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Member of the European Parliament

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European Commission
President Dr. Ursula von der Leyen
Executive Vice-President Frans Timmermans
Commissioner Thierry Breton
Commissioner Virginijus Sinkevičius
Commissioner Adina Vălean

Brussels, 09/07/2020

Support needed for sustainable shipping in the recovery

Dear Commission President von der Leyen,
Dear Executive Vice-President Timmermans,
Dear Commissioner Breton,
Dear Commissioner Sinkevičius,
Dear Commissioner Vălean,

We are writing to support an urgent matter, which is affecting our constituencies and very generally the common challenges the European Commission and the European Parliament want to tackle: **Shipping has a crucial role in international value chains**, which are under great pressure right now. The sector and especially the workers face special hardship because of this crisis. At the same time, the double transformation of the climate and digital transitions is a challenge that adds to this pressure. **Therefore, we think shipbuilding needs particular support.**

We find it deplorable that shipping or seaborne transport is not even named, neither in the Commission Staff Working Document: *Identifying Europe's recovery need*, nor in the Commission Communications *Europe's moment: Repair and Prepare for the Next Generation* and *The EU budget powering the recovery plan for Europe*.

We need European flagships for the recovery, in a very literal sense. Shipping is one of the most prominent areas of the **Green Deal**:

- One of the very first proposals of your Commission was to *include shipping in the ETS*.
- *The regulation on Monitoring, Reporting and Verification of CO₂ emissions from maritime transport* is one of the first legislative files of this parliament.
- The legislative proposal *FuelEU Maritime - Green European Maritime Space* is still announced for this year.

The momentum for transformation is there, and it is about time, as shipping is the last sector of the economy without any EU-wide climate goal. We need to enable the industry to mobilise the means to seize it. It is a **single opportunity**, as ships being built in the common years have to contribute to the goals on IMO level for 2050 (-50% total greenhouse gas emissions, which the EU wants to set at 70-100%). Early adapting to this urgently needed ambition that will change the maritime industries worldwide can also help to position EU enterprises as **frontrunners and leaders in global markets**.

In this spirit, we urge you to consider concentrated programmes for the sector, such as **fleet renewal initiatives, public procurement for sustainable vessels, and support for alternative fuels**, for example via Carbon Contracts for Difference. We also think that making water transport a **dedicated industrial ecosystem** would help making coherent and meaningful proposals.

At the same time, we ask you to ensure that public money is only given to companies that give job guarantees for their complete workforce and do not cash out shareholders in years they receive state aid.

We also urge you to **adapt your estimates for the green transition investment gaps** to at least the targets you propose yourself (cf. Table 1 in the Commission Staff Working Document: *Identifying Europe's recovery need*). They are obviously insufficient and need to be stepped up in all sectors concerning shipping (but not only in this sector), like transport – vessels, and renewable energy – power plants. Likewise, many areas with great investment needs are not even identified yet and should be added to the estimates, like **sustainable fuels and energy sector integration/energy storage**.

You can count on our support for concentrating efforts in this important part of the transition.

With kind regards,



Tiemo **WÖLKEN**



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