures in 2015 with the ultimate goal of achieving the Good Environmental Status (GES) in 2020. Although significant progress was made among the Member States, more time is needed to achieve complete GES.

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

Compared to the Water Framework Directive, the Marine Framework Directive introduced:

- the selection and implementation of the Measures (Descriptors), their Monitoring and adaptive Management;
- the integration and further development of the Shipping activities;
- a clarification of the handling of contaminated/uncontaminated sediments.

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

With 80% of the largest population centres located in coastal areas, this new policy is a response to the

increased demand for use of the coasts and the seas.

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

In the Green Taxonomy, one of the environmental objectives is the sustainable use and protection of water and marine resources.

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.

Because of the potential conflicts between transport and environmental policy objectives, the implementation of infrastructure projects such as dredging, often suffers from significant delays, uncertainties or even blockage. EuDA encourages joint working groups and approaches on (joint) policy implementation like the ones DG MOVE and DG ENV organised on the implementation of the Habitats Directive in Coastal, Estuary and River environments (*“The implementation of the Birds and*

Habitats Directives in estuaries and coastal zones, with particular attention to port development and dredging” and “Inland waterway transport and Natura 2000: Sustainable inland waterway development and management in the context of the EU Birds and Habitats Directives”). In these guidelines, for instance, (maintenance) dredging is referred to as a measure that could be designed in such a way as to achieve or respect both environmental and navigational objectives. A similar approach should be implemented with the Green Taxonomy with all relevant DGs around the table: e.g. for waterborne transport a joint working group between DG MOVE – DG ENV – DG CLIMA. In the Green Taxonomy, one of the environmental objectives is the protection and restoration of biodiversity and ecosystems.

Moreover, EuDA is of the opinion that net biodiversity gains should be encouraged in projects, including in the case of compensations, not discouraged.

Biodiversity Strategy for 2030

A core part of the European Green Deal, the EU's Biodiversity Strategy for 2030 is a comprehensive, ambitious and long-term plan to protect nature and reverse the degradation of ecosystems. The strategy aims to put Europe's biodiversity on a path to recovery by 2030 and contains specific actions and commitments. It is the proposal for the EU's contribution to the upcoming international negotiations on the global post-2020 biodiversity framework.

Biodiversity is the variety of life on Earth, including plants, animals, fungi, micro-organisms, and the habitats in which they live. This web of living things forms the ecosystems that underpin all economies and societies.

The 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 a divide between some Northern and Southern EU countries.

The concept of 'Circular economy' was progressively elaborated by the European Commission to stimulate the re-use/re-cycling of waste with the general motto that "waste is a resource to be put to beneficial use".

In the Green Taxonomy, one of the environmental objectives is the transition to a circular economy.

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

THANK YOU, Arjan!

On behalf of the EuDA Environment Committee (EnvCom), we would like to thank you, Arjan, for your excellent work and your cooperation with the dredging industry.

You joined the EuDA Emissions Working Group in 2015 and, in 2020, you joined us in the EnvCom.

Arjan, we appreciated your dedication and the time you spent for EuDA on environmental-related issues and legislations affecting the European dredgers. We also appreciated that you chaired the Ballast Water Task Group in 2018.

We wish you all the best in your new endeavour and welcome your successor Mr Edgar van Oers.

*Thank you, Arjan, for your dedication and support to our industry,
Farewell!*

Pieter van der Klis
EnvCom Chairman



Arjan Schrijen
(Boskalis)



EUDA 2024 ANNUAL CONFERENCE (21 NOVEMBER 2024) MAKING WATERBORNE INFRASTRUCTURE PROJECTS SUSTAINABLE

Conference Summary:

Following the global commitments taken in 2015 in Paris and the increased awareness of the need to take immediate action, many initiatives have been taken by International Organizations and European Institutions alike to tackle the most pressing negative externalities¹ from economic activities around the world. Among these externalities, we find the various forms of pollution in the air, water or soil, including noise pollution. If left untackled in the medium to long term, these pollutions can further harm nature and degrade its systems, through for instance eutrophication, acidification, climate change.

Besides the environmental aspects, sustainable development approaches and policies also integrate social (and societal) as well as economic dimensions. In the EU, on the one hand, major disruptions in supply chains were caused by the COVID pandemic and highlighted the crucial role played by the waterborne transport system and the strategic necessity to keep it fully functional. On the other hand, the war in Ukraine emphasised the danger of overdependence on too few energy suppliers. Offshore energy infrastructures are therefore considered more and more strategic for Europe's energy independence as well as for the greening of its energy blend.

The OECD and the European Commission have taken key initiatives that aim at improving the sustainability of waterborne (transport and energy) infrastructure projects.

At global level, the OECD Blue Dot Network proposes a voluntary framework to promote quality infrastructure projects around the world. Under the Green Deal, the EU has developed a regulatory framework for sustainable finance targeting the 'green transition' of industrial activities and companies towards sustainability. In this framework the EU imposes mandatory annual reporting on the sustainability performance of companies. Under the Green Taxonomy, the EU also specifies criteria for classifying the level of sustainability of economic activities as well as the progress in their green transitioning. As these initiatives target the financing of infrastructure projects, key players in the financial markets were asked to present their views.

During the 2024 EuDA Annual Conference, representatives from the OECD and the European Commission made keynote addresses in which they presented their respective initiatives to improve the sustainability of waterborne infrastructure projects and their state of play. Representatives from the Banking and the Financial Audit Industries, as well as from the Dredging Industry then presented their views, current experience and future expectations regarding the economic activities involved in waterborne infrastructure projects. During the open discussion, constructive and meaningful exchanges took place between the speakers and the audience.

EUDA'S 2024 ANNUAL CONFERENCE

■ Welcome and Opening

**Mr Marc Van den Broeck, EuDA Chairman,
Event Host**

■ Introduction to the Conference Theme and Speakers

**Mr Paris Sansoglou, EuDA Secretary General,
Conference Moderator**

■ Keynote Address on a Voluntary Global Framework: the Blue Dot Network

**Mr Edwin Lau,
OECD Head of Blue Dot Network Secretariat**

■ Keynote on an EU Mandatory Framework: the Green Taxonomy

**Ms Claudia Olazábal, European Commission Head
of Unit on Sustainable Freshwater Management**

■ Banks' Views and Experience

**Ms Ann-Christin Stucke, Sustainability Expert in
Sustainability Team of ABN AMRO Corporate Bank**

■ Financial Auditors' Views and Experience

**Mr Gijs de Graaff, KPMG Partner Sustainability
Reporting & Accounting Advisory Services**

■ Dredging Contractors' Views and Experience

Ms Jiska Verhulst, DEMA, Sustainability Director

■ Open Discussion and Conclusions

The Conference's key messages:

¹ **Externalities** are initially unforeseen side effects or consequences of industrial (e.g. production) or commercial (e.g. consumption) activities that positively (creating a benefit) or negatively (creating a cost/damage) affect other not directly involved or related third parties (including natural habitats) **without this being reflected in the cost of the goods or services produced by these activities.**

OECD: the Blue Dot Network, a Voluntary Global Framework

- The Blue Dot Network (BDN) is a voluntary, private-sector-focused and government-supported **infrastructure project certification scheme**. With its 3 dots scheme, the BDN ambitions to reassure investors and attract investments in quality infrastructure **projects that are environmentally and socially sustainable, resilient, inclusive, open and transparent, and economically efficient**.
- BDN translates over **80 international standards** and assessment frameworks into project-level criteria and requirements. BDN is built on the following principles and essential building blocks:
 - o promote market-driven and private sector-led investment;
 - o ensure value-for-money over an asset's full life-cycle cost;
 - o build projects that are resilient (climate change, disasters, ...);
 - o promote sustainable development and inclusive economic growth;
 - o build local capacity, with a focus on local skills transfer and local capital markets;
 - o advance inclusion (for women, people with disabilities ...);
 - o uphold international best practices of

environmental and social safeguards, including respect for labour and human rights;

- o support sound public financial management, debt transparency, and project-level and country-level debt sustainability;
- o promote protections against corruption, while encouraging transparent procurement and consultation processes;
- o promote the non-discriminatory use of infrastructure services.

EU: the Green Taxonomy,

a Mandatory Framework

- Adopted on 18 June 2020, the EU Taxonomy Regulation (EU 2020/852) is a **common classification of economic activities** that can substantially contribute to 6 environmental objectives (climate change mitigation, climate change adaptation, the sustainable use and protection of water and marine resources, the transition to a circular economy, pollution prevention and control, and the protection and restoration of biodiversity and ecosystems) using science-based criteria.
- The EU Taxonomy requires a **comprehensive disclosure regime** to allow investors to make sustainable investment decisions.

• The EU Taxonomy is:

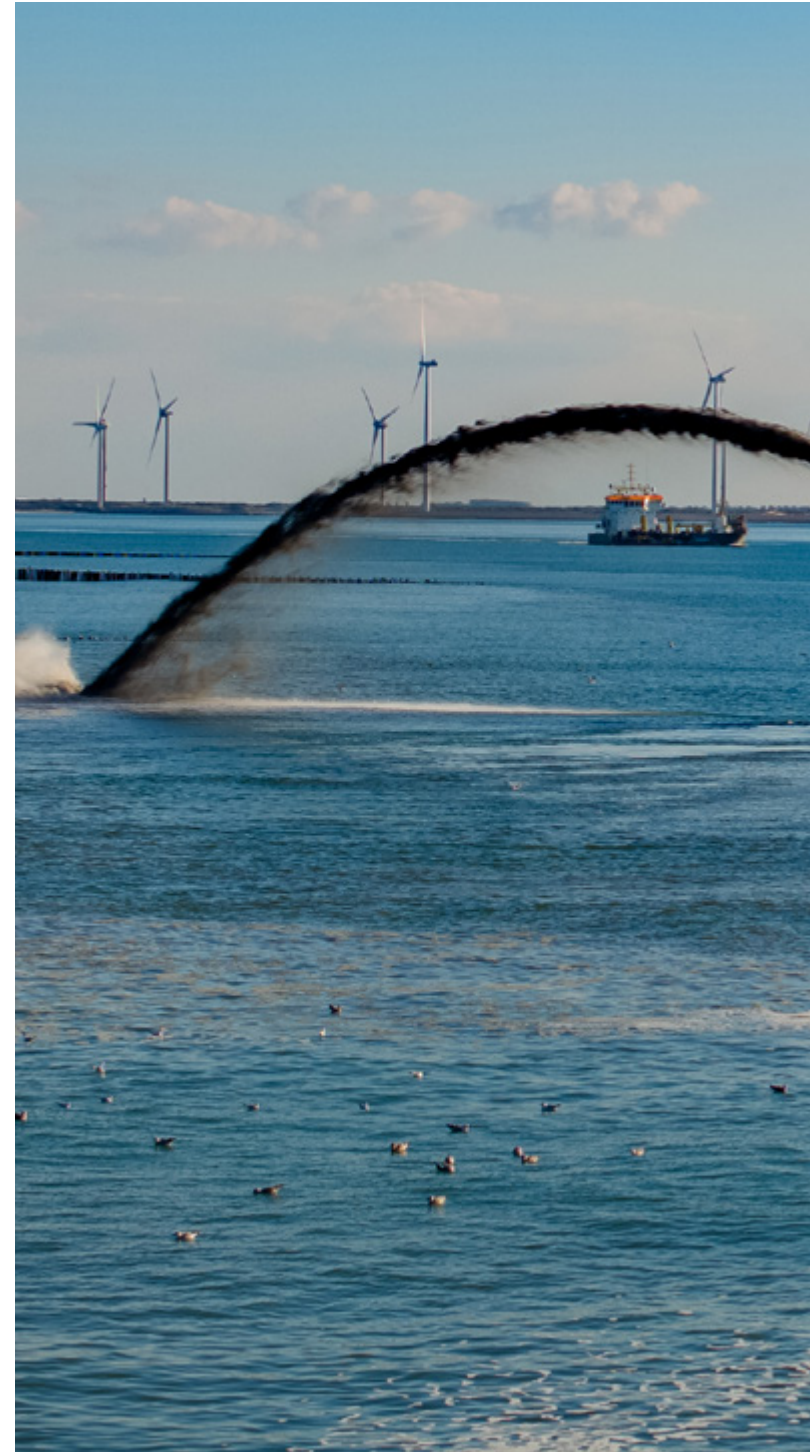
- o a classification system that provides clarity on what is an environmentally sustainable economic activity and under which circumstances;
- o a measuring tool that measures the degree of sustainability of an investment and the degree of green activities of companies;
- o a transition tool that helps investors and companies to plan and report on the transition. It sets the objectives and the direction of travel for different economic activities.

• The way forward and next steps

- o To repair the broken water cycle, a Source to Sea approach is needed;
- o Water quality and quantity must always be treated together

The more water is polluted, the less it is fit for use and thus available for humans and the economy. The less water is available, the less pollution gets diluted;
- o The Water Resilience Strategy provides an EU Vision for 2050:

“In 2050, global society will be water resilient, offering water security for all. This entails the protection and restoration of aquatic ecosystems, and a fair balance between water supply and water demand responding to current needs,





EUDA 2024 ANNUAL CONFERENCE (21 NOVEMBER 2024)

MAKING WATERBORNE INFRASTRUCTURE PROJECTS SUSTAINABLE

*including the realisation of the human right to safe drinking water and sanitation, without compromising the rights of **future generations**;*"

- o The strategy includes initiatives such as the Blue Deal or #WaterWiseEU awareness campaign to "See Water Differently", as well as assessments and evaluations of key water directives (e.g. the Water & Maritime Strategy Framework Directives).

The Banks' Views and Experience

- Sustainability is captured by a comprehensive regulatory landscape that affect principally 3 main areas of banking: Products and Clients, Risk Management and Disclosures. In this context, the EU Green Taxonomy is a central piece of legislation that is impacting all three banking areas.
- Within this legislative framework, the role of banks is to support and sometimes to accelerate the green transition of their clients. To do so banks also need to be or become future proof.
- ABN Amro's **sustainability plan** aims at aligning its processes and objectives, by aligning portfolio (including waterborne transportation) and operations with a net-zero trajectory, by shaping products (equity, loans and debt markets) and services accordingly to have positive impacts on climate and society and promote positive sustainability performance.

- **The Green Taxonomy** is still in its early stages: it is the 4th reporting year for ABN AMRO (in 2024) on both activity and entity level and reporting has been limited to clients subject to the Non-Financial Reporting Directive. EU Taxonomy aligned projects are still the minority but sharp increased alignment is expected.
- **ABN Amro's 10 principles** for assessing corporate clients' sustainability include: Business Conduct; Human Rights; Stakeholders; GHG Emissions; NetZero Economy; Physical climate risk; Biodiversity, Air, Water, Soil; Ecosystem services; Circularity; Track record.

The Financial Auditors' Views and Experience

- Reporting and activities are in transition towards sustainability: reporting obligations such as those required by Corporate Sustainability Reporting Directive have become global and the need to comply with the Green Taxonomy also. However, Green Taxonomy is still under development.
- The situation for the **dredging** activities is evolving but remains limited in terms of eligibility to the taxonomy. In such frameworks under development, **cooperation inside sectors and between sectors** is essential.

Dredgers' Views and Experience

- European Dredgers have evolved from 'pure dredgers' and have become **global marine solutions providers** with a broad range of diversified activities.
- To deliver EU Taxonomy KPIs the necessary **processes, procedures** and **methodologies** need to be developed and implemented with significant investment in time and resources.
- The main difficulty is the still evolving legal framework and the associated uncertainty. Uncertainty exists at the eligibility level for the whole sector: some activities are included, other not. Uncertainty also exists at the alignment level for individual companies.
- Today, dredgers' activities eligible for the Green Taxonomy include:
 - o 4.3 Electricity generation from wind power (Climate change mitigation);
 - o 6.14 Infrastructure for rail transport (Climate change mitigation) *Not 6.16 Infrastructure for waterborne transport*;
 - o 2.4 Remediation of contaminated sites and areas (Pollution prevention);
 - o 2.7 Sorting and material recovery of non-hazardous waste (Circular Economy);
- However, the full extent of the dredgers'

contributions to sustainability is hindered because some dredging activities are not properly recognised by the legislation, for example:

- o **Port construction, capital dredging and land reclamation:** *creating new or deeper waterways, ports, or harbours to accommodate larger vessels;*
- o **Maintenance dredging:** *maintaining the depth and width of existing waterways, ports, and harbours by removing accumulated sediments and debris;*
- o **Enabling maritime trade and transportation;**
- o **Coastal protection** (incl. beach nourishment): *safeguarding coastal areas from erosion, storm surges, and rising sea; Providing climate change adaptation solutions;*
- o Application of **Nature-based solutions:** *innovative approaches that leverage natural processes and ecosystems to achieve desired outcomes. Enhancing ecosystem services, providing habitats for birds and other wildlife, contributing to biodiversity;*
- o **Environmental Remediation** dredging: *removing contaminated sediments from water bodies Improve water quality, restoring ecosystems and protecting marine life.*
- Dredging companies take various measures to **enhance environmental sustainability:**

- o Climate change mitigation: *emissions monitoring, use of energy efficiency measures and transitional low-carbon fuels, exhaust gas reduction, increased use of renewable energy, use of standard such as ISO 14001 and 50001;*
- o Ecosystem health: *measures to reduce noise and water pollution, ecosystem restoration efforts, monitoring and reducing turbidity, integrating reef-like habitats, ecological design;*
- o Circular economy: *reuse and treatment of dredged materials, beneficial reuse of sediments.*

Messages to take home

- **Main Legislative Issues for the European Dredgers:**
 - o The economic activities in 6.16 Infrastructure enabling low-carbon water transport (for Climate Change Mitigation) and 6.16 Infrastructure for water transport (for Climate Change Adaptation) exclude dredging of waterways;
 - o 14.2 Flood risk prevention and protection infrastructure and 3.1 Nature Based Solutions for flood and drought risk prevention exclude coastal protection intended for ports or navigational channels;
 - o As key effective sustainable solutions enabled and implemented by the European dredging technologies and know-how are not properly

recognised, framed and rewarded by the EU Green Taxonomy, these green options will not be considered in most contracts, missing environment enhancing opportunities.

- **The European Dredgers recommend that: all dredging activities** enabling an eligible activity should be considered '**eligible**' within the EU Taxonomy Framework. To motivate (dredging) companies to act upon and move towards 'alignment', it is crucial to **establish tangible financial incentives**, such as easier access to funding and cheaper financing options. The European dredging companies have **valuable knowledge** and **experience** to make projects more sustainable.

NB: more detailed key messages available online (<https://www.european-dredging.eu/Events>).

PARTICIPANTS AND GUESTS AT THE EUDA 2024 ANNUAL CONFERENCE

Organised every November in Brussels, EuDA's annual conference gathers eminent representatives from the industry, the European, international and national administrations as well as other key stakeholders. The theme of the 2024 EuDA Conference was "Making Waterborne Infrastructure Projects Sustainable".





safer

Always improve the Capacity to Prevent and Preserve

European Dredgers have evolved over the past 20 to 30 years from 'pure dredgers' to become global solutions providers for waterborne transport and energy infrastructure with a broad range of diversified activities. The technology, skills and know-how they have developed over these decades allows them to propose innovative sustainable solutions, often inspired by nature, to complex global challenges such as climate change adaptation and mitigation.

European Dredgers, championing Europe's Sustainability Excellence



From its inception in 2009, the EuDA **Emissions Working Group** (EmWG) worked towards establishing and implementing the EuDA common **CO₂ Strategy**. The main objectives of the CO₂ Strategy have been to improve EuDA's internal understanding over its dredging fleet's CO₂ emissions and to improve EuDA's external communication towards public administrations and relevant stakeholders. Since 2017, besides CO₂ emissions, the scope of this working group also covers the other 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) as well as from IMO on the views and main recommendations of the European Dredgers with regards to CO₂ matters.

In 2024, EuDA continued the implementation of its CO₂ Strategy. EuDA focused on the implementation of the 'Fit for 55' legislative package, in particular on the extension to shipping of the EU ETS-MRV (EU Directives on Emission Trading System and on Monitoring, Reporting and Verification) and the FuelEU maritime. Participation in the European Sustainable Shipping Forum (ESSF) is crucial in exchanging information with the Commission and the Member States. EnvCom also follow-up the developments in IMO (Data Collection System, the Net Zero Framework).

With regard to its CO₂ Strategy, EuDA has consistently raised concerns over the need to clarify the language used in the Delegate Acts of the Green Taxonomy Regulation (see above Chapter 3 and the EuDA 2024 Annual Conference), where 'dredging of waterways' is excluded from the scope of the taxonomy regarding a substantial contribution to climate change mitigation and adaptation (Annexes I & II,

6.16 waterborne infrastructures). Dredging activities are enabling offshore renewable energy activities and they are also indispensable for the adaptation of waterborne infrastructures to climate change. European Dredgers can also build protection against sea level rise as well as coastal and flood defences to protect populations or economic assets from their exposure to extreme events.

EuDA CO₂ Strategy

The first objective of the CO₂ Strategy has been to build a better understanding over the CO₂ emissions from the EuDA dredging fleet. From the start, EuDA established a procedure and methodology for the collection of raw data for the calculation of CO₂ emissions. When necessary, the Strategy can also raise awareness at the International Maritime Organization (IMO).

2024 Members of the EuDA Emissions Working Group



Paul Vercruyjsse
(EmWG Chairman,
DEME)



Karel Allaert
(Jan De Nul)



Liesbeth den Haan
(Van Oord)



Edgar van Oers
(Boskalis)



Harold Slump
(DD-DB)



Pieter van der Klis
(Van Oord)



Michiel Spitzer
(Vereniging van
Waterbouwers)



René Kolman
(IADC)



Paris Sansoglou
(EuDA)



Silvia Selandari
(EuDA)

Industry-backed calculation method for CO₂

The implementation of the EuDA CO₂ Strategy required the gathering of information, the building of internal knowledge and the formulation of specific messages to effectively communicate our issues and their possible solutions to the relevant parties. Besides the contacts within the Member States, EuDA has kept regular contact with the Commission's DG CLIMA informing the Officials and making them aware of the specific situation of the dredgers.

In 2010, EuDA prepared a dedicated report in which it compiled a set of fact-based emission figures for its dredging fleet, established a transparent industry backed calculation method and analysed in detail EuDA fleet's emissions. In 2019, EuDA updated its fleet emissions' report, based on data from 2017, for the 103 Trailing Suction Hopper Dredgers (TSHD),

“Fact-based information is crucial to legislators to make informed decisions.”

63 Cutter Suction Dredgers (CSD) and 30 Backhoe Dredgers (BHD). This second report confirmed that the calculation methods remained unchanged and that the average performances of the vessels in the dataset had improved by 15% over 20 years. Based on this report's findings, EuDA prepared a policy paper on the '*Decarbonisation of the Dredging Sector*' and technical reports to communicate externally.

EuDA CO₂ emission figures 2023

As part of the EuDA CO₂ Strategy, EuDA has been collecting data for the CO₂ emissions of the European dredging fleet since 2008. Since well before the 2015 Paris Agreement and the EU Green Deal commitments on GHG emissions, EuDA members have been actively searching for ways to reduce their atmospheric emissions and optimise fuel consumption as well as researching alternative options to fossil fuels.

EuDA members took individual steps, testing pilot initiatives (LNG propulsion, biofuels and “fumes treatment”) to lower not only the CO₂ emissions but also NO_x, CO and fine particles. They also took joint steps through EuDA by organising strategic workshops on energy transition towards a neutral carbon footprint and on the implementation of ETS to dredging.

Economic drivers for dredging and related activities

The main drivers for the European dredging companies are diverse and include activities such as capital and maintenance dredging, offshore energy projects as well as urban, tourism and coastal projects. Because these various drivers are not correlated with each other, the dredging sector is characterised by a certain level of **acyclicity** (or a resilience to economic cycles) that translates into a reasonably steady growth.

From graph 1 (next page), we can see that for the last three years, the share of capital and offshore energy dredging projects has continuously declined.

Drivers for the EuDA fleet CO₂ emissions

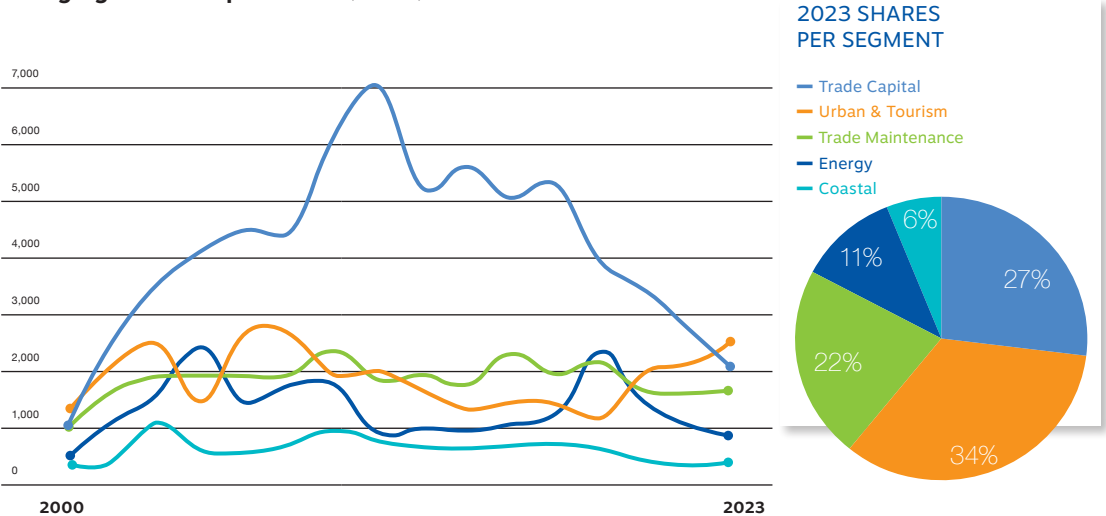
The evolution of the EuDA dredging fleet's emissions is the result of mainly three drivers:

- 2 performance drivers: technology and operational processes;
- 1 market driver: demand for projects which impacts occupation rates.

With regard to the **Performance Drivers**, European Dredgers have invested billions in technology developments, innovative solutions and in further optimisation of dredging operations, which resulted in the steady (relative) reduction of CO₂ emissions per m³ of dredged material.

Graph 1:

Dredging Turnover per driver (2023) *source: IADC - EuDA*



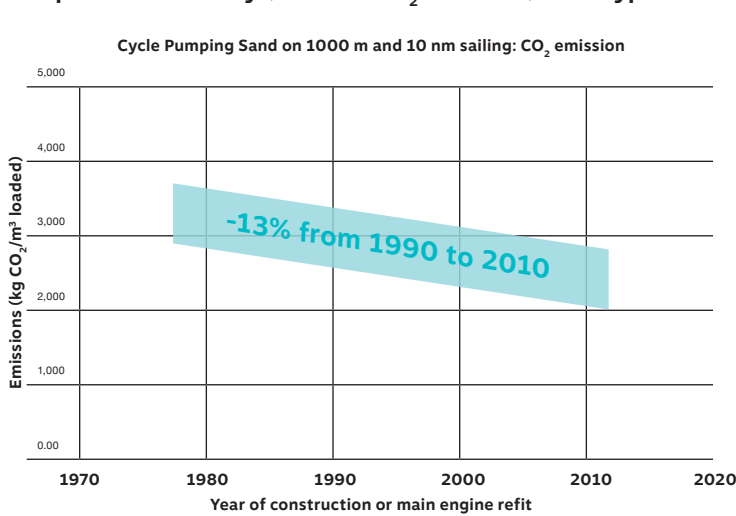
It is important to highlight that reduction of CO₂ emissions per m³ of dredged material is reaching its limits (asymptotic minimum) and therefore, from a technological point of view, future progress on reducing emissions should come from a step change innovation (e.g. sustainably produced carbon-free fuel).

With regard to the individual **Market Drivers**, they can work both ways: they can either reduce emissions or they can increase them. The **overall absolute emissions** result from the balance between those drivers (net reduction or net increase).

¹ 11 billion Euro from 2008 to 2017.

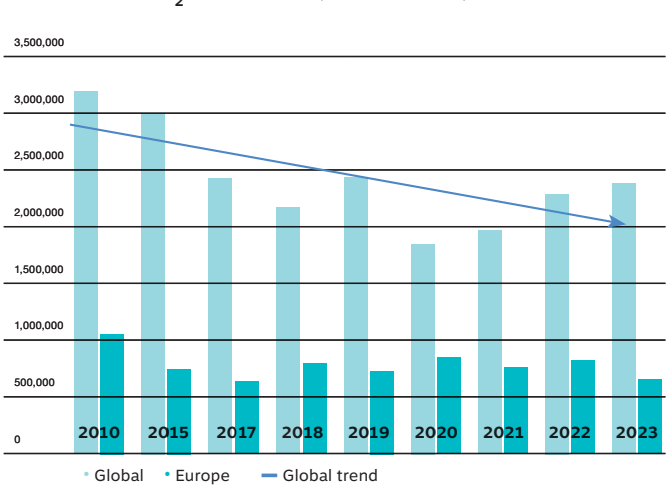
Graph 2:

improved efficiency (reduced CO₂ emission) for a typical TSHD cycle



Graph 3:

EuDA fleet CO₂ emissions (2010-2023) *source: EuDA*



NB: similar reductions have been achieved for other dredging vessel types (e.g. CSD)



Evolution of the EuDA fleet CO₂ emissions

As illustrated in graph 3 above, the general trend of the EuDA dredging fleet emission is downward. From 2008 to 2021, the total absolute emissions of the EuDA fleet (inside and outside Europe) have steadily decreased by over 40%. However, Graph 3 also shows isolated peaks, such as in 2015, when the emissions soared to 3.0 Mton, due to a surge of activity for the expansion of the Panama and Suez Canals, and such as in 2010, due to a surge of activity in Europe for the reclamation of Maasvlakte 2 in the Netherlands. These peaks demonstrate that a surge of activity not only can slowdown the absolute emissions reduction by compensating the relative improvement but even reverse the general downward trend.

Following the significant reduction of activity levels due to COVID, EuDA's global emissions in 2020 decreased below 1.9 Mt, the lowest level on record so far. Since 2021, EuDA's global emissions grew above the symbolic 2 Mt. Compared to 2008, absolute emissions of CO₂ from the dredging fleet in 2023 have decreased by around 30%. For the past 10 years, the level of CO₂ emissions in Europe by the European Dredgers are staying between 600-800 ktons of CO₂, below 2008 (880 ktons).

Table 1: EuDA fleet CO₂ emissions (2008-2023) source: EuDA

EuDA Sea-going dredging equipment			
Global operations	Installed power MW	Fuel consumption kton	CO ₂ emissions kton
2008	1,510	1,090	3,440
2010	1,591	999	3,155
2015	1,298	959	3,033
2017	1,516	777	2,449
2018	1,421	675	2,134
2019	1,564	768	2,430
2020	1,451	583	1,860
2021	1,398	644	2,052
2022	1,466	717	2,285
2023	1,374	742	2,365
European operations	Installed power MW	Fuel consumption kton	CO ₂ emissions kton
2008	420	280	880
2010	654	420	1,326
2015	409	223	713
2017	369	195	624
2018	485	238	763
2019	500	214	682
2020	605	258	826
2021	487	219	701
2022	598	233	744
2023	532	194	621

NB: regarding the entire dredging fleet, when EuDA started collecting emission data for its fleet, it was estimated in 2008 that the total world seagoing dredging fleet produced 6.3 Mton of CO₂, of which the European dredgers (members of EuDA) produced 3.4 Mton.

The European Green Deal's 'Fit for 55' package

Background

Adopted on 14/07/2021, the '**Fit for 55**' package consists of a set of inter-connected and complementary policy proposals and initiatives on climate, energy (fuels), transport, buildings (heating), land use (forestry) and taxation (trade). This major policy and legislative package drives towards achieving a net reduction of greenhouse gas emissions by at least **55% by 2030**, compared to 1990 levels, and ensuring a fair, competitive European industry, by applying the '*Polluter-Pays*' principle. Where possible existing legislation was reviewed and made more ambitious. Where needed new proposals were prepared and implemented.

Out of the 13 'Fit for 55' instruments, EuDA focused on:

- Extending **EU ETS to shipping**
- Updated **Energy Taxation Directive** (the systematic taxation may improve level playing field, where it used to be voluntary among Member States);
- **FuelEU** (Cleaner maritime fuels) will promote sustainable maritime fuels and create new requirements for ships, regardless of their flag, arriving at or departing from EU ports, by imposing a maximum limit on the greenhouse gas content of the energy they use and making these limits more stringent over time

Extension of ETS to Maritime

With specific regard to the EU Emission Trading System (ETS), the same key principles and constraints that apply to the other ETS sectors will apply to maritime: shipping companies will have to

- **monitor** their emissions,
- **purchase** and
- **surrender ETS emission allowances** for each tonne of reported greenhouse gas (GHG) emissions.

In the latest version of the ETS extension to shipping, the following points can be highlighted:

- **phase-in period** for general cargo and passenger shipping of more than 5000 GT;
- as from 2025, the EU MRV will cover general cargo ships and offshore vessels over 400 GT;
- as from 2024, the EU MRV will cover **methane (CH₄) and nitrous oxide (N₂O)** (coverage by the EU ETS as from 2026);
- ships' emissions should be cut by 2% as of 2025 and by 80% as of 2050.

"In 20 years, the CO₂ performance of European dredging vessels improved on average by 15%."

Main issue

There is no definition of dredging vessels nor offshore vessels in the European law. So clarification is needed regarding what is the understood under "Offshore vessels" and does that understanding include dredging vessels?

2024 DG CLIMA Consultation on MRV-ETS DA proposal

On 31/07/2024, the Commission opened a Stakeholder consultation on its draft Delegated Act (DA) on the **inclusion of offshore vessels** in the ETS for shipping, the deadline for response was extended to 04/09/2024. The definition of offshore and dredging vessels was added very recently in the final DA published at the beginning of November 2024. However, there is still no clear definition of "port of call" in combination with "crew change" and "voyage" for the offshore and dredging vessels.

EuDA will follow very closely the developments and contribute through the dedicated Commission's working group on implementing ETS to maritime transport (under the European Sustainable Shipping Forum, see hereafter).

FuelEU Maritime Regulation

Today, the **maritime fuel mix** is composed of over **99% of fossil fuels**. To reach the climate targets in 2050, the maritime sector should transition towards close to 90% use of renewable and low-carbon fuels.

Unfortunately, to date, there is not a single technological option for the large variety of ship types and trades. Therefore, many operators are trapped in a “**wait-and-see attitude**”, while pioneers invest in a selection of promising technologies at their own risks.

There is a need for considering the **total cost of ownership** (lifecycle approach-LCA) and for coordination between supply, distribution and demand. To break the chicken-and-egg issue, ‘Fit for 55’ is addressing all relevant aspects from fuel production (Renewable Energy Directive), **fuel distribution** (Alternative Fuel Infrastructure Directive) and **fuel demand** (FuelEU).

The FuelEU Maritime Regulation targets the **demand** of renewable or low carbon fuels and specifically addresses the technology issue related to these fuels. **Obligations must be imposed on demand** not only to promote investments in supply and distribution, but also to **avoid carbon leakage**. Consistency with green financing (**Green Taxonomy**) is also of the essence.

European Sustainable Shipping Forum (ESSF)

The European Sustainable Shipping Forum (ESSF) is a forum established by the Commission for structural dialogue, exchange of technical knowledge, cooperation and coordination between the Commission, Member States’ authorities and maritime transport stakeholders on issues pertaining to the sustainability and the competitiveness of EU maritime transport.

Ship Energy Efficiency (SEE)

The Sub-group on **Ship Energy Efficiency** (SEE) assists and advises the European Commission on issues related to the improvement of ship energy efficiency, with a focus on improving energy efficiency of ships by means of **mandatory measures**.

Sustainable Alternative Power for Shipping (SAPS)

The Sub-group on **Sustainable Alternative Power for Shipping** (SAPS) assists and advises the European Commission on issues related to the development and deployment of alternative power solutions for shipping. This includes matters on alternative sustainable **low- and zero-carbon fuels and propulsion methods**, with a view to improving the current understanding of the available solutions and their potential, better target and prioritise the R&I investment, where appropriate

pilot the deployment of certain solutions, and assess the gaps in the current regulatory framework to ensure enough ambition will be reached.

Implementation of the ETS and MRV Maritime (ETS-MRV)

In 2024, a new ESSF sub-group was created: the Sub-Group on the **Implementation of the ETS and MRV Maritime** (ETS-MRV). ETS-MRV provides a stakeholder platform to discuss, provide expertise to the Commission, and develop guidance documents, where appropriate, in relation to the implementation of the MRV Maritime Regulation and the EU ETS Directive.

The main tasks of ETS-MRV are:

- a. to establish cooperation and coordination between the Commission, Member States and stakeholders on questions relating to the implementation of the EU ETS Directive and the MRV Maritime Regulation;
- b. to assist DG CLIMA in the preparation of guidance (including updates to existing guidance), recommendations for standards, best practices and other documents relevant for the implementation of the EU ETS Directive – insofar as maritime transport is concerned – and the MRV Maritime Regulation, as deemed relevant.

Joint meetings with DG CLIMA Expert Group

As a member of ESSF SAPS and ETS-MRV, EuDA, is invited to joint meetings between the Climate Change Expert Group (CCEG) of DG CLIMA and ESSF SAPS to discuss the practical details of the **extension of ETS to shipping**. The exchanges are open and constructive. EU and Member States Officials and industry representatives (KVNR, KBRV, ECSA, ICS, ...) are participating (in person and on-line).

In 2024, DG CLIMA organised several joint meetings of the ESSF Sub-Group on ETS-MRV with the Climate Change Expert Group (CCEG). There the discussions cover many aspects of the ETS implementation to shipping, including the inclusion of the offshore vessels in the ETS-MRV (as decided by the European Parliament in 2023).

Roundtables, webinars and other events on ETS

Throughout the year, many stakeholders (e.g. KVNR, KBRV, RCLF...) and administrations (e.g. RWS, EMSA, European Parliament, Commission, ...) organised events (e.g. roundtables or webinars) to reflect and discuss various aspects of the inclusion of offshore vessels in the ETS and MRV and provide meaningful advice and input to the Commission.

There is an overwhelming consensus between stakeholders and Member States that the most practical approach for the inclusion of offshore would be to define the offshore activities in the law (in a similar way as the IMO Industrial Personnel Resolution) and specify a list of exempted vessels. Regretfully, DG CLIMA seemed to follow another source of recommendations when finalising its Delegated Act (DA) on the inclusion of the offshore vessels in the ETS and MRV. There was a significant amount of surprise and disappointment of these involved stakeholders when the Commission draft DA was published for consultation in the Summer 2024.

“Dredging and offshore vessels use energy to both sail and work at sea.”

THANK YOU, Arjan!

On behalf of the EuDA Emissions Working Group (EmWG), we would like to thank you, Arjan, for your excellent work and your cooperation with the dredging industry.

You joined us in the EuDA EmWG in 2015 and, in 2020, you joined the Environment Committee (EnvCom). Arjan, we appreciated your dedication and time spent for EuDA on emissions-related issues and legislations affecting the European dredgers. We also appreciated that you took the chair of the Ballast Water Task Group in 2018.

We wish you all the best in your new endeavour and welcome your successor Mr Edgar van Oers.

Thank you, Arjan, for your dedication and support to our industry, Farewell!

Paul Vercruijse
EmWG Chairman



Arjan Schrijen
(Boskalis)

better

Always count on the Creative Power of the Human Factor

Innovative and sustainable solutions are as good as the people who conceived them as well as those who implement them. Continuous training, upskilling, reskilling and educating are the necessary investments to enable excellence to become a day-to-day reality on and off the field.

Local capacity building at clients and administrations around the world is also part of making the dredging market more sustainable.

European Dredgers, championing Europe's Sustainability Excellence



EuDA Social and Labour Strategy

From its inception in 2003, the EuDA Social Committee (SocCom) worked towards establishing and implementing the common **EuDA Social and Labour Strategy**. The main objectives of the EuDA Labour Strategy have been to harmonise and simplify the treatment of seafarers and project staff (‘industrial personnel’) inside and outside Europe as well as improve market access and labour mobility.

Long-Term Vision

EuDA’s long-term vision was established to pro-actively feed the EuDA Strategy on European social legislations and its Annual Action Plans, with a focus on key priorities, such as the State Aid Guidelines to Maritime Transport.

EuDA identified 5 clusters of key problems and issues faced by the European Dredgers in the EU:

1° Simple, Harmonised and Clear

European legislations

*Dredging is at the centre of many European legislations regulating its operations (dredging & offshore projects), its working equipment (e.g. dredging & offshore vessels) and its people (seafarers, engineers, working permits, visas, ...). The continuous development of (new) legislation at all levels (international, regional, national, sub-national) has significantly increased legal complexity which, in turn, often creates various levels of **legal uncertainty**.*

2° Labour Availability, Qualifications, Mobility

Like many other maritime sectors, dredging is faced with a significant lack of qualified staff (seafarers, engineers, ...). This situation is also aggravated by labour mobility issues (restrictions on certification, visas and working permits) and by working conditions’ restrictions (e.g. working hours) inside and outside the EU.

3° Unfair Competition

The global emergence of non-EU State-owned Enterprises (SoEs) supported by their national frameworks for subsidisation and tied financing has significantly distorted global competition. Heavy subsidy schemes can allow unremarkable SoEs to gain markets at the expense of even more capable foreign competitors. Competitive companies need a level playing field to be able to fairly compete on merit (knowledge, experience, skill, technology, quality of the delivered services, added value to society and price).

4° Not Future Oriented Governance

The Green Deal requires European and national legislations to become future-proof and climate-proof. This also means that the governance of European and national administrations should be adapted to achieve these future-proof and climate-proof objectives as innovation friendly decision-

2024 Members of the EuDA SocCom

The Social Committee (SocCom) is a permanent committee established by EuDA to provide the EuDA Board with expert advice and support on labour and social related issues (primarily in European legislation), which can have a significant impact on the European Dredging Industry.



Hans Casier
(SocCom Chairman,
DEME)



Katleen De Geyter
(Jan De Nul)



Robbert Veenstra
(Boskalis)



Erwin Holterhues
(Vereniging
van Waterbouwers)



Paris Sansoglou
(EuDA)



Silvia Selandari
(EuDA)

making systems are not static but dynamic and need regular adaptation.

5° Enforcement and Compliance Checking

Levels of enforcement and compliance checking are very variable between countries and within countries, including in the EU. A more effective and better targeted system should be considered and implemented.

Although these clusters of issues cover all facets of dredging activities, this chapter will only focus on the labour issues or social aspects.

Hierarchy of Labour Laws

As part of its strategic priority “Simple, Harmonised and Clear European legislations”, EuDA identified situations in which the European dredging companies were faced with issues on determining the effective law applicable to their activities. Dredging vessels can typically operate in international and territorial waters. The applicable laws are international, European, federal and national. The key question is about the hierarchy of their applicability: *which supersedes which? and under which conditions?*

This situation is not widespread in Europe and concerns so far Germany, Denmark and France. These different cases result from individual initiatives by the Member States rather than a new European policy. EuDA has principally worked on two cases, one in Germany and one in France and compiled recommendations in a EuDA Paper for the attention of public administrations (such as IMO, ILO, European Commission and Flag States), regulating and enforcing labour laws on ships. The draft paper provides an overview of the laws applying to dredgers working on dredging and offshore projects and attempts to clarify their respective hierarchy.

Legal Opinions and EuDA Position

For its legal analysis and opinion, EuDA consulted prominent German and French law firms, specialised in maritime law. On the basis of the feedbacks and findings, EuDA prepared a paper on “European Labour Laws applying to Dredgers”. In this paper, **EuDA highlights that dredging and offshore service activities** are considered under European law as part of the **merchant navy** (transporting goods and passengers). There are legal provisions in the European legislation pointing to one or the other option. Under the State Aid Guidelines to Maritime Transport, dredging vessels are explicitly mentioned and the current EU practice

also incorporates the offshore vessels. In the EU MRV, the specificity of working vessels was highlighted to exclude them in a first phase from the scope of the legislation targeting the shipping industry.

The main conclusions highlight that when EU flagged maritime ships (with a gross tonnage >650GT) provide **dredging services or offshore supply services for windfarms**, they should be considered as performing cabotage services and treated like any other ship transporting goods under the European law, and thereby their seafarers should be also treated accordingly. Thereby, **the seafarers on board dredgers should not be subject to the national rules** (e.g. French ‘mandatory’ rules) applying to personnel employed onboard ships, regardless of the flag, which are used to perform services mainly in territorial or inland waters.





Review IMO rules on 12 industrial personnel on board ships

Offshore Energy Sector

Due to the growing importance of the offshore energy sector, including renewable energy construction projects, clear and adapted requirements were needed to facilitate the safe and efficient transfer of technicians serving offshore installations.

The aim of the International Code of Safety for Ships Carrying Industrial Personnel (**IP Code**) is to provide minimum safety standards for ships that carry industrial personnel, as well as for the personnel themselves, and address specific risks of maritime operations within the offshore sector, such as personnel transfer operations.

New mandatory requirements

The IMO (MSC 106) has adopted in November 2022 a new mandatory IP Code, anchored in a new SOLAS Chapter XV. The code entered into force on **01/07/2024** and enables cargo ships and high-speed cargo craft to transport and accommodate industrial personnel working offshore¹.

The new IP Code is based on the Code of Safety for Special Purpose Ships (2008 SPS Code), but with adaptations and provisions for the training of industrial

personnel, the safe transfer of personnel and the carriage of dangerous goods in combination with industrial personnel (*the carriage of toxic products, low-flashpoint products, and acids as cargo will not be allowed on IP ships carrying more than 60 persons on board*).

The new IP Code applies to new ships constructed after 01/07/2024 which:

- are of 500 GT and above,
- operate on international voyages, and
- carry more than a total of 12 industrial personnel, special personnel and passengers combined.

Grandfather provisions will allow existing ships, which are already authorised by the flag administration to carry industrial personnel, to obtain an **Industrial Personnel Safety Certificate** by complying with parts of the IP Code, i.e. the provisions for training, safe personnel transfer, life-saving appliances and the carriage of dangerous goods.

Levelling the playing field in Europe on Social aspects

As part of its strategic priority “Unfair Competition”, EuDA is monitoring labour issues around Europe and tries to maintain or improve the level playing field in Europe from the angle of social legislations and working conditions.

Unfair competition from China

Unfair competition from China has been a growing and intensifying phenomenon for over ten years. For the last 5 years, more and more issues have been reported inside Europe. Since 2019, EuDA is developing a **European Trade Strategic Toolbox** with a set of policy and legislative instruments to stop these unfair competition practices by the Chinese SoEs to further harm the European Dredgers (in Europe and around the world).

In this context, EuDA has included in the scope of the toolbox possible social and labour related instruments. EuDA continuously reflects on ways in which social regulations (permits, visas, language/nationality requirements, ...) can be used or adapted to increased level playing field by preventing non-EU SoEs from using unfair trade practices (dumped social conditions, forced labour, ...) inside Europe.

¹ It is the personnel engaged in the construction, maintenance, decommissioning, operation or servicing of offshore facilities, such as windfarms, as well as offshore oil and gas installations, aquaculture, ocean mining or similar activities.

Strict requirements on European Flag and crew could provide sufficient barriers to stop these unfair practices by non-EU SoEs. However, this is a strategic decision that needs to be taken at company level as it will impact operations.

The main difficulty is to strike a healthy balance between avoiding the pitfalls of social dumping and other unfair competition practices and keeping sufficient flexibility in labour treatment in order to fit the industry's needs and to keep it competitive.

Posting of Workers

In order to prevent unfair competition through social dumping, existing EU legislation, such as the Directives on the Posting of Workers can enforce relevant minimum standards on labour and working conditions.

“The big challenge is to strike a healthy balance between Labour Protection and Labour Flexibility.”

The Directives on the Posting of Workers include:

- 1° EU Directive 96/71/EC on “*the posting of workers in the framework of the provision of services*” (16/12/1996);
- 2° EU Directive 2014/67/EU on “*the enforcement of Directive 96/71/EC concerning the posting of workers in the framework of the provision of services*” and amending IMI Regulation EU/1024/2012 on “*administrative cooperation through the Internal Market Information System*” (15/05/2014); and
- 3° Directive (EU) 2018/957 amending Directive 96/71/EC concerning the posting of workers in the framework of the provision of services (28/06/2018).

These legislations contain provisions that could be used to create additional barriers and impose restrictions on movement of **natural persons**, such as:

- requirements on **residency or nationality or language**;
- restrictions or processing delays on **visas & work permits** (hindering companies and crews from outside the EU);
- requirements on **licensing/certification**;
- ...

However, for each legislative/policy option, the consequences for the European industries should be carefully considered. For instance, some provisions in

these general legislations can appear to conflict with the same provisions on accepted business practices included in sector-specific agreements (i.e. **Collective Labour Agreements**):

Art. 3 of the posting of workers Directive stipulates that Member States shall ensure equal treatment as well as the following requirements:

- **maximum work periods and minimum rest periods**;
- **minimum paid annual leave**;
- **remuneration, including overtime rates**
- **health, safety and hygiene at work**;
- the conditions of workers' **accommodation** where provided by the employer to workers away from their regular place of work;
- [...]

Besides their existence, these general or specific legal provisions also **need to be enforced systematically and effectively**. Ideally the enforcement systems should reward compliance by adapting accordingly the frequency of their checks: the checks' frequency would be increased on the regularly non-compliant entities and reduced on the systematically compliant entities. At this stage, the enforcement is perceived more as a bureaucratic burden rather than a level playing field instrument that can be used to filter out unfair competitors. All EU rules should apply to all companies





working in the EU, including and especially non-EU SoEs. However, these legislative provisions should not be discriminatory to remain WTO compliant.

EU State Aid: follow-up on DG Competition

EuDA position paper on State Aid will be updated, in view of the announced revision of the Maritime Guidelines in the near future.

EuDA's main recommendation on State Aid still stands

“while keeping dredging in their scope, the Guidelines should exempt dredgers from the “50% Rule” and possibly consider enlarging their coverage to other self-propelled ocean-going dredging vessels (such as CSDs)”.

faster

Always aim to overcome Obstacles Faster

Research, Development and Innovation (RDI) are essential investments for any future-proof industry. Public incentives can play a key role in stimulating and accelerating progress towards the achievement of policy objectives, such as the net zero emissions.

The Sustainable Transport Investment Plan (STIP) and the EU Innovation Fund, collecting the EU emissions' rights, should stimulate the innovative capacity of the European fleet, including dredgers, to achieve decarbonisation while maintaining its global competitive edge.

European Dredgers, championing Europe's Sustainability Excellence



European Dredgers Innovating around the world

Knowledge is Power:

it is a well-known fact that the most successful companies KNOW WHAT they are doing (the facts), KNOW WHY they do it (the science), KNOW WHO will do it (the skilled, trained and educated labour force) and KNOW HOW to do it (the practical experience).

In their high-tech high added-value maritime segments, the European Dredgers can only compete where markets are open. Fighting protectionism around the world will lift some of the obstructions to deliver European made world-class innovations and state-of-the-art added-value. European Dredgers maintain their global leadership thanks to their drive to innovate faster than their competitors can imitate them. To provide added value to global logistics, global environment and global society, the European dredging companies are continuously investing in Research, Development and Innovation (RDI) for new vessels and equipment, for improved or new processes and operations as well as for top notch training and education. World leadership in global markets is not a destination but a journey of continuous self-improvement towards the constantly moving target of excellence.

Innovative ideas and approaches are the necessary building blocks for identifying and implementing successful step changes as well as for progressing towards a sustainable world. But to do that we need to spend time and effort together. Proper financing of innovation processes has become a vital priority for strategic European industries such as dredging. Public support for research and development reduces risks and stimulates innovation. EU public procurement needs to transition towards a more innovation-friendly governance that will effectively promote goal-based and performance-based standards for sustainability as well as the optimisation of the life-cycle costs of ownership.

Therefore, in order to properly frame and stimulate the innovation flow, EuDA considers that innovation-friendly legislation and governance are essential. Indeed, when innovative solutions appear, they can be hindered or blocked by too prescriptive legislation or unadapted governance. This is why EuDA considers that goal-based legislations and performance-based standards are more innovation-friendly than prescriptive ones, and this is particularly true in globally competitive sectors.

EuDA also promotes the use of Life Cycle Assessment (LCA, covering design, execution, operation and

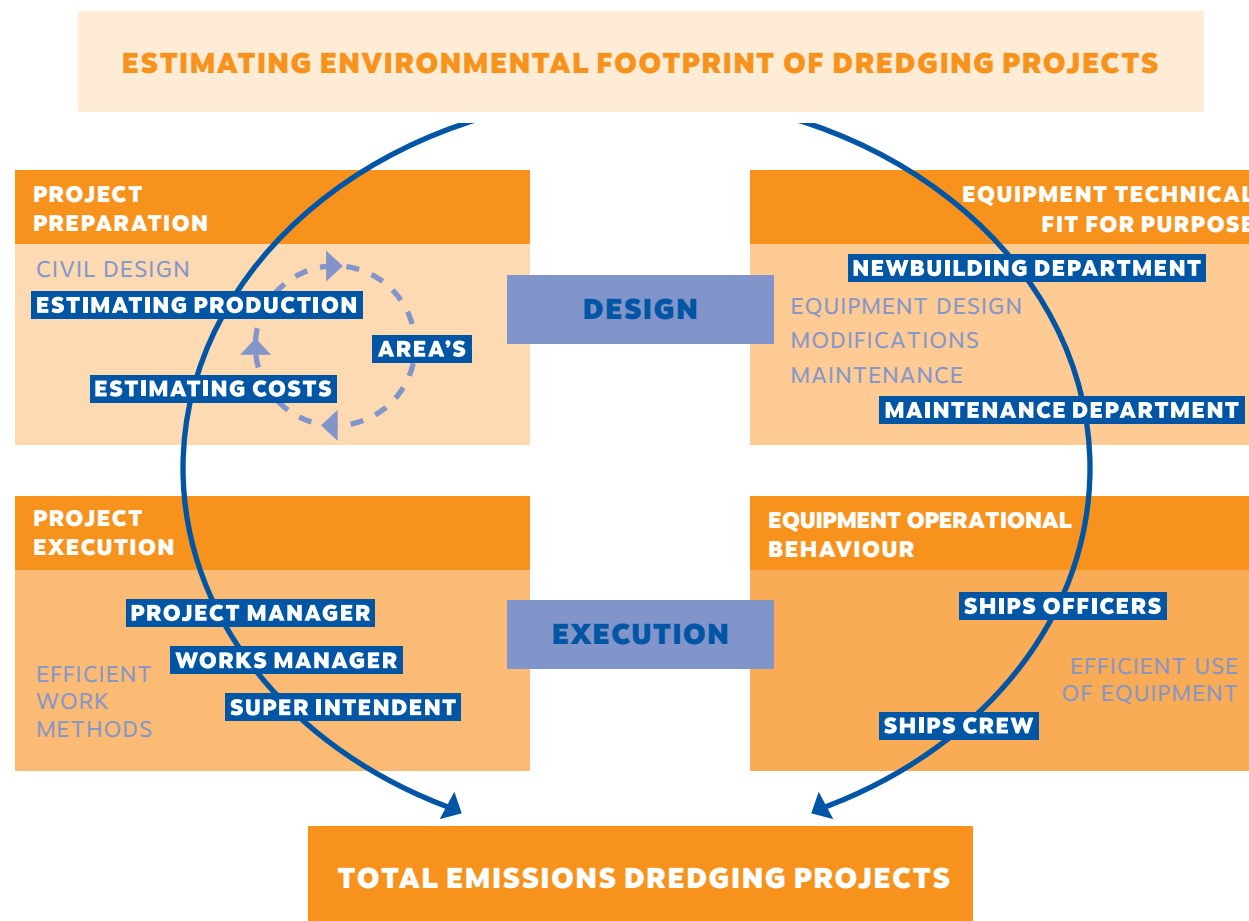
decommissioning) of the costs and benefits of the different possible alternative solutions for the award of publicly procured infrastructure projects. Typically, only the costs of the building phase are considered in public tenders for awarding projects while the possible added-value or cost reductions occurring afterwards (during operations, maintenance, or during decommissioning) are usually not taken into consideration for lack of appropriate governance. Even if it is a well-known fact however that *“the cheapest solution at the point of purchase/procurement means a more expensive asset to hold and manage”*, without an **adapted governance**, innovative and sustainable solutions cannot be mainstreamed. Most administrations will not ‘dare’ select the bid, that is less expensive over the life-cycle of the asset, when its building costs are higher than other more traditional ‘grey’ bids. By integrating long-term metrics and impacts in the decision-making, the life cycle approach opens up the range of solutions to more sustainable solutions (from hard solutions to soft solutions) and provides decision-makers with the proper long-term assessment tools to invest in sustainable assets and to think outside the box of price-only decisions.

The Green Deal is the top priority of the European Commission and, combined with the 2025 Competitiveness

Compass, has the potential to become a game changer in the coming years. Significant investments and efforts are needed for this transition including in new technologies, equipment, processes and people.

When considering the optimisation of sustainability criteria, the following comprehensive approach provides insights on the four interconnected drivers of energy and other resources consumption for a dredging project: the **design of projects** (often determined by clients) and the **design of equipment** (translating the vision and know-how of dredgers), as well as the **execution of projects** (working methods, type of equipment) and the **operational use of equipment** (optimal efficiency and skilled crew).

European Dredgers are continuously investing in new equipment and technology (e.g. over €11.1 bn invested in new equipment from 2008-2017) to improve their environment impacts, including in RDI and trainings to improve the efficiency of their operations and systems. EuDA members are already investing in the Green Deal.



“World leadership in global markets is not a destination
but a journey of continuous self-improvement”



European Maritime Days 2024 in Svendborg (Denmark)

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 the 20th May every year and aims to raise the visibility of a Maritime Europe.

The 17th edition of the European Maritime Day (EMD) took place in Svendborg (Denmark) on 30 and 31 May 2024. The focus of the EMD was on European Maritime Issues.

In his opening speech, the European Commissioner for Fisheries and Oceans, Mr Virginijus Sinkevičius, said: *“As this is the last EMD of this mandate (2019-2024), we look back with pride at the accomplishments, including the European Green Deal and the Sustainable Blue Economy.”* The Director General for Maritime Affairs and Fisheries at the European Commission, Ms Charlina Vitcheva added *“The next Commission mandate (2025-2029) will be focused on the increasing competitiveness of the maritime sector”*.

The Innovation Fund and the Sustainable Transport Investment Plan (STIP)

As an integral part of the Green Deal, the Innovation Fund is the EU fund for climate policy, with a focus on energy and industry. It aims to bring to the market solutions to decarbonise European industry and support its transition to climate neutrality while fostering its competitiveness. The Innovation Fund has approximately **€40 billion** available between 2020-2030 (NB: total funding depends on the carbon price) and opens regular calls and auctions every year. In 2023, the revision of the EU Emissions Trading System (ETS) Directive enlarged the scope of the Innovation Fund to also cover the maritime sector, including offshore and dredging vessels. However, currently, EU ETS revenues from the maritime sector are not exclusively channelled back to help the energy transition of the maritime sector. EU ETS maritime revenues should help the energy transition of the maritime sector as it is the case for the IMO Market Based Measures.

Finally, it has to be noted that the **Hydrogen Bank** that is financed through the Innovation Fund and will support the rollout of maritime fuel projects with € 200 million.

The Sustainable Transport Investment Plan (STIP)

The sustainable transport investment plan (STIP) was established in 2024. The STIP aims to provide a strategic framework to support sustainable transport fuel production and distribution. To support the STIP, the Commission is set to make available an additional 570 million EUR under the Alternative Fuels Infrastructure Facility for the roll-out of alternative fuels infrastructure for transport, including maritime and inland waterways. In order to help the energy transition and enhance the sustainability of ports, the production and availability of sufficient quantities of renewable energy should be ensured in the EU.

International Standards possibly challenging Innovation

In 2015, upon proposal by China Communications Construction Company Limited (CCCC) a WG 11 on “Dredgers” was created under the jurisdiction of ISO Ships and Marine Technology Committee ISO/TC8 for the purpose of proposing new standards for dredging technology. Since then, WG 11 and other ISO/TC8 WGs have been actively producing standard proposals for dredging equipment and processes, some of which have completed the process and become new ISO standards. These standard proposals are usually pushed through fast-track procedures, which tend to



THANK YOU, Maarten!

Maarten Sanders joined the EuDA Task Group on Dredging Standards in 2020.

Together with the other members of the group, we improved our understanding of the ISO standard building processes. We identified unnecessary standards and managed to reduce their impact on the dredging sector. With your support, we also improved some of the standards.

We appreciated your keen work, availability and cooperation. We wish you all the best in your new endeavours and welcome your successor Mr Ivar Daemen.

*Thank you, Maarten
Farewell!*

Paris Sansoglou
TG DS Chairman



Maarten Sanders
(Van Oord)



elude their opposition's attention due to the added time pressure on the voting participants.

Most of these dredging standards were introduced under the shipbuilding/equipment side of dredging and not the earthworks (hydraulic fill) side: hence these standards focus on the production means (equipment) rather than the output (purpose of the equipment). Nevertheless, these standards may well create issues for dredging operations (e.g. negatively impacting innovative processes) and EuDA needed to monitor and assess these proposals.

In 2015, EuDA created an ad hoc Task Group on Dredging Standards to ensure that the standards for dredging vessels, equipment and projects adopted in ISO would be of the highest quality, would be responding to a market demand and that unnecessary standards proposals would be stopped.

EuDA's analysis revealed that in most cases these proposals are clearly **not output standards** and do not address the **quality level of the output**, but rather prescriptive descriptions on how to do the dredging works or mere lists of definitions with often no common structure. Prescriptive legislations or standards are known to be detrimental to innovation. EuDA, instead, promotes goal-based legislations and performance-based standards. Moreover, the general impression is that the initiated dredging standards proposals also aimed at gathering (missing/lacking/new) knowledge, understanding and information about the processes on board the concerned dredgers.

Confinement measures due to COVID and their aftermath, suspended most activity in the ISO/TC8 WG 11 for 2 to 3 years. Since 2023, activity in WG 11 restarted and the standard proposal ISO/NP 7613 Hopper Dredger Trailing suction tube position monitoring system was voted through the ISO process

in July 2023 (including the Committee Draft ballot). The proposal (ISO/NP 7613) has become a draft international standard (ISO/DIS 7613). EuDA experts will continue their work on standard proposal "*Hopper Production Measurement System for TSHD*".

In 2024, EuDA repeatedly reminded the Chinese Convener of ISO/TC8 WG 11 and his team to follow the ISO procedures in terms of communication (more timely) and in terms of procedure (make sure that standards respond to market demand). Unfortunately, there was no change in the working procedures and, as an illustration of the situation, the proposed expansion of the scope of the working group to include harbour technology, did not result from a demand in the market and Europeans were not even consulted before it was presented as a 'fait accompli' in the TC8 plenary in Panama. EuDA will pursue its activity in ISO with the aim of reducing risks for the dredging industry and of improving the enforcement of the ISO rules in TC8WG11.



“Innovation friendly
decision-making systems
are not static but dynamic
and need regular adaptation.”

stronger

Always Stronger Together

EuDA and its members stand for level playing field and market access, which are essential for economic sustainability. EuDA endorses the UN SDGs and the EU's ambitions to make Europe a sustainable continent.

EuDA created a cooperative environment for European dredgers to communicate their effective solutions to and exchange their views with the European Institutions.

European Dredgers, championing Europe's Sustainability Excellence





MEMBERS



Belgium

Baggerwerken Decloedt & Zoon N.V.
 DEME Building Materials N.V. (DBM)
 DEME Dredging NV
 DEME Environmental N.V.
 DEME Offshore BE N.V.
 Dredging International N.V.
 Dredging & Contracting Belgium N.V.
 Ecoterres S.A.
 Fédération du Dragage Belge A.S.B.L.
 Jan De Nul N.V.
 Kalis S.A.
 Van den Herik N.V. (Brugge)



Bulgaria

Boskalis Offshore Subsea Contracting B.V.



Cyprus

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



Finland

Terramare Oy



France

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



Germany

HDC Wasserbau GmbH Nord
 Hegemann GmbH / Dredging
 Heinrich Hirdes GmbH
 Jan De Nul Nassbaggerei und Wasserbau GmbH
 Nordsee Nassbagger-und Tiefbau GmbH
 OAM-DEME Mineralien GmbH
 Strabag Wasserbau GmbH
 Van den Herik GmbH
 Van Oord Wasserbau GmbH
 Vereinigung der Nassbaggerunternehmen E.V.



Gibraltar

Van Oord (Gibraltar) Ltd.



Ireland

Irish Dredging Company Ltd.
 Van Oord Ireland Ltd.



Italy

Boskalis Italia S.r.l. Unipersonale
 Branch DEME Environmental Italy
 Dravo S.A. Italy Branch
 Societa Italiana Dragaggi SpA (SIDRA)



Latvia

Baltic Marine Contractors SIA
 Dredging International N.V. Filiale Latvija



Lithuania

UAB Boskalis Baltic



Luxembourg

DEME Luxembourg S.A.
 DEME Offshore Procurement & Shipping LU S.A.
 Dredging and Maritime Management S.A.



Netherlands

Aannemingsmaatschappij de Vries & van de Wiel B.V.
 Baggerbedrijf De Boer B.V. / Dutch Dredging B.V.
 Baggermaatschappij Boskalis B.V.
 Boskalis Nederland B.V.
 Boskalis International B.V.
 Boskalis Offshore Subsea Contracting B.V.
 DEME Building Materials B.V. (DBM)
 DEME Offshore NL B.V.
 Dredging and Contracting Rotterdam B.V.
 Koninklijke Boskalis N.V.
 Mijenster zand- en grindhandel B.V.
 Paans van Oord B.V.
 Van den Herik Kust- en oeverwerken B.V.

“United, we stand to promote our
common values and defend our
common interests.”

Van der Kamp International Dredging B.V.
Van Oord Dredging and Marine Contractors B.V.
Van Oord Nederland B.V.
Van Oord N.V.
Vereniging van Waterbouwers



Sweden
Boskalis Sweden AB



UK
Boskalis Westminster Ltd.
British Marine Aggregate Producers Association (BMAPA)
DEME Building Materials Ltd.
Jan De Nul U.K. Ltd.
Llanelli Sand Dredging Ltd.
NewWaves Solutions Ltd.
Rock Fall Company Ltd.
Van Oord UK Ltd.



Norway
DEME Environmental Contractors N.V. (Branch Norway)
Van Oord Norway A.S.



Poland
Boskalis Polska Sp. z o.o.
Van den Herik Polska Sp. z o.o.



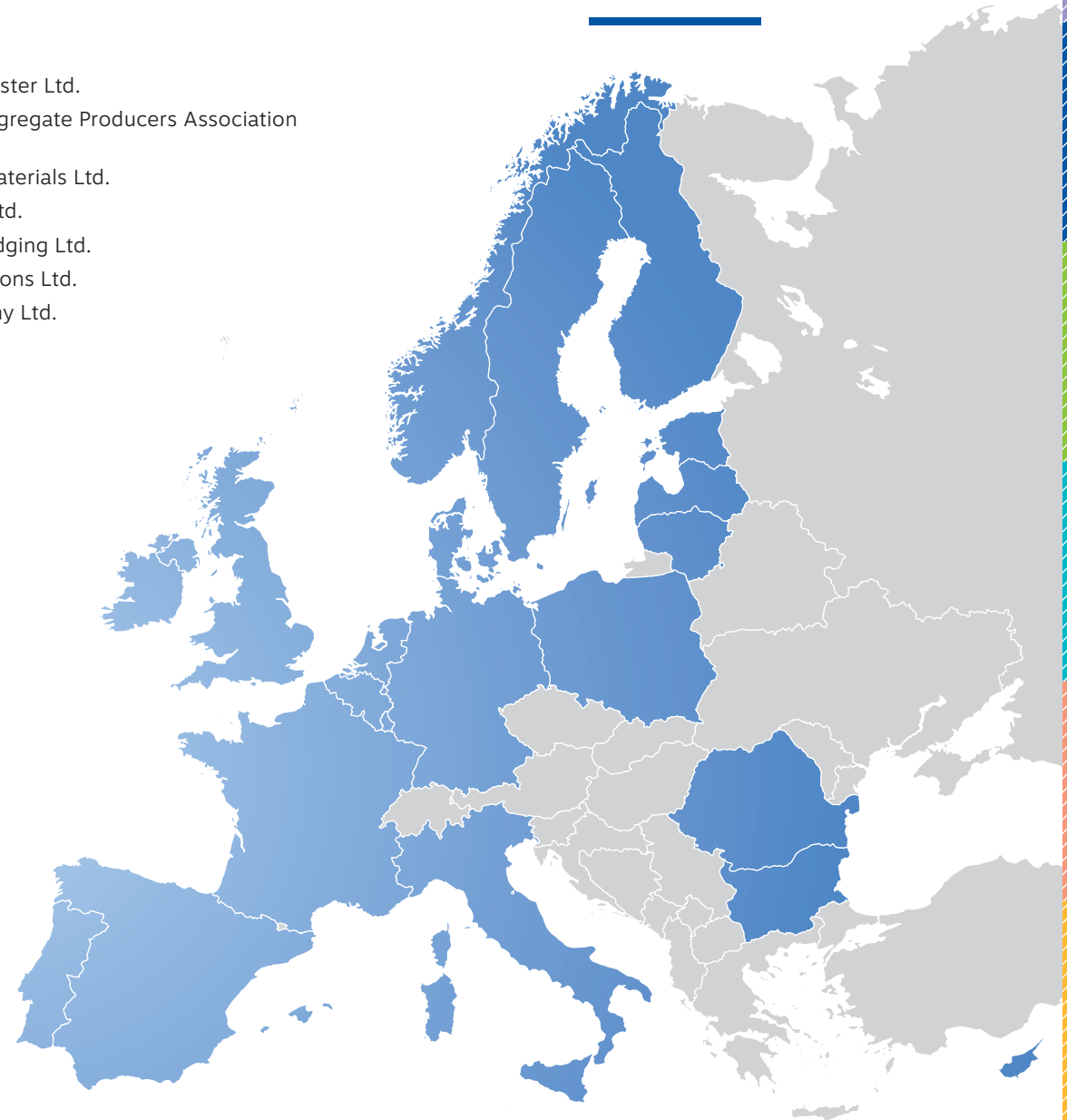
Portugal
Boskalis Sucursal em Portugal
Dragapor Dragagens de Portugal S.A.
Dravo S.A. Portugal Branch
Dredging International N.V. (Branch Portugal)



Romania
Van Oord Dredging and Marine Contractors
Romania Branch
Boskalis S.R.L.



Spain
Boskalis B.V. Sucursal en España
Dravo S.A.
Dredging International España S.A.
Sociedad Española de Dragados S.A.







EUDA VERIFICATION COMMITTEE

The purpose of the Verification Committee is to independently verify EuDA's annual accounts 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 provide additionally independent advice to the Board on the management and the state of EuDA finances and therefore they come from a different member organisation than the EuDA Treasurer's.

2024 Members of the Verification Committee



Mieke Fordeyn
(Jan De Nul)



Hilde Vermeire
(DEME)

“Among EuDA Members
are World Market Leaders.”

ABOUT EUDA

The European Dredging Association (“EuDA”), which celebrated its 30th Anniversary in 2023, 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 Institutions, including the European Parliament. EuDA is registered in the EU transparency register as Interest Representative Nr. 2492574893-58.

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 (open) world dredging market and a turnover of 13.2 bn Euro in 2023. Although 70% of operations take place outside Europe, 90% of the returns flow back to Europe. EuDA members employ approximately 30,000 European employees directly “on board of the ships and on land” and more than 60,000 people indirectly (through the suppliers and services companies). The combined fleet of EuDA's members counts approximately 750 seaworthy EU flagged ships.

The Association assists its members with all kinds of requests related to dredging issues, presently strongly focusing on Social, Environmental, Technical, Tax and Trade issues. These issues are coordinated by the Secretariat and executed by its specialised working groups composed of experts from the member companies. The Association will pursue its goals by endorsing policies to create fair and equitable conditions for competition; commits to respecting applicable national, European and international rules and regulations; commits to operating its fleet safely, effectively and responsibly.




MARCEL R
FOTOGRAFIE

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