DANISH MARITIME AUTHORITY

EUSBSR POLICY AREA 'SHIP'

30 January 2020, Korsør

EU Strategy for the Baltic Sea Region
Policy Area on Clean Shipping (PA Ship)

Draft Minutes

13th International Steering Committee meeting of PA Ship
Korsør, 22 January 2020

The Steering Committee meeting was conducted via an online conference call. Present at the meeting was representatives from relevant EU Member States bordering the Baltic Sea, representatives from the European Commission, and finally ongoing and completed Flagships and a Project Platform.

The documents from the meeting are available on PA Ship's website.

1. Welcome remarks

Ms. Josefine Eva Lilly Pallesen, Policy Area Coordinator (PAC) for PA Safe welcomed the participants to the meeting and thanked everyone for being there.

Ms. Pallesen informed, that due to lack of participation in the originally scheduled 13th Steering Committee meeting in Riga on 27-28 November 2019 this was rescheduled to a virtual meeting on 22 January 2020.

Finally, Ms. Pallesen gave an update on the personnel situation in the PAC team. Due to personal changes at the Danish Maritime Authority, Ms. Pallesen has assumed the role of PAC and **Mr. Rasmus With**, Special Advisor at the Danish Maritime Authority as Assisting PAC.

2. Approval of the Agenda and Confirmation of Approved Final Minutes

The agenda of the meeting, and minutes from the previous PA Ship Steering Committee meeting were approved without amendments.

3. Recent Activity of the PACs and Update on EU Funds and Seed Money

Ms. Pallesen gave an update on recent activities of the PAC team. Since the last meeting, the PACs have devoted a lot of time on finalizing the draft chapters of the EUSBSR Action Plan. The final draft chapter was submitted to DG Regio January 10, 2020.

Ms. Pallesen informed, that the PACs and the Steering Committee had already agreed on a final version of the PA Ship chapter prior to the summer in 2019, but due to a request from the European

Commission (COM) the chapter had to follow a concrete template. According to this template the new chapters cannot be longer than three pages, must include very specific Actions and Indicators, make a reference to the United Nations Sustainability Goals (SDGs), include a description of the roles of the PACs and the Steering Committee, etc.

The chapter which was adopted prior to the summer of 2019 already fulfilled most of these requirements, as the PACs have carried out a thorough process of the revision and worked closely with the Steering Committee on this. However, the text submitted to the COM needed to be shortened and more specific. A new final draft based on the template was submitted to the COM January 10.

Please find the new draft in the appendixes.

Ms. Pallesen gave an update on the process regarding new seed money applications. Ms. Pallesen informed that the PACs received four seed money applications, which were all granted support by the PA Ship Steering Committee. These have been forwarded to the Interreg BSR secretariat for further review.

On June 18 2020 all seed money applicants will be informed of the final assessment by the BSR MS/JS on their applications.

4. News from the European Commission

Mr. Maik Schmahl, Policy officer at the Directorate-General for Mobility and Transport (DG Move), Maritime Safety Unit gave a presentation on the European Green Deal roadmap which was presented December 11 2019 and other clean shipping related developments in the Commission.

On the European Green Deal, Mr. Schmahl relayed that the Commission viewed the climate crisis as a great challenge but also a great opportunity for the EU, as other countries will need the solutions to the climate crisis that are being developed in the EU now.

Among other things, Mr. Schmahl informed, that shipping related initiatives in the European Green Deal includes regulations on access of the most polluting ships to EU ports and to oblige docked ships to use shore-side electricity.

Mr. Christian Hald-Mortensen, Steering Committee member from the Danish Ministry of Environment asked whether there will be money allocated in the Connecting Europe Facility to shore-side electricity. Mr. Schmahl answered that during the current funding period there has been money put aside for cleaner shipping, but that those funds are aimed at LNG, which the EU Commission views as a bridge technology to achieve cleaner shipping.

Mr. Schmahl presented data for the MRV (Monitoring, Reporting and Verification). In 2018, 137 million metric tonnes of bunkers was consumed in the EU. Further, Mr. Schmahl informed of the ESSF. There is a continuously open call for ESSF members. Application via https://ec.europa.eu/transport/modes/maritime/news/2019-09-09-continuously-open-call-essf_en.

On Motorways of the Sea (MoS), Mr. Schmahl informed that more than €1.2 bn has been allocated to maritime activities. The bulk of the (€691 million) was used on port upgrades. Moreover, Mr. Schmahl informed that the European coordinator for MoS is ***Prof. Kurt Bodewig***, former federal Transport Minister of Germany.

Mr . Schamhl explained that there are three development pillars for MoS: Environment, integration of maritime transport in the logistic chain and safety/traffic management/human element. The "Environment" pillar receives almost half of the funding (€238 million), of which €168 million was used for LNG projects. The EU Commission signaled a change to the priorities for allocation of funds under the "Environment" pillar.

Lastly, Mr. Schmahl reported on the MoS Pilot Action called Zero Emission Ferries, where €13.15 million was allocated for the project out of a total budget of €26.3 million. The project replaced the propulsion system in the two ferries connecting Elsinore, Denmark and Helsingborg, Sweden, as well as provided the onshore power supply for these ferries.

The presentation is available in the appendixes.

5. Update by DG Regio on the Revision of the EUSBSR Action Plan

Mr. Pekka Jounila, Policy Officer at the Directorate-General for Regional and Urban Policy (DG Move) gave a presentation on the process of revising the EUSBSR Action Plan including next steps.

Mr. Jounila informed that the new action plan and the template which was forwarded to all PACs was necessitated by the lack of "readability" in the old format of the Action Plan. Therefore, in order to better be able to engage with the public and external stakeholders, the EU Commission found it necessary to create a uniform template for all policy areas that increased the availability of information for the different policy areas.

Ms. Pallesen informed, that the longer PA Ship chapter, which was originally approved by the Steering Committee in 2019 will still be available as a working document on the PA Ship website.

Finally, Mr. Jounila informed that now that all PA drafts have been submitted to the COM these will be reviewed and hereafter shared with the group of National Coordinators (NCs) for their comments. The revision is tentatively set to be completed by April/May 2020.

6. Tour de Table of the Country Steering Committee Members on Future Steering Committee Meetings

Ms. Pallesen introduced agenda item 6 and explained that there is an ongoing issue with lack of participation in PA Ship Steering Committee Meetings, which was also the reason for the cancellation of the scheduled meeting in Riga in 2019. In order to avoid future cancellations, Ms. Pallesen invited meeting participants to first discuss what the added value of PA Ship is and what obstacles to achieving this are.

It was overall agreed, that PA Ship is a relevant forum for sharing information on specific issues, policy/sector news, and other developments related to the policy area on clean shipping. The participants noted, that it is in particular valuable to get insights and updates from representatives from the COM. From the flagships perspectives these confirmed the aforementioned comments and added that it is very valuable to get updates from the Steering Committee members on national priorities and comments and feed-back to ongoing flagships and what kind of projects might be relevant in the future. Thus, the dialogue between researchers and policy makers is a very valuable asset to the PA Ship meetings.

Mr. Hald-Mortensen noted that an example of added value of PA Ship is the briefing that PA Ship just received from the EU Commission. Mr. Hald-Mortensen noted that the PA Ship meetings are often very technical, which for policy makers is difficult to prioritize over policy related events. Mr. Hald-Mortensen encouraged more policy discussion, virtual meetings and shorter, more frequent meetings.

Ms. Pallesen summarizes that the strength of PA Ship is to get researchers and policy makers in the same room and to establish dialogue. However, despite the goodwill of the group, recent PA Ships meetings have experienced a declining number of participants. Therefore, efforts needs to focus on how to engage the Steering Committee and hereby ensure that PA Ship Steering Committee meetings are prioritized in the future. Ms. Pallesen invited the members of the Steering Committee to consider initiatives that might foster a higher number of participation in future meetings.

Ms. Marite Augstmane, Steering Committee member from the Ministry of Transport in Latvia, noted that virtual meetings could improve participation, as well as improved digital information sharing. Ms. Augstmane also would like to receive information on projects in the initial stages instead of later in the process.

Ms. Katja Broeg, representing the German Steering Committee member noted that virtual meetings works very well. This cuts CO2-emissions as well as making it easier to participate. It would help to receive more information at meetings from both the EU and other member countries. Ms. Broeg suggested that one meeting every year could be virtual, whereas the other could be expanded to be a two-day meeting.

Ms. Agni Kaldma, Steering Committee member from the Ministry of Environment in Estonia proposed to give Steering Committee members a more active role in the meetings, as well as more theme-based meetings. This would also make it easier for the members to better coordinate their actions in different fora.

Mr.Henrik Ramstedt, representing the Swedish Steering Committee member noted that there is a large difference to having to leave office for two or three days to attend a meeting and a virtual meeting, where you are only away for a few hours. Mr. Ramstedt proposed to expand the use of virtual meetings and to have joint meetings with PA Safe. Also, theme-based meetings would be considered an improvement.

Mr. Hald-Mortensen worries that the networking benefits of PA Ship will disappear if meetings were only virtual, but also recognizes the environmental and time saving aspects of virtual meetings. Mr. Hald-Mortensen supports having both virtual meetings and traditional meetings in order to maintain networking opportunities.

Ms. Pallesen summarized that there is vast support for virtual meetings, but also recognizes that traditional meetings also have great value. Traditional meetings can be expanded and have more of a theme-based agenda. Moreover, it was also noted during the meetings, that the PAC should also consider organizing back-to-back meetings with other events.

7. Flagships and Project Platform

Please be informed that all flagship presentations are available in the appendixes.

a) Eco-efficiency to maritime industry processes in the Baltic Sea Region through digitalisation **(COMPELTE)** led by University of Turku, Finland

Ms. Miina Karjalainen from Kotka Maritime Research Association presented the COMPLETE project. Ms. Karjalainen informed, that COMPLTE is proceeding according to the project plan. During the last year, the COMPLETE project has carried out a series of external activities. These include a COMPLETE in-water cleaning workshop in Hamburg and a stakeholder conference in Jurmala on biofouling and waste water management. Both a big success. Moreover, the COMPLETE project submitted a concept for Regional Baltic Biofouling Management Roadmap at the HELCOME Maritime Meeting in Lisbon in September 2019. The roadmap is available here.

Finally, Ms. Karjalainen informed that COMPLETE will submit an application for the continuation of COMPLETE, and call this extension phase project "COMPLETE PLUS". This project will ensure sustainable use of the COMPLETE products for the ballast water management by e.g. operationally testing the Early Warning System, updating target species list and NIS monitoring data in one site. Moreover, COMPLETE PLUS willalso focus on training and campaign together with end users to effectively share the best biofouling mitigations practices, implementation of biofouling management toolkit, develop a risk assessment procedure for in-water use, and finally implementation plan for the biofouling management road map. The budget for this is around €0.8 million. COMPLETE PLUS is scheduled to take place in the period between October 2020 and June 2021.

Ms. Pallesen thanked for the presentation and informed of the process regarding the application for a support letter from PA Ship on COMPLETE PLUS.

b) Environmental Impact of Low Emission Shipping: Measurements and Modelling Strategies (**ECOPRODIGI**) led by University of Turku, Finland

Project leader **Ms. Milla Harju** gave an update on the ECOPRODIGI project and the plans for an extension phase project called EXOPRODIGI.

Ms. Harju informed that ECOPRODIGI is 75 % complete and aims to finalize in September 2020. The project has divided its work into three cases: digital monitoring performance, optimizing cargo stowage and optimizing shipyard processes.

Case 1a: Digital performance monitoring / Island Ferries
Results showed 10-20 % reduced bunkers consumption and prevention of engine breakdowns.

Case 1b: Digital performance monitoring / J Lauritzen
Results showed 2-4 % reduced bunkers consumption, 1-3 % emission reduction, maintenance and repair cost reduction of 4-6 % and prevention of engine breakdowns.

Case 2: Optimising cargo stowage
Results show that optimization could save up to 2 % bunkers per route and a further 2-10 % reduction in bunkers consumption by adjusting speed at sea. ECOPRODIGI works with DFDS and has facilitated a quite significant reduction in bunkers consumption.

Case 3: Optimising Shipyard Processes
Solutions are being implemented and the results are that inefficiencies have been identified and that there is potential for digital technologies to solve eco-inefficiency bottlenecks. ECOPRODIGI expects to contribute to improved productivity and more eco-efficient processes.

ECOPRODIGI has worked on Work Package 4 and 5, which are focused on improving seedbed for eco-efficient digital solutions and strengthening public support for maritime industry digitalization, respectively. Moreover, ECOPRODIGI are planning a policy seminar in Brussels on May 5 2020 and proposes that the next PA Ship meeting will be held back to back with this.

Finally Ms. Harju informed that the project has launched its first synthesis report, which can be found here.

ECOPRODIGI is applying for funding for an extension phase project called EXOPRODIGI (tentative). This extension phase will focus on few, very practical aspects and activities rising from ECOPRODIGI. The budget is approx. €0.9 million. In this regard, Ms. Harju has requested a support letter from PA Ship in order to apply for funding.

c) Clean Shipping project platform **(CSHIPP),** led by University of Turku

Mr. Jukka-Pekka Jalkanan gave a presentation on the project platform CSHIPP. The overall purpose of the Project Platform is to increase uptake of scientific information in policymaking, enhance co-operation between maritime industry and academia; and foster co-operation between platform partners. In order to do so the Project Platform aims to produce synthesis reports, policy briefs and best practice manuals related to clean shipping measures.

Overall Mr. Jalkanen could report that CHSIPP activities are being carried out according to the project plan. Recent activities include the launch of Website on effects of shipping on air and water quality; workshops dealing with clean shipping technologies and clean shipping financing, respectively; workshop on "from science to policy", and participation and presentations at Forum Strategov in Russia.

8. Potential Flagships Projects

Evaluation, control and Mitigation of the Environmental impacts of shipping (**EMERGE**), led by the Finnish Meteorological Institute.

Project leader Mr. Jalkanen, presented the EMERGE project, which will soon request flagship status under PA Ship. The project was earlier granted a letter of support by PA Ship in connection to its funding application.

EMERGE is funded by Horizon2020 and takes off in February 2020. The project includes 18 partners in 10 countries. There will be six cases studies in the project. EMERGE will run until 2024 and has received €7.5 million in EU funds.

Due to global standards for shipping emissions, in particular SECA regulations, new technologies have been developed in order to enable the shipping industry to comply with these. However, research needs to be conducted on the effect of these technologies and how they might impact the environment. Therefore, 1EMERGE has two overall objectives, namely to: 1. Comprehensively quantify and evaluate the effects of a range of potential emission reduction solutions for shipping in Europe, and 2. Develop more effective strategies and measures to reduce the environmental impacts of shipping.

EMERGE will not only focus on either air or water emissions but asses both. Thus, EMERGE will evaluate various emissions of ships to water and air, together with their measurement and modelling. However, EMERGE will focus especially on the various emissions related to the use of scrubbers. Finally, the scope of the project is not limited to the Baltic Sea Region but covers all EU seas and its results can

EMERGE results will include: 1.Cost effectiveness of available technology options, measures and strategies 2. Identification of the most affected locations and evaluation of impacts for these regions 3. Current and potential future impacts of shipping to marine environments, and 4.Recommendations for policy actions in EU and globally.

9. Any Other Business

Mr. Hald-Mortensen informed that the Danish Ministry of Environment are currently carrying out a project on sustainable cruise ships. In this context, the Danish Ministry of Environment collaborates with the Danish Maritime Authority and are planning a conference on shore-side power generation for shipping and the cruise industry. The conference will take place on the 7th of May 2020. Venue is TBA.

Moreover, Mr. Hald-Mortensen invited the Steering Committee to contact him if they were interested in more collaboration and exchange of information on issues related to emissions from the cruising industry.

Finally, Ms. Pallesen informed that the next PA Ship meeting would be arranged back-to-back with another event. A doodle will be shared with relevant stakeholders. Finally, Ms. Pallesen encouraged all participants to forward any ideas to topics etc. they would like to see included in the next meeting.