



ANNUAL REPORT 2018

European Dredgers
maritime stars
adding value to
society worldwide



EUROPEAN DREDGING ASSOCIATION





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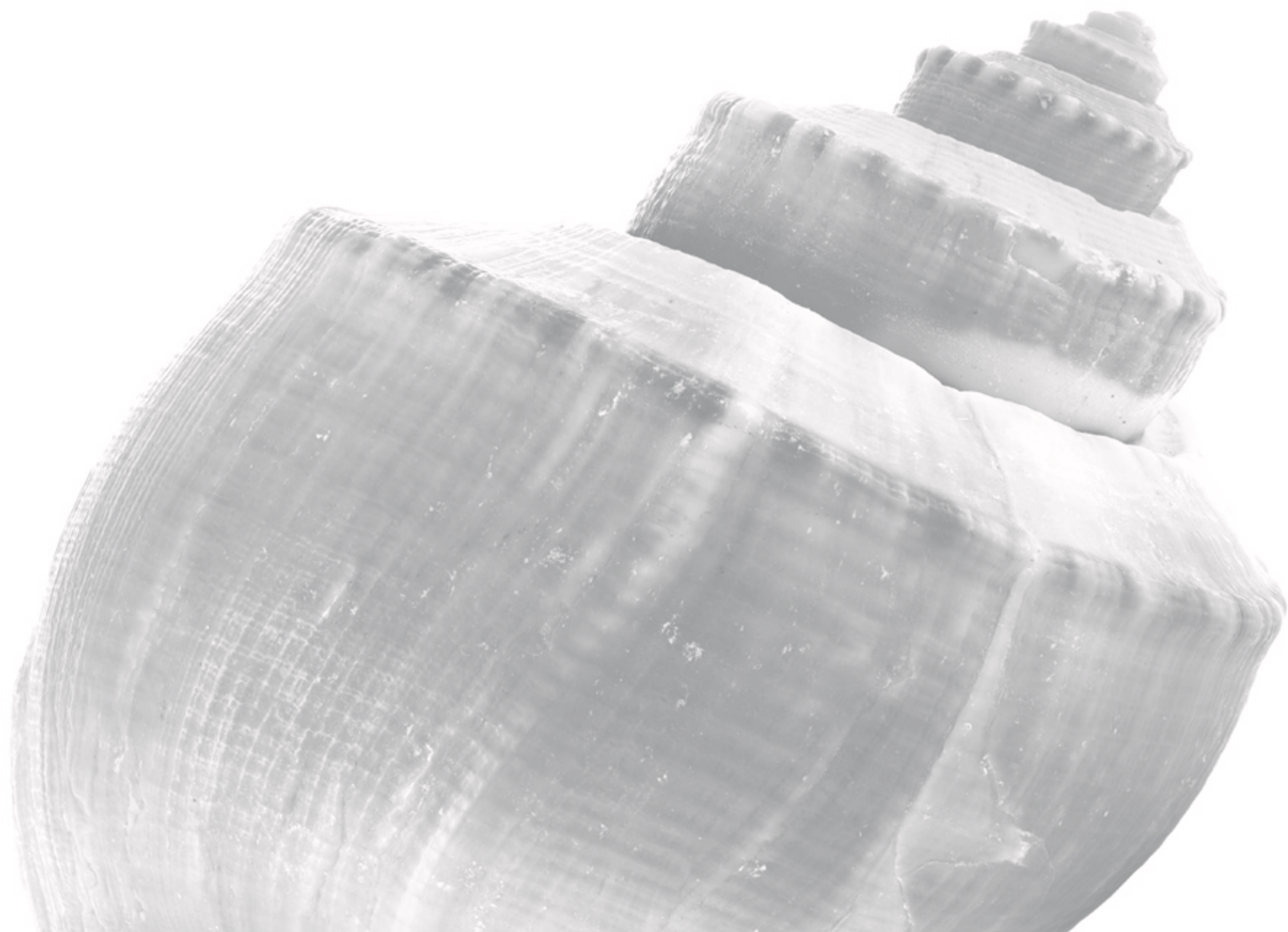
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“EuDA is the official interface between the European Dredging Industry and the European Institutions”

Adding value to the environment, the society and the economy to reach **the top**

For the last 25 years, European Dredgers have been united under the 'EuDA banner' and managed to build up a well-respected and constructive sector organisation. Over this period, the European dredging companies have become well-known and well-established world leaders in a diversified industry segment of high strategic and economic importance. In today's closely connected world in constant evolution, new global challenges continue to emerge. Thanks to their knowledge and capacity, the European Dredgers are able to meaningfully tackle many of the world's new challenges and provide added value, practical and environmentally friendly solutions to Global Logistics, Global Environment and Global Society.





MESSAGE FROM THE BOARD

2018: EuDA's 25th Anniversary

Jubilee years are important milestones in the lives of European associations. 2018 is no exception as indeed EuDA celebrated its 25th Anniversary. Over this period, European Dredgers have united their voice under the 'EuDA banner' and built up a well-respected and constructive sector organisation with shared core values. In 25 years, the European dredging companies have grown into well-known and well-established world leaders in a diversified industry segment of high strategic and economic importance.

It is in such times that one reflects over the past achievements and over the future challenges to keep the world crown. The theme of the EuDA 2018 Annual Conference, *"The European Dredging Industry adding Value to Society Worldwide"*, was chosen to both celebrate our achievements (providing high added value to Global Logistics, Global Environment and Global Society) as well as to reflect on the challenges ahead, mostly dominated by market access restrictions

"Asymmetric trade relationships provide one-sided benefits and are not tenable in the long-term"

and unfair trade practices distorting competition and negatively affecting the global level playing field.

The year 2018 was marked in Europe by various migration and Brexit sagas and in the World by the start of a trade war between the US and China. No matter how right or wrong the choice of such actions is, the main point is that long-term asymmetric trade relations are as bad for the US economy as for the European economy.

EuDA spent a lot of time and energy in 2018 on the following subjects:

- 1) the trade relations inside and outside the EU ;
- 2) the EuDA CO₂ Strategy;
- 3) Ballast Water

The Trade relationships inside and outside the EU

In Europe, the European Dredgers are working on keeping the level playing field and the markets open. EuDA members are working to prevent the unnecessary nationalisation of well-functioning private market segments. They work towards harmonisation and simplification of procedures and improved transparency.

EuDA is developing a strategy to improve level playing field inside and outside Europe, and, as mentioned above, to stop China's unfair and damaging trade

practices. To this end, EuDA, like the many other European sectors in a similar situation, created an ad hoc working group on China. The group benefits from the advice of a high-level consultant expert in trade issues.

Considering that all globally competing Chinese companies are State-owned and State-financed, cases such as the reverse discrimination of European companies with regard to the non-application of the State Aid regulations to non-EU companies in the European territory are not acceptable and have been brought to the attention of the European Commission.

Despite the end of the trade negotiations between the EU and the US, EuDA continued its work in the US with a slightly revised strategy. In 2018, EuDA focused on amending the 1906 US Dredging Act (preventing any foreign competition in the US dredging market). Working very closely with the Benelux Embassies and the EU representation. EuDA continued to build on the success of a Study Tour on the EU Water Management for selected High-Level US representatives.

EuDA CO₂ Strategy

Already in 2008 EuDA established a EuDA **CO₂ Strategy** and has ever since worked to improve and implement

2018
Members
of the
EuDA
Board

Alan Lievens
(Chairman)



Jeanette Rohde
(Vice Chairman)
(Rohde Nielsen)



Peter van der Linde
(Treasurer)
(Boskalis)



Mieke Fordeyn
(Jan De Nul)



Govert van Oord
(van Oord)



Jens Schmidt
(Hegemann)



Kees van de Graaf jr.
(Dutch Dredging)



Éric Tancre
(DEME)



Edwin Lokkerbol
(Vereniging van
Waterbouwers)



it. In 2012, EuDA finalised a first version of its common CO₂ Strategy. The EuDA **CO₂ Strategy** aims to improve the members' and their clients' understanding of the CO₂ emissions from the EuDA dredging fleet. In 2016, EuDA completed a milestone report on an industry-backed method to calculate typical emissions from Trailing Suction Hopper Dredgers working on a dredging project. In 2018, EuDA updated its data and report and organised a brainstorming workshop on the dredgers' energy transition towards carbon neutrality.

Ballast Water

With regard to the IMO Ballast Water Management Convention, EuDA reminded that Circ. 32 states that water in the hopper is not considered as ballast water for the purpose of the Convention. Moreover, EuDA developed internal guidelines for dredgers to comply with the Ballast Water Management Convention at all times.

Alan Lievens, Chairman
and his colleagues of the Board of EuDA.

EUROPEAN DREDGING ASSOCIATION CHARTER OF CORE VALUES

The members of EuDA are dredging companies operating internationally and the national dredging associations representing them.

*The **core values of the European Dredging Association** are the following:*

- 1. EuDA is committed to **fair competition** and **unhindered market access worldwide**;*
- 2. EuDA is committed to promote the **highest operational standards**;*
- 3. EuDA endorses the **United Nations' Sustainable Development Goals** and aims to have a positive impact on the economy, the ecology and society.*



EUDA 2018 ANNUAL CONFERENCE (15 NOVEMBER 2018)

Conference's overview:

In 2018, the European Dredging Association ("EuDA") celebrated its 25th Anniversary. In order to celebrate this important milestone in the lifetime of an Association, EuDA organised a high-level event in the prestigious Biblioth que Solvay in Brussels on 15 November 2018. EuDA was honoured with the presence of Mrs Maria  senius, Head of Cabinet of Cecilia Malmstr m Commissioner for Trade, who gave the opening address.

European Dredgers have been united for the last 25 years under the 'EuDA banner' and managed to build up a well-respected and constructive sector organisation. In 25 years, the European dredging companies have become well-known and well-established world leaders in a diversified industry segment of high strategic and economic importance. In this closely connected world in constant evolution, new challenges continuously emerge. Thanks to their knowledge and capacity, the European Dredgers are able to meaningfully tackle many of the world's new challenges and provide added value, practical and environmentally friendly solutions to Global Logistics, Global Environment and Global Society.

The Jubilee Conference illustrated the global added value created and provided worldwide by the European Dredgers. Introduced and moderated by Marc Gramberger, Managing Partner of Prospex, the conference presented the views of high-level speakers on some of the European Dredgers' most impressive projects.

Conference Speakers

■ Welcome and Opening

Mr Alan Lievens, EuDA Chairman

■ Keynote Opening Address

Mrs Maria  senius, European Commission, Head of Cabinet to EU Commissioner for Trade, Cecilia Malmstr m

■ Introduction to the Conference Theme and Speakers

Dr Marc Gramberger, PROSPEX Managing Director, *Conference Moderator*

■ European Dredgers adding Value to Global Logistics: *Presentation of the expansion of the Suez Canal*

Mr Paris Sansoglou, EuDA Secretary General

■ European Dredgers adding Value to Global Environment: *Presentation of the Building with Nature projects worldwide*

Mrs Jane Madgwick, CEO of Wetlands International

■ European Dredgers adding Value to Global Society: *Presentation of the Sigma Plan and new perspectives for coastal defences worldwide*

Ir Wim Dauwe, Head of Department Maritime Schelde and Sea Canal of the Flemish Waterway NV

■ Open Discussion and Conclusions

“To expand the Suez Canal European Dredgers needed to overcome highly complex environmental, social, political and technical challenges”

EuDA Conference's key messages:

- European dredgers provide world-class added value to the Global Economy, the Global Environment and the Global Society;
- by maintaining and upgrading ports, which keep our goods moving, dredging is a critical component and enabler of trade, and, while trade supports over 30 million jobs in Europe, trade is also an engine for the European economy; the EU is the biggest trader in the world as well as the biggest exporter, the biggest importer, the biggest investor;
- 21st Century Trade requires modern trade agreements; EU-Canada, EU-Japan, EU-Mexico, EU-Vietnam, EU-Singapore are examples of such agreements, reducing or eliminating trade tariffs and barriers between our economies;
- the state of global free trade is in severe crisis and we need to acknowledge that the current trade rules, which were designed to create certainty for business and stability for our economies, do not properly address the problematic behaviour of certain emerging economies, notably China;
- for an effective and working rules-based global system, the international rule-book (WTO) needs to be

modernised and WTO needs to be reformed to address some of the new challenges, including China's State-led economy, intellectual property theft, forced technology transfers, industrial subsidies, distortions created by State-owned Enterprises (SoEs), and overcapacity;

- despite the fact that the US are currently working to dismantle an architecture they themselves helped build in the past century, the EU continues to engage with the US.
- open trade and open borders are fundamental economic freedoms, central to the EU's power in the world; dredging relies on market openness, not just to keep demand high but to spur on competitiveness, technological advantages and other vital elements of a healthy industry;
- the Suez Canal is one of the three hotspots for maritime transport and for global trade; its expansion, effectively doubling its capacity, constitutes a major feat of engineering and problem solving as well as a major contribution by the European Dredgers to the Global Logistics, the Global Trade and the Global Economy; with an expected doubling of the annual revenue, the local Egyptian economy benefitted significantly from this expansion through a boosting of foreign investments and the progressive transformation of Egypt

into a significant economic (industrial, commercial and logistics) centre;

- the main challenges to overcome for such an expansion were technical, environmental, social and political:
 - reducing the execution time from 5 to 1 year was the biggest logistical challenge faced by the European Dredgers, who had to mobilise the highest concentration of Cutter Suction Dredgers (CSDs) that was ever done in the world;
 - while for the first digging of the Suez Canal, started in 1859, it took 10 years to relocate 70 Mm³ of dredged material, the 2015 expansion relocated 508 Mm³ in 9 months (nearly a factor 100 improvement in over 150 years);
- the European Dredging industry is problem-solving and solution-oriented and was able to successfully tackle these challenges and deliver this second Suez Canal on time;
- using their people, know-how and technology to manage complexity (in terms of engineering, multidisciplinary, multicultural), the European dredging companies came up with innovative approaches and solutions; in doing so they also achieved new records on the way: including the milestone of over 1 million m³ dredged per day;

- with the 2015 Paris Agreement, governments around the world recognised the need for urgent action to tackle climate change; for the past few years, infrastructure development has been changing, adapting to the new environmental and social legislations but also to the increase of risks and costs associated with climate change;
- infrastructure had to evolve from a mono-purpose tradition to a multi-purpose, multi-stakeholders' new reality, that is much more demanding and challenging and for which a transition to a new paradigm was needed: the Building with Nature approach is a positive example for the dredging sector;
- Building with Nature can be described as a partnership with Nature, integrating both physical and biological aspects of Nature into a project's design (e.g. EcoDynamic Design or Geo-Engineering) and its implementation so that the project integrates more harmoniously and more harmlessly into Nature and when possible to Nature's benefits;
- in implementing this approach on the field, the coastal wetlands' role in the global carbon cycle, that represent huge carbon sinks, brings a new dimension to take into account when designing and executing dredging projects around the world particularly in the context of the Paris Agreement;
- innovative dredging approaches consider possible options ranging from hard (traditional) solutions, mainly focusing on the infrastructure, to soft solutions, mainly focusing on the ecosystem, and implement the most appropriate according to the local situation, the local stakeholders and the local requirements;
- the challenges ahead with regards to implementing Building with Nature include the crossing of the "valley of death": from pilot projects to market uptake;
- we need to upscale the pilot projects, combine forces
 - to reduce risks and costs;
 - to create a net positive impact and shared value;
 - to create a licence to operate;
 - to create a competitive advantage;
- the European dredgers need to:
 - help transform the sector and continue to promote more sustainable and inclusive approaches;
 - propose Building with Nature type solutions to clients;
 - work together in creating demand for Building with Nature;
 - work with NGOs, like Wetlands International, to understand and address carbon emissions from dredging and coastal infrastructure development;
- besides, the European dredgers also provide specific added value to society in the form of coastal and flood protection:
 - in the Netherlands and Belgium, many people died in the storms that hit these countries in 1953 and 1976;
 - each country developed a long-term plan to significantly reduce the level of risks and fatalities, namely the Delta Plan for Netherlands and the Sigma Plan for Belgium;
- the Belgian Sigma Plan was presented during the conference, it consists of three main measures for a better protection against storm floods:
 - raising and strengthening 500 km of embankments - mostly finished
 - building of 13 flood control areas (1,130 ha) – finished since 2015
 - building of a storm surge barrier in Antwerp - postponed;
- the Sigma Plan was updated in 2005 to integrate the new vision on water management (giving more room for the river), the effects of climate change (e.g. sea level rise), the nature conservation objectives (such as Natura 2000, Water Framework Directive, long-term vision for

the Scheldt Estuary, Flemish nature preservation laws) and implement them;

- the updated Sigma Plan follows a phased implementation (2010-2015-2020-2025-2030) and requires innovative and more sustainable approaches, such as:
 - developing controlled flood areas with reduced tides in Zennegat;
 - stabilising the quays in Antwerp;
 - building dikes with reuse of sediments.

“Mainstreaming ‘Building with Nature’ pilots into projects requires the crossing of the ‘valley of death’”



EUDA CHAIRMAN THANK YOU TO PUBLIC RELATION TASK GROUP MEMBERS

On behalf of the EuDA Board we would like to thank the members of the Public Relation Task Group (PRTG) for their excellent work to make the AGM Conference a huge success!

Thank you,

Alan Lievens

EuDA Chairman

2018 Members of the PRTG

Vicky Cosemans
(PRTG Chairman, DEME)



Mark Russell
(BMAPA)



Arno Schikker
(Boskalis)



Kees van de Graaf jr
(Dutch Dredging)



Heleen Schellinck
(Jan De Nul)



Kirsten Drachmann
(Rohde Nielsen)



Arie Faasse
(van der Kamp)



Robert de Bruin
(Van Oord)



Paris Sansoglou
(EuDA)



Isabelle Gourdin
(EuDA)

PARTICIPANTS AND GUESTS AT THE EUDA 2018 ANNUAL CONFERENCE

Held every year around the 15 November in Brussels, the EuDA 2018 Annual Conference took place in the prestigious Bibliothèque Solvay, with the presence of Mrs Maria Åsenius, Head of Cabinet of Cecilia Malmström Commissioner for Trade, and gathered eminent representatives from the industry (including former EuDA chairmen), the European and national administrations as well as other key European stakeholders.





Searching for **ad hoc sustainable solutions** and delivering long-term multiple added value

By constantly looking for new approaches and adapting their long-term solutions, the European dredging companies continuously find ways to deliver more added value to society, the environment and the economy. The European Dredgers have built strategic knowledge and keep creating new knowledge that sustainably contributes to the global society.



RESEARCH AND DEVELOPMENT

European Dredgers Innovating around the world

Where the global markets are open, the European dredgers can keep growing in their high-tech, high added-value maritime market segments and maintain their global leadership only by innovating faster than their competitors imitate them. 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) in their new vessels and equipment as well as their processes and operations. World leadership in global markets is not a destination but a journey towards a constantly moving target.

For instance, EuDA members invested over €11.1 bn from 2008-2017 in new equipment, including new exploration and testing equipment to improve global environment conditions and in RDI to improve the efficiency of their operations and systems.

Moreover, EuDA promotes innovation-friendly legislation and governance. Indeed, when innovative solutions appear, they can be hindered or blocked by too prescriptive legislation and unadapted governance. This is why EuDA promotes goal-based legislations and performance-based standards over prescriptive ones. EuDA also promotes the Life Cycle approach to assess

the costs and benefits of the different possible alternative solutions for a project. Typically, when deciding on new infrastructure, only the costs of the building phase are considered. And the possible added-value or cost reductions occurring after, during operations, (such as infrastructure maintenance) or during decommissioning are usually not taken into consideration. By integrating long-term metrics and impacts in the decision-making, the Life Cycle approach opens up the range of solutions (from hard solutions to soft solutions) and provides decision-makers with the proper long-term assessment tools to invest in more sustainable solutions.



European Maritime Day

2018, in Burgas:

“The Future of our Seas”

Created by a tripartite declaration by the Presidents of the European Commission, the European Parliament and the Council of the EU, the European Maritime Day (EMD) is celebrated on and around the 20th May every year and aims to raise the visibility of a Maritime Europe. In its previous editions, the European Maritime Day successively took place in Brussels (2008), Rome (2009), Gijon (2010), Gdansk (2011), Gothenburg (2012), Valetta (2013), Bremen (2014), Athens (2015), Turku (2016), Poole (2017) and Burgas (2018).

The 11th edition of the European Maritime Day (EMD) was organised in Burgas, Bulgaria. Its flagship theme was focusing on a “*Common Maritime Agenda for the Black Sea*”. A vision paper towards a “*Blue Growth Initiative for Research and Innovation in the Black Sea*” was released and the Black Sea countries pledged closer maritime cooperation. With a special focus on the Black Sea, the discussions were organised on the achievements and challenges for investing in sustainable blue growth and regional cooperation in the region.

In his opening speech as the European Commissioner for Environment, Maritime Affairs and Fisheries, Mr Karmenu Vella confirmed that the EU’s blue economy generates more than € 560 bn a year and employs more than 3.5 million people. The rich diversity of jobs, research, projects and actions which are generated across the marine and maritime sectors were at the centre of the event’s discussions.

The EMD discussions focused on the sustainable aspects of the blue economy and covered a wide variety of topics, that included clean shipping, underwater robotics, the blue bio-economy, aquaculture, cruise tourism and coastal protection. The Blue Economy’s future took the centre stage with insights on the recent big data and digitalisation trends and the strong

“The possible added-value or cost reductions occurring after or during the building phase are not usually taken into consideration.”



connectivity. Finally, the discussions also covered the post-2020 programme “Horizon Europe” (9th EU Research Framework Programme).



TRA 2018 Vienna

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

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

Issues related to transport infrastructures, vehicles and vessels, modal share and co-modality, urban planning, energy and environment are the subject of extensive

studies, research works and industrial innovations, conducted by universities, research institutes, companies, practitioners and public authorities. The TRA conferences cover the main challenges in transport and mobility of people and goods over land and water, and address these issues. TRA aims to explore the most advanced research works and innovations, the latest technological and industrial developments and implementations, and innovative policies, in Europe and worldwide. As a multi-disciplinary and inter-agency event bringing together all the relevant actors, TRA provides a unique opportunity to contribute to the European competitiveness and efficiency in transportation.

After the success of the 2006 (Göteborg, Sweden), 2008 (Ljubljana, Slovenia), 2010 (Brussels, Belgium), 2012 (Athens, Greece), 2014 (Paris, France) and 2016 (Warsaw, Poland) conferences, TRA 2018 was organised in Vienna. TRA 2018 discussed in detail the major trends that will drastically change mobility and transport in the future, namely: Digitisation, Automatisisation and Decarbonisation.

As a member of the WATERBORNE ETP Support Group, EuDA was actively involved and participated in the **Transport Research Arena** (TRA 2018) in Vienna.

Completion of a new standard on dredging quality

When the **Hydraulic Fill Manual** (HFM) was published in December 2012, EuDA decided to pursue the good work done and support the creation of a European Standard on “*Land reclamation with dredged hydraulic fill*”. This European Standard is a much-needed standard also worldwide, as the only existing hydraulic fill standard is the British Standard. This 2016 standard is an amended version of the outdated 1991 standard with limited requirements on hydraulic fill.

The work was completed by the CEN technical Working Group on the Standard for Land Reclamation Works end of 2017 (CEN stands for European Committee for Standardisation). The editorial revision, was completed in 2018 and the standard should be published in the beginning of 2019.

An averted risk for innovation and level playing field

Under the lead of China Communications Construction Company Limited (CCCC, mother company of China Harbour Engineering Company, CHEC), China proposed three standards on “*supervisory and control systems*” for hoppers, cutters and grabs. In 2015, China obtained the creation of a WG 11 “Dredgers” under the jurisdiction of ISO Ships and Marine Technology Committee ISO/TC8 for the purpose of writing standards from its proposals.

“The Black Sea is ready for its own ‘Big Bang’ for sustainable blue growth” Karmenu Vella



2018
Members of the Task
Group
on Dredging
Standards



Paris Sansoglou
(TG DS Chairman, EuDA)



Patrick van Eerten
(Boskalis)



EuDA's analysis revealed that these proposals were clearly **not output standards**, but mere lists of definitions with no common structure. Moreover, these proposals showed a lack of understanding regarding the automation processes on board the concerned dredgers. The proposals seem to aim at obtaining prescriptive descriptions on how to do the works rather than on the quality **level of the output**.

Concerned about the creation of incomplete standards, EuDA created an ad hoc Task Group on Dredging Standards to work on this issue targeting ISO Member States. The aim was to improve these standards or to reclassify them as lists of definitions. The task group's actions avoided these standards to progress in the wrong direction.

Having made their voice heard, the European Dredgers are ready to cooperate to make these standards more useful.



Robby De Backer
(Jan De Nul)

Jan Tilman
(Van Oord)

Bart Verboomen
(DEME)

Bo Franzen
(Rohde Nielsen)

THANK YOU, Jaap!

Jaap Bakker joined the EuDA Task Group on Dredging Standards at its creation in 2016. Together with the other members of the group we worked to understand ISO processes and stop unnecessary standards from getting through in dredging.



Jaap Bakker
(Van Oord)

Thanks to our collective vigilance and coordinated actions, we managed to stop one of these attempts.

We appreciated your enthusiasm and cooperation. We wish you all the best in your new endeavours and welcome your successor Mr Jan Tilman.

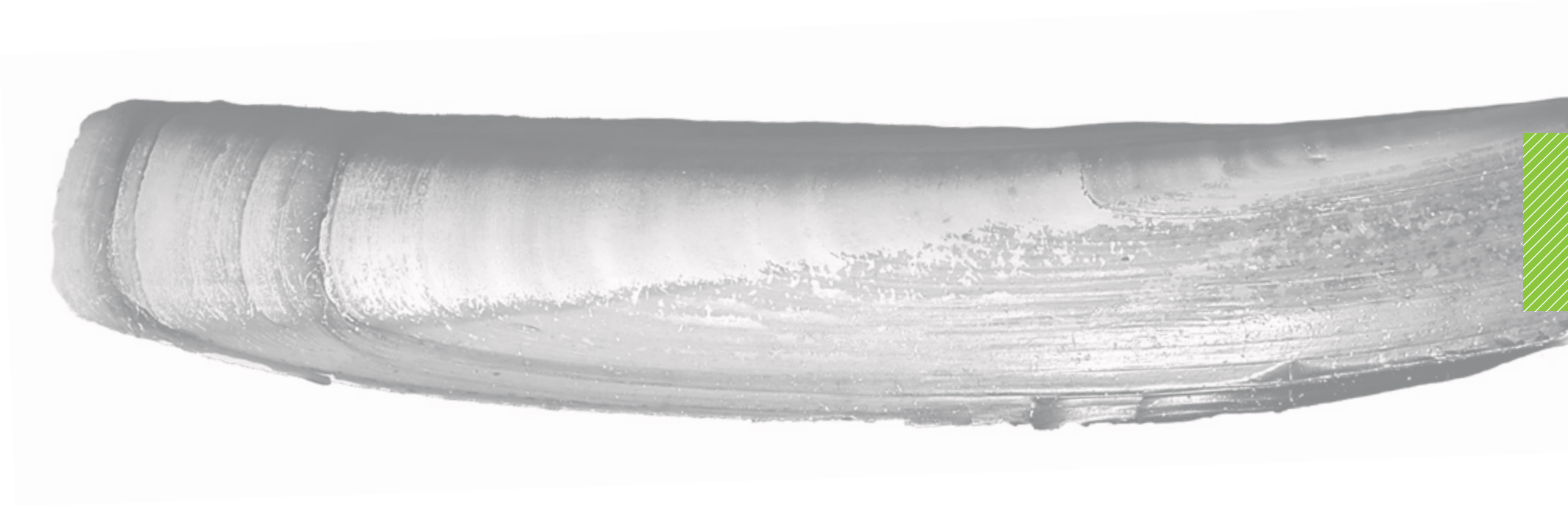
*Thank you, Jaap
Farewell!*

Paris Sansoglou
TG DS Chairman

Setting the bar high by building with nature

By 'Building with Nature', the European Dredgers integrate Nature's biological and physical forces into their design so that their project integrates more harmoniously and harmlessly into Nature.

By implementing Building with Nature the European Dredgers are adding value to the environment, to society and the economy.



ENVIRONMENTAL

Air Emissions

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

Sulphur Emissions

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

The Sulphur Directive, limiting to **0.10%** m/m the sulphur content of marine fuels to be used in designated SO₂ Emission Control Areas (SECAs), was adopted by the European Council in 2012. The Directive finally entered into force **on 01/01/2015** (in line with the Annex VI of the MARPOL Convention) and applies to the North Sea, the English Channel and the Baltic Sea.

In a landmark decision, the Marine Environment Protection Committee (MEPC) of the International

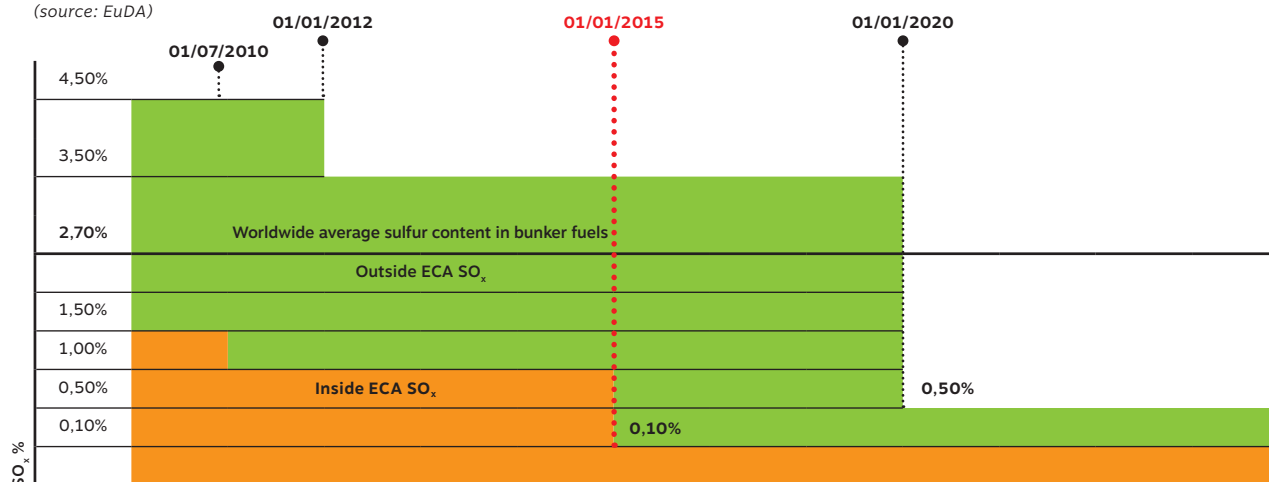
Maritime Organization (IMO) set **01/01/2020** as the date for ships to comply with low sulphur fuel oil requirement of a global sulphur cap of **0.50%** m/m (mass/mass) outside the Emission Control Areas (ECAs), such as the Baltic Sea and the North Sea (and English Channel). This IMO decision represents a significant cut from the current 3.5% m/m global cap and demonstrates its commitment to ensure that shipping fulfils its environmental obligations.

EuDA's members continuously reflect and regularly review their positions on environmental issues. During a dedicated workshop on sulphur emissions in 2013, EuDA had concluded that "*the most realistic technical solution for the dredgers working in a SECA to comply with the sulphur requirements is to switch from heavy fuel oil to marine diesel oil*". Since then, however, European Dredgers are testing alternative fuels, such as LNG or biofuels, they are building LNG dredgers and they are testing the possibilities offered by treatment/cleaning of exhaust fumes.

Graph 1

Sulphur Limits Evolution 2010-2020

(source: EuDA)



2018 Members of the EuDA Environment Committee

Pieter van der Klis
(EnvCom Chairman,
Van Oord)



Daan Rijks
(Boskalis)



Mark Russell
(BMAPA)



Chantal Schillemans
(Vereniging van
Waterbouwers)



Karel Allaert
(Jan De Nul)



Paul Verduyjsse
(DEME)



Paris Sansoglou
(EuDA)



HELCOM, the Commission implementing the Helsinki Convention, and in which EuDA has an observer status, has established a platform to discuss SO_x and NO_x issues in the Emission Control Area (ECA) of the Baltic Sea. The IMO has designated the North Sea and the Baltic Sea as NO_x Emission Control Area (NECA) starting from 1st January, 2021 onwards.

EuDA has successfully applied for full membership of the second European Sustainable Shipping Forum (ESSF) organised by the European Commission. ESSF is a European Commission experts group that will start working in 2019 for a duration of 5 years. ESSF will prepare the groundwork for the revision and refining of the EU policies regarding air emissions and other pollution from ships. In the context of the Paris Agreement targets and the IMO commitments, this forum of experts will have a significant input to provide which will determine the course to follow for the upcoming years.

Habitats and Biodiversity

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

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

EuDA has identified and contributed to these key issues because of the potential conflicts between transport and environmental policy objectives. During the implementation of infrastructure projects, such as dredging, significant delays, uncertainties or even cancellation can occur without sound coordination and proper integration of the transport and environmental objectives.

**“In 2020,
low sulphur marine fuels
or technologies will be
the global norm for ships”**

IMO Ballast Water Convention

The IMO Ballast Water Management Convention (BWM) was ratified in 2016 and entered into force in 2017.

The BWM specifics for Hopper dredgers

In 2017, EuDA was informed of a possible situation regarding the interpretation and application of IMO Ballast Water Management Convention BWM.2 Circular 32.

IMO BWM.2 Circular 32 states that

“1 [...] Hoppers are not considered to be ballast tanks.

For stability requirements, the “hoppers” are not considered to provide buoyancy [...]

*2 According to Article 1.2 of the Ballast Water Management Convention, “Ballast Water” means water with its suspended matter taken on board a ship to control trim, list, draught, stability or stresses of the ship. **Water in the hopper is considered as outboard water**, i.e. the water is not taken aboard. Furthermore,*

the water is not used to control trim, list, draught or stresses of the ship. For that, water present in the hopper area is not considered as ballast water.

3 Consequently, the Committee concluded that the provisions of the Ballast Water Management Convention are not applicable to the water in the hopper area of the hopper dredgers.”

EuDA considered that the text was clear: “*the provisions of the Ballast Water Management Convention are not applicable to the water in the hopper area of the hopper dredgers.*”. However, EuDA decided to reactivate its **Ballast Water Task Group** (BWTG that was created in 2011 for the purpose of supporting Belgium and Netherlands in their joint submission to IMO that led to the creation of Circ.32).

“Water present in the hopper area is not considered as ballast water”

IMO BWM.2 Circular 32

EuDA’s work on this issue translated into internal guidelines for European dredgers on how to comply with the BWM at all times. In those guidelines, EuDA experts identified two distinct operational situations: operations **during a project** and operations when leaving a project or **sailing towards one** (mobilisation-demobilisation). From this internal paper, a Policy Paper should be developed in 2019 for the information of selected Flag State administrations.

Horizon 2020 project: ThinkNature

Objective

In 2016, EuDA joined the “ThinkNature” (TN) consortium managing an EU funded project (under Horizon 2020). The main objective of the project is the development of a multi-stakeholder communication platform that will support the understanding and the promotion of Nature-Based solutions (NBS) in local, regional, EU and International level.

Nature-based solutions (NBS) are actions inspired by, supported by or copied from nature that aim to help societies to address a variety of environmental, social and economic challenges in sustainable ways.

Through dialogue uptake, facilitation and steering mechanisms as well as knowledge capacity building,

the TN Platform will bring together multi-disciplinary scientific expertise, policy, business and society, as well as citizens. This platform ambitions to be efficient, easy to use and attractive to a wide variety of actors and stakeholders because it merges all aspects of NBS in a clear, pyramidal methodological approach. It contributes to creating a wide interactive society that builds new knowledge with a wide geographical scope.

TN aims to provide the Commission and concerned Member States with the necessary policy and regulatory tools to solve significant societal challenges such as human well-being, tackling energy poverty, impacts of climate change, etc. through continuous dialogue and interaction.

EuDA’s role is to be the interface between the project partners and the dredging industry. This purpose fits with EuDA’s activities regarding Building with Nature. Participation in this project strengthens EuDA’s position towards environmental circles and DG Environment and increases the visibility of the Building with Nature approach.



Progress and Milestones

ThinkNature was kicked-off on 11-12/01/2017 in Chania (Crete, Greece). EuDA established an informal knowledge network of internal experts on nature-based solutions to coordinate its contributions to ThinkNature. EuDA's contribution to a session on **'Nature-Based Solutions to strengthen vulnerable coastal zones'** (discussing the implementation of Building with Nature to improve climate change resilience), should be part of the programme of the next conference in Paris in 2019.

ThinkNature's main milestones include the establishment of the on-line website and platform of stakeholders (<https://www.think-nature.eu/platform/>) and the organisation of two international conferences (in Tallinn in 2017 and in La Coruna in 2018).



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

The revised Waste Framework Directive

“In the majority of cases, **dredged material is not a waste but a resource to put to beneficial use**”. Although effective, this situation is not sufficiently known nor recognised by the policy makers and legislators across Europe.

At EU level, EuDA’s campaign convinced the Commission to remove dredged sediments from the scope of the 2008 revised ‘Waste Framework Directive’ (WFD) (unless proven hazardous). The European Directives, though, are not immediately law (like the European Regulations) but need to be transposed into national legislation. Therefore, EuDA’s analysis revealed that there are significant differences in the implementation of the Waste Framework Directive into the Member States’ national legislations: there is some legislative divide between some Northern and some Southern EU countries.

Roadmap to a Circular Economy

The concept of ‘Circular Economy’ was progressively elaborated by the European Commission’s DG Environment to stimulate the re-use/re-cycling of waste with the general moto that “*waste is a resource to be put to beneficial use*”. Amendments were made to the text on the landfill of waste to implement the Circular Economy approach and introduced restrictions

to the landfilling of waste suitable for recycling or energy recovery.

Water & Marine Strategy Framework Directives

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

The main objectives of these European legislations are the protection of all waters (surface, ground) as well as the marine environment across Europe. To achieve these objectives, they 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.'

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

- Selection and implementation of the Measures (Descriptors), their Monitoring and adaptive Management;
- Integration and further development of the Shipping activities;

- Clarification of the handling of contaminated/ uncontaminated sediments.

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

Under the Integrated Maritime Policy, the Maritime Spatial Planning and Integrated Coastal Management present the main policy elements of Europe's coastal management. With 80% of the largest population centres located in coastal areas, this new policy is a response to the increased demand for use of the coasts and the seas.

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



Daan Rijks
(Boskalis)

THANK YOU, Daan!

Daan Rijks joined the EuDA Environment Committee in 2016 and reinforced the team with his expert views. Daan, we appreciated your active participation in the discussions and your valuable contributions.

The Environment Committee is continuously facing urgent and difficult challenges affecting the dredging sector. With your involvement in the CEDA Environment Commission, like your predecessor Gerard van Raalte, you helped the two organisations to have converging views, approaches and impact.

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

We wish you all the best in your new endeavours and welcome your successor Mr Tjitse Luggens.

Thank you, Daan. Farewell!

Pieter van der Klis

EnvCom Chairman

Strategic added value and protection
against **sea level rise**

European Dredgers continuously improve their best practices to build world-class coastal and storm protections. By integrating Nature in their design the European Dredgers can build more environmental-friendly as well as more climate-resilient infrastructures.



CLIMATE CHANGE AND COASTAL PROTECTION

From its inception, the **Emissions Working Group** (EmWG) worked towards establishing and implementing the EuDA common **CO₂ Strategy**. The main objective of the CO₂ Strategy has been to improve internal and external understanding over the CO₂ emissions from the EuDA dredging fleet. Besides CO₂ emissions, the EmWG's scope includes since 2017 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 2018, the EuDA pursued the implementation work of its CO₂ Strategy and focused in particular on updating the Report of the Task Group on Emission Figures, lobbying IMO (regarding the Data Collection System) and lobbying the EU (regarding the Directive on Monitoring, Reporting and Verification).

Considering that to date, there was no dredgers' vision on energy transition towards a neutral carbon footprint, EuDA organised on 27/09/2018 a technical and strategic workshop on the subject.

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

EuDA CO₂ Strategy

The main objective of the CO₂ Strategy has been to build a better understanding over the CO₂ emissions from the EuDA dredging fleet. From the start in 2009, the group established a procedure and methodology for the collection of raw data for the calculation of CO₂ emissions. The Strategy also involved working with the International Maritime Organization (IMO).

The implementation of the EuDA CO₂ Strategy involved information gathering, internal knowledge building and specific message formulation to communicate our issues 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.

Paul Vercuijsse
(EmWG Chairman
DEME)



Arjan Schrijen
(Boskalis)



Jan Tilman
(Van Oord)



Karel Allaert
(Jan De Nul)



Fay van Dongen
(Vereniging van
Waterbouwers)



René Kolman
(IADC)



Paris Sansoglou
(EuDA)



2018
Members
of the
EuDA Emissions
Working Group

Industry-backed calculation method for CO₂: data update and review

In their joint Statement to IMO in 2010, EuDA and IADC informed that the Energy Efficiency Design Index (EEDI), as it stood, could not be implemented to the dredging vessels and proposed an alternative industry specific approach to reach the same goal. The Task Group on Emission Figures (TGEF) was established in the summer of 2010 to substantiate and materialise these commitments.

The TGEF compiled a set of fact based emission figures for the EuDA dredging fleet and established a transparent industry backed calculation method. The findings and results were presented in a confidential Executive Report (TGEF 2012 Report). Considering that the TGEF 2012 report was based on data from 2010, it was decided by the EuDA Board to update it with the most recently available data (2017).

This updating of the report also allowed to check the evolution and trends and confirmed that performances improved by 15% in 20 years for the 103 TSHD, 63 CSD and 30 BHD in the 2017 dataset (compared to the 2010 dataset). Moreover the calculation methods were validated (again) and remained unchanged.

The last step to complete the TGEF Report will be a EuDA internal strategic Workshop to be organised in early 2019. Based on the main conclusions of this workshop, the EuDA communication strategy on CO₂ emissions will also be revised and updated.

Communication as a process

The main purpose of the EuDA Communication Strategy on CO₂ emissions is to improve the understanding outside EuDA (including European and national administrations, clients, selected international Organizations, ...) of the CO₂ emissions

from the EuDA dredging fleet. This strategy will be based on the findings of the updated TGEF Report. Its implementation will involve information gathering, internal knowledge building and specific message formulation to communicate clearly our issues to the relevant parties.

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

Karel Allaert
(TGEF Chairman,
Jan De Nul)



Paul Verduyn
(DEME)



Erik Reinders
(Boskalis)



Ferry Kints
(Van Oord)



2018
Members of the
temporary
Task Group on
Emission Figures

EuDA Strategy for Energy Transition

In the context of the Paris Agreement, politicians agreed to set the absolute global target for the rise of the Earth temperature to 1.5°C, and to take differentiated actions at national level and at sector level. All sectors have to contribute to the global reduction efforts, including transportation, a significant source of CO₂ emissions. As world leaders in their trade, European Dredgers are at the forefront of technology and innovation and continuously work on reducing their emissions. They do so by improving fuel efficiency of their equipment, through ship design, better performing engines, etc., and by also improving their best practices to optimise the fuel consumption during operations.

To date, however, there is no individual (nor sectoral) vision nor long-term plan regarding energy transition towards a neutral carbon footprint for dredgers.

EuDA Workshop on Energy Transition

To kick start the reflection inside the dredging sector, EuDA, the European Dredging Association, organised on 27/09/2018 a technical and strategic workshop on the “Dredgers’ Energy Transition Strategy towards a Carbon Neutral Footprint”.

Programme of the technical and strategic workshop on the ‘dredgers’ energy transition strategy towards a carbon neutral footprint”

Welcome and Programme Overview

by Pieter van der Klis, VO, EnvCom Chairman

by Leen Peeters, Th!nk E Workshop Moderator

Legislative Background and Dredging Activities

1. IMO / EU Directive / Paris Agreement

by Paris Sansoglou, EuDA Secretary General

2. TGEF Findings on TSHDs

by Karel Allaert, JDN, TGEF Chairman

3. Blue Carbon Strategies

by Pieter van der Klis, VO, EnvCom Chairman

4. Future of Dredging Projects Design and Execution

by Johan Pennekamp, Deltares

Available Technologies

5. Engine and scrubber manufacturers (including progress on LNG engines)

by Dick Heidelberg and Frank Hartevelde, Wärtsilä

6. Dredgers’ experience with scrubber or similar technologies

by Michel Deruyck, JDN

7. Other technologies in development and/or expected on the road to 2030 and 2050

by Klaas Visser, Rear-Admiral (ME) ret., Assist.

Prof. Marine Engineering TU Delft

Vision on Future Marine Fuels

8. Oil and Gas Producers

by Bernard Vanheule, EU Affairs Manager at IOGP

Wrap up and conclusions

by Leen Peeters, Th!nk E Workshop Moderator

“The Paris Agreement sets the ambitious target of 1.5°C”

Moderated by Leen Peeters, founder and managing director of ThInk E, the workshop aimed at brainstorming on realistic future options for an energy transition strategy for the dredgers. With an audience of 30 experts from the dredging industry, with technical, environmental, commercial, managerial background, the workshop consisted of three sessions (on the legal and technical background – on available technologies and latest developments – on the vision of the oil & gas producers) with short presentations by EuDA, Deltares, Wärtsila, TU Delft, IOGP, alternating with two brainstorming sessions. During the brainstorming sessions, the participants managed to identify key criteria, obstacles, drivers and incentives to achieve carbon neutrality in the dredging sector.

Participants identified various approaches to design the **vessel of the future**. There were interesting commonalities:

- 1° transition towards an **offshore energy** supplied by modular energy islands;
- 2° use of **solar panels** and **wind turbines** on board;
- 3° energy storage in **batteries** or **hydrogen**;
- 4° use of Internet of Things (IoT) and **smart technologies** (e.g. uber app).

During these sessions, the participants also highlighted that the positive influence of the dredging activities on society should be promoted even more towards clients and towards the broader society, including useful and interesting facts.

They also tried to identify possible steps to consider or preparatory actions to take in the energy transition

phase towards carbon neutrality for dredgers. It was suggested to probably set up a closer **communication and cooperation with the academia**, including non-engineers and multi-disciplinary contacts, to defining further research questions and possibly establish a multi-disciplinary centre of excellence.



EuDA CO₂ emission figures 2017

As part of the EuDA CO₂ Strategy, the Emissions Working Group has collected and compiled the 2017 data for the CO₂ emissions of the European dredging fleet.

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

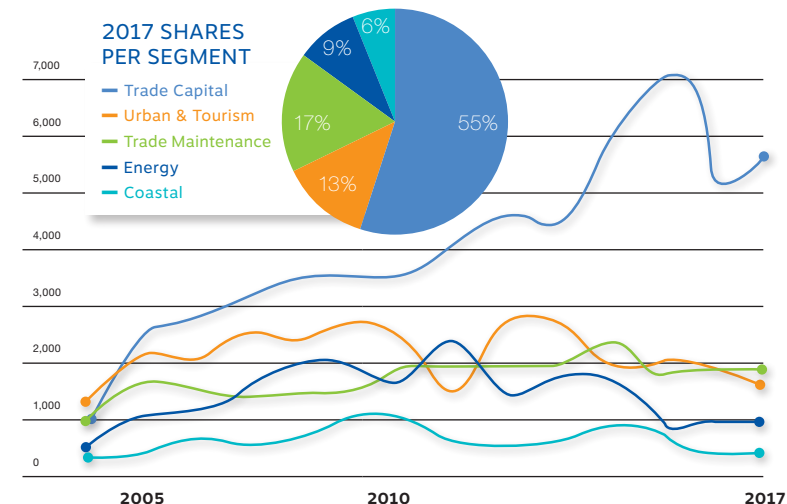
members) in 2008 were about 3.4 Mton. From 2009, the European dredgers' CO₂ emissions continuously dropped to 2.7 Mton in 2014. In 2015, the emissions raised to 3.0 Mton mainly due to the surge of activity linked to the expansion of the Panama and Suez Canals. In 2016 and 2017 the EuDA fleet emissions went back down to a level around 2.4 Mton (below the level of 2014).

Table 1: EuDA fleet CO₂ emissions (2008-2017) *source: EuDA*

		EuDA Sea-going dredging equipment	Installed power kW	Fuel consumption ton	CO ₂ emissions ton
2008	Global operations and emissions		1,510	1,090	3,440
	European operations and emissions		420	280	880
2009	Global operations and emissions		1,587	1,016	3,211
	European operations and emissions		511	307	1,088
2010	Global operations and emissions		1,591	999	3,1559
	European operations and emissions		654	420	1,326
2011	Global operations and emissions		1,779	1,003	3,163
	European operations and emissions		637	357	1,126
2012	Global operations and emissions		1,845	986	3,108
	European operations and emissions		502	284	896
2013	Global operations and emissions		1,666	881	2,775
	European operations and emissions		527	220	696
2014	Global operations and emissions		1,599	847	2,673
	European operations and emissions		531	229	724
2015	Global operations and emissions		1,298	959	3,033
	European operations and emissions		409	223	713
2016	Global operations and emissions		1,264	751	2,371
	European operations and emissions		306	207	663
2017	Global operations and emissions		1,516	777	2,449
	European operations and emissions		369	195	624

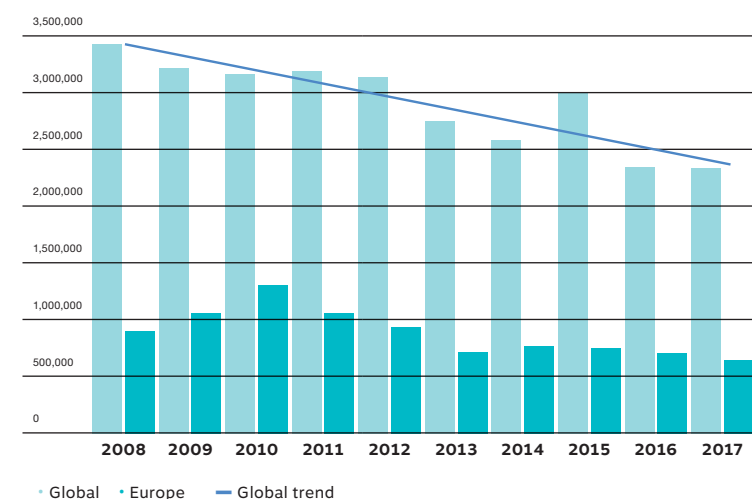
Graph 1:

Dredging Turnover per driver (2017) *source: IADC - EuDA*



Graph 2:

EuDA fleet CO₂ emissions (2008-2017) *source: EuDA*



The growth of the global economy has been slowing down since 2009 and the inversion of the ratios between constant and current prices growth rates is the symptom of issues with global inflation-deflation. The growth of the global economy in current prices was positive (5.8%) in 2018 and went over the growth in constant prices (3.8%). This may mean that the global economy is restarting a new upper trend.

The main drivers for the European dredging companies are various and not correlated, providing the sector with a form of acyclicity and with a reasonably steady growth.

The general trend in Graph 2 at the previous page confirms that the worldwide CO₂ emissions of the European Dredgers are steadily decreasing since 2008. The reduction in the CO₂ emissions can be partly attributed to the effects of the financial and economic crises, reducing the level of occupancy after 2008. However, with the surge of activity due to Suez and Panama, the global emissions of the European Dredging fleet in 2015 raised to the level of 2012. Inside Europe, a similar peak occurred in 2010 corresponding to the peak of activity for the reclamation of Maasvlakte 2 in the Netherlands. The level of CO₂ emissions in Europe is still decreasing nearing the 600 ktons of CO₂, well

below 2008. 2017 emissions at over 2.4 Mt were below the figures of 2014 and confirmed the general downward trend of the European Dredgers' emissions.

These figures also confirm that steady progress on CO₂ emissions per m³ (relative CO₂ emissions) is achieved by the European Dredging industry. **However, absolute CO₂ emissions achievements cannot be disconnected from global activity** in general and sector activity in particular. The achievement of absolute CO₂ emissions targets demands a Sector Strategy that combines relative efforts on emission (CO₂ emissions per m³) with actions on atmospheric CO₂ concentrations through offsetting measures such as the restoration of blue carbon habitats.

EuDA intends to continue its work regarding its sector strategy.

IMO Data Collection System

A milestone decision was taken in MEPC 70 that adopted a regulation on an **IMO Data Collection System** (DCS) for fuel consumption.

At MEPC 70, IMO adopted its Regulation 22A "Collection and reporting of ship fuel oil consumption data", establishing mandatory requirements for ships

of 5,000 gross tonnage and above to record and report data on their fuel consumption. These ships will have to collect consumption data for each type of fuel oil they use as well as other additional specified data including proxies for transport work (distance travelled, service hours at sea and DWT). This regulation entered into force on 01/03/2018.

This decision was accompanied with a **3-Step Roadmap** for the Reduction of GHG emissions from shipping:

- 1° **Data Collection** (2019);
- 2° **Data Analysis** (2020);
- 3° **Decision Making on further Measures** (2021);

Besides this, MEPC 70 also approved the establishment of new NO_x emission control areas (**NECA**) as from **1 January 2021** (for the Baltic Sea and the North Sea).

EuDA welcomed these developments and encouraged further progress with regards to the reduction of CO₂ emissions from ships. However, consistency (ideally compatibility) is needed between the EU MRV Regulation and the IMO Regulation 22A: it is essential to avoid duplication and excessive administrative burdens.

The European Dredgers are ready to contribute to the collection of meaningful data. Emission data collected from individual dredging ships is difficult to interpret for dredgers because these vessels use energy to both sail and work at sea. Moreover, the energy efficiency of dredging vessels can only be determined on the basis of the project working conditions (depth, soil, distances to sail, etc). It is therefore recommended to use the project as the main reference for the optimisation of CO₂ emissions. Proactive for years on the CO₂ issue, EuDA has developed an understanding of the energy efficiency and the consequent emissions of its fleet.

Since 2017, EuDA joined forces with IMCA (International Marine Contractors Association), IMO observer association sharing similar issues to request that the treatment of the working vessels under IMO Data Collection System (for CO₂ emissions from shipping) should be pragmatic and useful. The data required

“Optimisation of CO₂ emissions for dredgers should be done at project level”

for the proxies for transport work (distance travelled, service hours at sea and DWT) cannot be meaningfully applied to a dredger during its dredging operations. EuDA has been working with the Netherlands, Belgium and IMCA to clarify this point and avoid unnecessary administrative burden.

During MEPC 72 (09-13/04/2018), the EuDA coalition benefitted from Russia's useful written comment, mentioning that the scope of ships in the IMCA submission should be enlarged to a broader category of ships, e.g. offshore vessels. Russia has reinforced our position with this statement.

The coalition may have to propose concrete alternative proxies for the category of vessels doing also non-transport work.

DG CLIMA Consultation on MRV

Following the adoption of the IMO DCS, DG CLIMA organised a consultation on the possible revision of the policy on Monitoring, Reporting and Verification (MRV) of CO₂ emissions from maritime transport. The purpose of the consultation was to consider a possible revision of the MRV Regulation in order to avoid conflicts with the newly adopted IMO Regulation on Data Collection System.

The consultation closed in December 2017 and EuDA had made a contribution, complemented with a position paper submitted in February 2018. The EuDA position paper and 1-pager recommended to DG CLIMA that the two legislations should be aligned and compliant with each other with the express request to exempt the dredgers from their scope in a first phase.

EuDA cooperations on Climate Change

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

Think Climate:

EuDA joined the 'Think Climate Coalition' led by PIANC and co-signed a position paper on "Navigating a changing Climate" that was presented at the 21st Conference of the Parties of United Nations Framework Convention on Climate Change (UN FCCC COP21) in December 2015. The Coalition established a roadmap of actions contributing to achieving some of the goals of the Paris Agreement. Most actions were already existing or already planned within the Coalition members' organisations. The Coalition's added value stems from the grouping of these individual initiatives under the Think Climate umbrella to give them more

visibility and impact together than individually. EuDA's contribution to the coalition included its work on Blue Carbon, its External Communication on TSHD and its members' work on Building with Nature.

Carbon-related PIANC Working Groups:

EuDA and its members are active members of:

- WG 178 on *Climate Change Adaptation for Ports and Waterways* and
- WG 188 on *Carbon Management for Port and Navigation Infrastructure*.

Started in 2015, with the biggest number of participants in PIANC records, the work of WG 178 has finally come to an end and a report should be published end of 2018 or beginning of 2019.

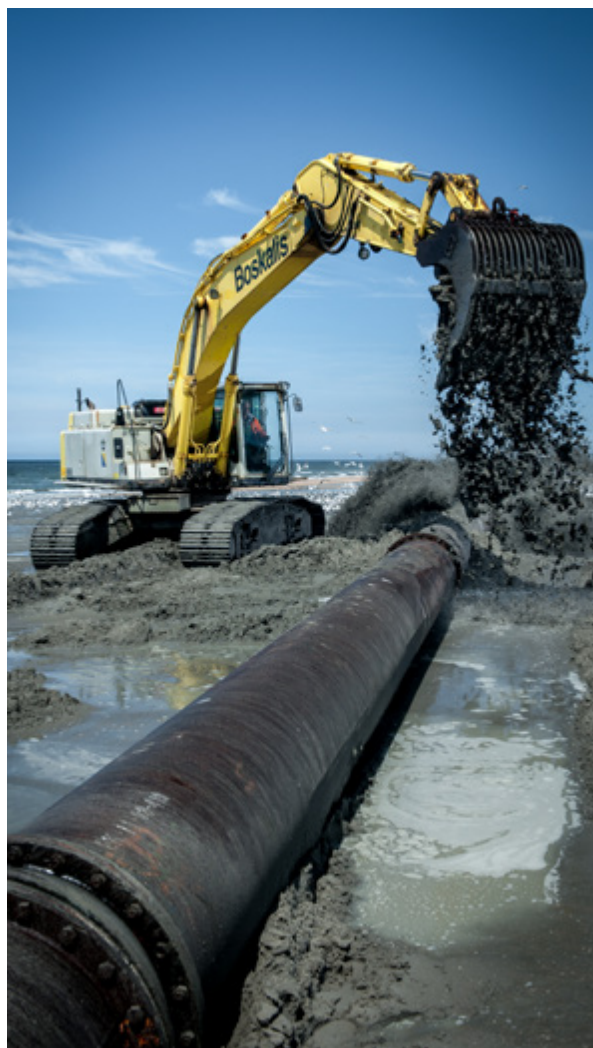
WG 188 started in 2016 and it has finalised a first final draft report on *Carbon Management for Port and Navigation Infrastructure*. The review process should also be completed for end of 2018 or beginning of 2019.

Carbon-related CEDA Working Group:

CEDA also started a Carbon-related working group:

- WG on *Energy Efficiency*

EuDA members will participate in the group, chaired by Paul Vercrujisse the EuDA EmWG chairman. His involvement will help the convergence of views and approaches.



THANK YOU, Fay!

Fay van Dongen joined the Emissions Working Group (then CO₂ Working Group) since its establishment in 2008. At the same time, she was sitting in the Environment Committee and the mirror working groups in the Dutch dredging association (Vereniging van Waterbouwers). Fay was the link between the national and European associations regarding CO₂ emissions and other emissions.



Fay van Dongen
(Vereniging van Waterbouwers)

On behalf of the EuDA Emissions Working Group, we would like to take this opportunity to thank you, Fay, for your commitment to our group and for the time and advice you gave us with regards to fleet emissions issues and legislation affecting the European dredgers.

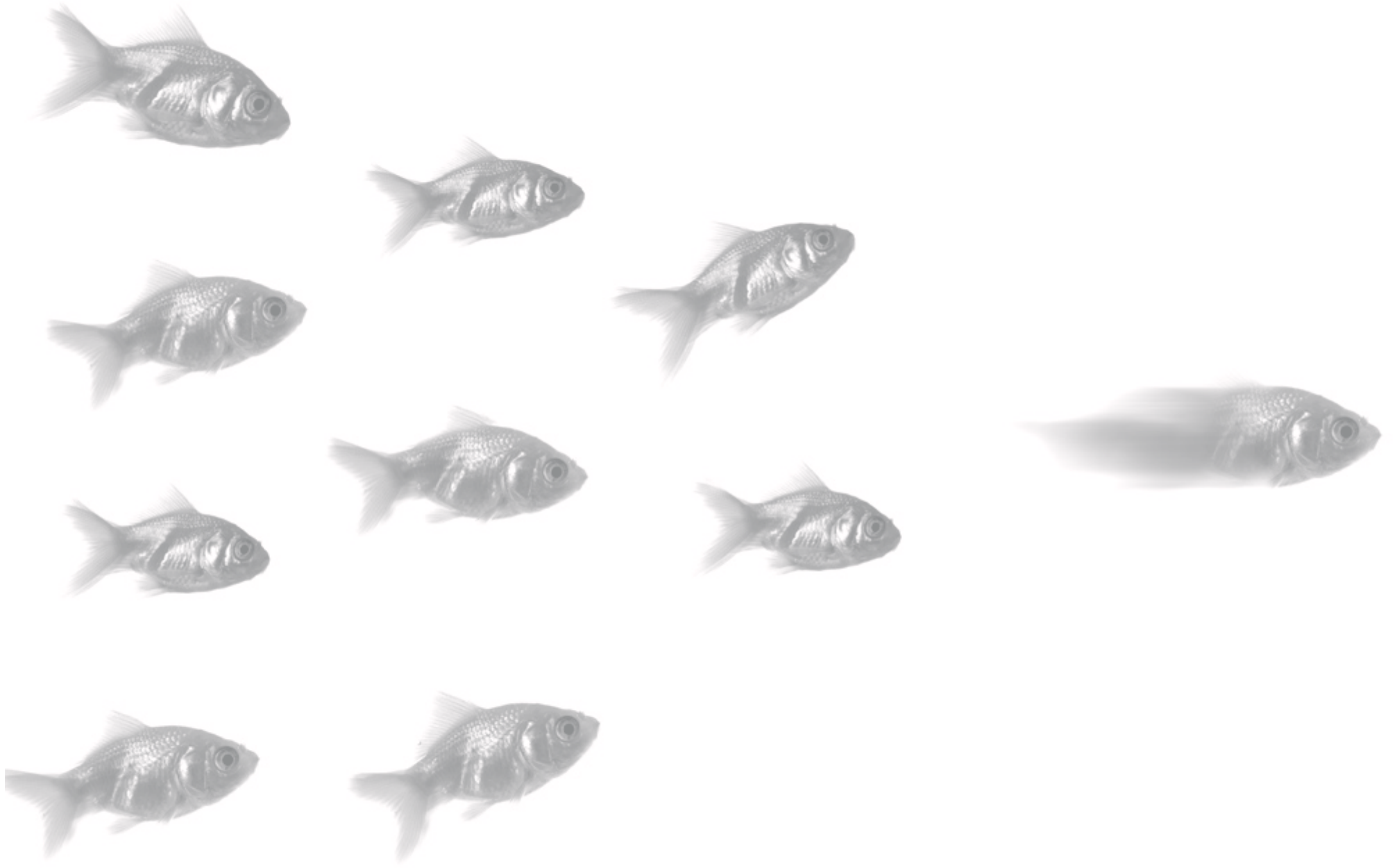
We appreciated your enthusiastic contributions and clear points. We wish you all the best in your new endeavours.

Thank you, Fay. Farewell!

Paul Vercrujisse
EmWG Chairman

**Innovative approaches
achieving multiple goals** need
highly educated and skilled human resources
to implement them

New knowledge and technology cannot be implemented without properly trained and educated people with the right skills and a solution-driven mentality. The significantly innovative character of the modern dredging industry is made possible thanks to the quality of its human resources.



SOCIAL

EU State Aid: need for continuation and minor improvements

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

and improving maritime know-how, and at protecting and promoting employment for European seafarers.

The maritime transport sectors, which include maritime dredging, were faced then and still are with significant challenges, such as fierce global competition in the market of the sea-going vessels, which run the significant risk of reflagging and relocating outside the EU.

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

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

From its 2013 consultation, DG Competition (DG COMP) concluded that there was no reason to remove any currently accepted benefits. Based on this result, DG COMP decided to **extend, unchanged, the 2004 Maritime Guidelines** for an undetermined period of

Bruno Monteyne
(SocCom Chairman,
DEME)



Bo Toft Franzen
(Rohde Nielsen)



Henry Bleker
(Vereniging van
Waterbouwers)



Katleen De Geyter
(Jan De Nul)



Geert Klaver
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Robbert Veenstra
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time (without any foreseen revision date). With regards to the current status of the Maritime Guidelines, they are still valid. Commissioner **Margrethe Vestager** considered that the market developments since 2013 meant that the approach did not need to change. With regards to the next steps, on the basis of the responses to open enquiries on specific cases of State Aid to Maritime Guidelines, DG Competition has conceded that some clarifications of the 2004 Guidelines might be necessary in light of the decisions made so far. Indeed, during the 2015 Annual EuDA Conference, DG COMP explained that a limited revision of the Guidelines at some point in time could not be completely ruled out. Out of the two possible options, the **minor changes** are the most likely option as they should integrate post-2004 decisions and bring some needed clarifications to the guidelines' text. The other option is a major review which would involve a full procedure lasting a few years and, for this reason and because the market developments do not require a change in the approach (see above), this comprehensive review is the least likely option.

EuDA survey on State Aid: main recommendations

In preparation for a meaningful revision of the State Aid Guidelines to Maritime Transport, EuDA completed an internal survey to collect evidence that would substantiate its recommendations: while keeping

dredging in their scope, the Guidelines should exempt dredgers from the “50% Rule” and enlarge the scope to other self-propelled ocean-going dredging vessels (such as CSD, or other offshore services vessels). Since 2016, EuDA regularly conveys the following recommendations to Commission officials from DG Competition:

1. “[...] The Maritime Guidelines are needed to compensate for the global competition distortions and should be kept (extended in time).”
2. “[...] the inclusion of the loading phase of the maritime dredging cycle under the scope of the Guidelines seems perfectly appropriate and [...] justify the exemption of the Dredgers from the ‘50% Rule’. [...]”
3. “[...], the eligibility to the Maritime Guidelines should be extended to the self-propelled ocean-going cutter suction dredgers as well as offshore service and supply vessels (e.g. cable/pipelayers, stone dumpers, jack-ups, ...).”

Review of the EuDA Vision on State Aid

Building on the good work of the past and making the best use of the lessons learned, EuDA decided to revisit its vision on State Aid. EuDA developed an in-depth approach to improve the case of the Dredgers and keep the momentum with DG COMP. Following its constructive exchanges with DG COMP, EuDA briefly presented the results of its State Aid survey detailing the gathered evidence and making concrete recommendations to the Commission.

Following these contacts, dredging was certainly better understood by DG COMP. It was confirmed that State Aid attributed to Maritime Dredging is considered positively as the objectives of the aid target higher societal values (e.g. improving global level playing field in maritime markets, maintaining the European Flags, keeping the maritime knowledge and skills in Europe).

“The Maritime Guidelines aim at reducing global competition distortions in maritime transport”

In a first step to develop their comprehensive approach, the EuDA members established a draft wish-list of the priorities to be included in the likely revision of State Aid Guidelines:

- maintaining the **guidelines** for dredgers (State aid is still necessary to reduce the costs of European seafarers who are, despite the aid, still too expensive);
- removing the **50% rule** for dredgers (the burden of the proof associated with this rule causes unnecessary extra costs);
- clarifying **maritime access** for both ships and seafarers (ships working on maritime access need to comply with IMO legislation; seafarers' visas should be sufficient, although there are requirements for local working permits);
- keeping **tonnage tax** for offshore services vessels;
- keeping separate the State aid treatment of dredgers and other **offshore services vessels** (e.g. the ships eligible for State aid by their own merit should not be grouped under the dredgers as they would have then to comply with the 50% rule);
- develop a **long-term vision** along with a **communication plan** (a dredging industry long-term vision should be established in order to guide both priorities and lobbying actions; to harmonise approaches and concepts where possible);

- broaden the scope of the guidelines to include:
 - positive perception by DG COMP;
 - connect priorities to EU values on Sustainability and CO₂ performance;
 - make recommendations for flexible and creative legislative approaches that will both improve the situation and stimulate future innovation.

The next step in this approach involved the organisation of a workshop to exchange views and brainstorm, to build intelligence that will serve as the basis for a position paper intended for DG COMP and for a medium to long term plan for the sector.

EuDA strategic workshop

On 21/06/2018, EuDA organised an internal strategic workshop on “*Reevaluating and Redefining the EuDA Strategy on State Aid to Maritime Transport.*”.

The workshop participants were dredging experts. They identified and discussed the obstacles (and enablers) for the European Dredgers' success and the potential solutions and finally established priorities for a long-term vision.

Following the brainstorming, the dredging experts identified key criteria, obstacles and enablers to

improve European competitiveness and global level playing field. They identified 5 clusters of priority issues related directly or indirectly to State Aid to Maritime Transport :

- 1° Unfair Competition;
- 2° Not Future Oriented Governance;
- 3° Unsuitable and Messy Legal Framework;
- 4° Labour Availability, Qualifications, Mobility;
- 5° Enforcement and Compliance Checking

“State Aid should more effectively target sustainable growth-enhancing policies and apply equally to the single European market in which non-EU State owned Enterprises should not be forgotten.”

DG COMP's State Aid Modernisation Package





These clusters constituted the building blocks of the dredging sector's vision and the structure of the Communication plan to be developed in 2019.

Implementation of the Maritime Labour Convention at European level

The ILO Maritime Labour Convention entered into force in August 2013.

The attention of the EuDA members was drawn to the fact that the MLC certificates need to comply with the 2014 amendments of the MLC 2006 on *Seafarers abandonment and crew claims*. Following these amendments of the MLC 2006, the EU legislation, which is a direct transcription of the ILO Convention, was also updated. Regardless of how mechanical this process might appear, attention is needed as there is always the risk of the Commission enforcing stricter legislation and creating competitive distortions.

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

Survey on Seafarers' definition

Many EuDA members shared concerns over the definitions of seafaring and non-seafaring personnel on board ships. Such definitions have direct consequences on the required presence on-board of all documents (e.g. contracts) proving MLC compliance for these staff members. EuDA assessed the situation in several EU Member States and is compiling best practices and developed a pragmatic, workable definition of non-seafaring personnel for the purpose of the MLC 2006. The remaining issues regarding these definitions concern the certification and the auditing.

Issues with remaining EU Cabotage Laws

EuDA identified some issues linked to remaining elements of "cabotage" laws in Europe. The members of EuDA considered that a more systematic and in-depth analysis of these issues would be useful.

EuDA will consider a position paper on the subject for the European Commission in 2019.

Schengen Visas

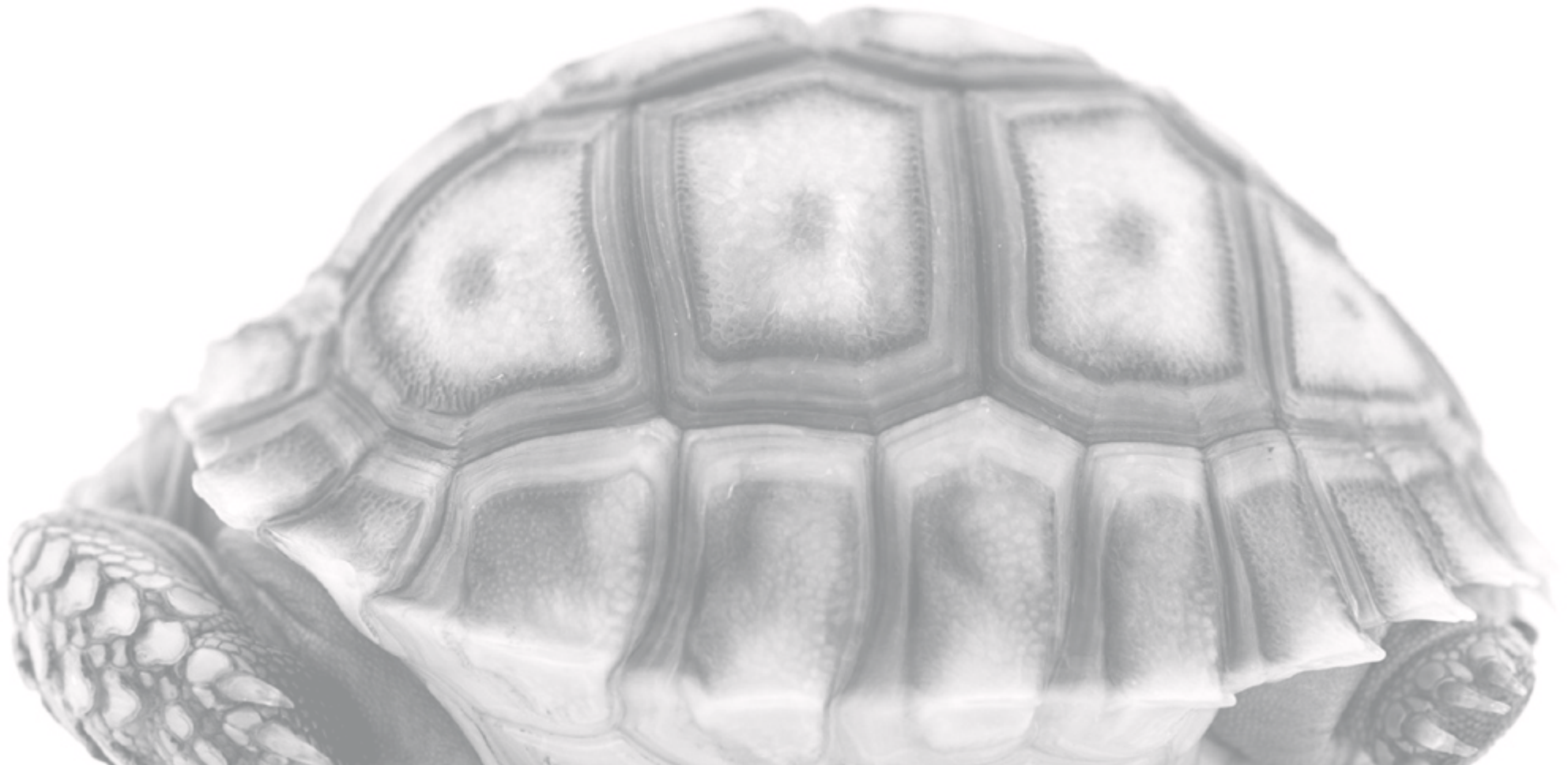
In 2014, the European Commission proposed several amendments to the "*Handbook for the processing of visa applications and the modification of issued visas*" (Schengen Visa Code). The amendments were going

in the right direction as the intention was to simplify the procedure for '*bona fide*' sailors and grant them multiple visas, through the Visa Information System (VIS, exchanging visa data, particularly on short-stay visa applications, typical for seafarers), and should reduce the administrative burden.

The discussions in the European Parliament and the European Council remain cautious with regard to Schengen Visas, in the context of the migrant crisis and Brexit. However '*bona fide*' seafarers should be able to obtain multiple entry visa for three to five years.

Protectionism gives the illusion of local progress

World-class added value is only accessible to the markets that are open. By preventing outside competition from accessing their local market, protectionist measures give the illusion of progress to the domestic economy. Protected markets that isolate themselves from the world cannot fully benefit from the knowledge and added value available worldwide and have to suffer the consequences.



INTERNATIONAL MARKETS

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

United States of America

Background

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

EU dredging companies are legally prevented from entering the US dredging market by mainly two separate American acts: the Dredging Act (1906) and the Jones Act (1920). The size of the challenge of opening the US market is reflected by the long history of failed attempts. EuDA based its US Strategy on a novel approach which

- should *"keep it simple"* (targeting the minimum legislative changes); and
- essentially focuses on the Dredging Act (requiring dredging vessels to be US built, US owned, US crewed and US flagged);
- should keep the Jones Act unchanged (although minor changes will be needed to the definition of the term "merchandise" where reference to "valueless material" and "dredged material" have to be removed). This was confirmed in a legal opinion by a major law firm in Washington.

Needed revision of the Strategy

With the entry into office of President Trump in 2017, the perspectives of continuing any form of trade negotiations (Transatlantic Trade and Investment Partnership: TTIP) significantly decreased and negotiations have been stopped.

Nevertheless, the **legacy of TTIP** was very positive for dredging, as indeed, the TTIP negotiations allowed the European Dredgers to get dredging high on the trade agendas of the US, the EU and Benelux and thereby to raise enormous political traction.

EuDA refocused its strategy in the US on the following activities: Mapping of the relevant dredging projects in the pipeline; Analysis of the stakeholders and of the most suitable projects; Business Cases to demonstrate added value, cost reduction and time gains; Lobbying Plan towards the relevant targets.

2018
Members
of the
EuDA Task
Group on US
Market Access



David Luttj
(Jan De Nul)



Mark Roelofs
(Van Oord)



Jaap Bogaards
(Boskalis)



Sofie Verlinden
(DEME)



Wouter Borghijs
(DEME)



Robert Poelhekke
(NABU)



Paris Sansoglou
(EuDA)

In 2018, EuDA kept contacts with the different levels of the European administrations, including European Commission and Member States officials, however the core of the activities took place in the US.

Lobbying Campaign in the US

From the very start of the campaign in 2014, the EuDA Strategy involved work on both sides of the Atlantic. The main objective of the **lobby activities in the US** is to change the legislation in order for European Dredgers to access the US dredging market.

EuDA Strategy in the US

The revised EuDA strategy required gathering the data/estimates to substantiate the arguments of **cost and time reduction.**

Moreover, EuDA argued that **construction activities** are not and should not be included in the scope of the Jones Act. The Dredging Act should stand on its own and be decoupled from the Jones Act, keeping intact the laws on maritime transportation of passengers and goods.

New Option through the National Security Council (NSC)

One of the major developments in Washington, according to our US consultants, was the initiative by

the National Security Council (NSC) to **propose the complete scrapping of the Jones Act**, the Passenger Act and the Dredging Act.

Although welcoming the initiative, EuDA expressed concern over the association of the Dredging Act and the Jones Act and over the generality of the opening (not just opening to the Europeans but to all).

Next steps

In the current context and with the latest developments in the US and in Europe, the perspective of opening the US market is still reachable.

Germany

Background

In 2016, the German Federal Government opened a public tender to build a 7,500 m³ TSHD with the aim of extending its State-owned dredging fleet from one to two TSHD's. The plan is to deploy the new built TSHD for the execution of maintenance dredging works on the Elbe. These maintenance dredging works were procured via public tendering processes and as such, the extension of the State-owned dredging fleet can be considered as a nationalisation case. EuDA was consequently approached by the Vereinigung der Nassbaggerunternehmen (VdN) and was asked help and support.

In coordination with its German members, EuDA created a dedicated **Task Force on Germany** in 2017. EuDA prepared an action plan at EU level to support the local efforts of the German Task Group of experts.

The key issue in Germany is the **closing of a further 25% of the maintenance dredging market** by the new acquisition strategy of the national government (which is rumoured to also acquire a second TSHDs of 7,500 m³ as well as new water injection dredgers) financially supported by the German central government in Berlin.

The Dredgers' Strategy in Germany

From the initial background analysis, it emerged that the VdN and EuDA strategies would be more political than legal. EuDA's role, and the TF DE's, is to support the process under the lead of VdN. The joint strategies are gathering facts (comparing private and State-owned values of past projects, impact on employment of the government strategy, ...). In order to do so, VdN has tasked the Institute of Shipping Economics and Logistics (ISL), a well-reputed Bremen-based institute in maritime logistics research, to do a fact-finding study. ISL is to assess the economic impact of the proposed German nationalisation in terms of jobs and costs per m³.

2018
Members
of the EuDA
Task Force on
Germany

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(Boskalis)



Eric Tancre
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Govert van Oord
(Van Oord)



Paris Sansoglou
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Political analysis and Professional support

The political scene in North Germany is under the governance of Christian Democratic Union of Germany (CDU) and Social Democratic Party (SPD), who are promoting the new build of State-owned TSHD's with the argument of creating more competition in public tendering and employment opportunities in the public sector.

Seeing this political scene and the difficulty to convince the mainstream political parties, VdN hired additional professional support for lobbying from public affairs ADS Insight. Since then, the VdN lobbying strategy was further implemented and more relevant politicians approached after the election of the 2017 German government.

Overview of 2018 Activities

In 2018, all the lobbying activities took place in Germany, organised by our German federation VdN. Faced with the end-of-term of the Federal Parliament and Government,

and a long and difficult government formation process, the representative activities had to first focus on the relevant regional governments, raising awareness that an *increased public navigational dredging capacity would have a negative impact on the availability of the private dredging fleet at regional level*. VdN met with the most relevant Members of Parliament and government officials in **Hamburg, Bremen, Schleswig Holstein and Mecklenburg Vorpommern**. VdN consistently underlined that its members have always carried out their work reliably and in a cost-efficient manner.

Following these meetings at regional level, doors have opened up at federal level in Berlin. VdN also met with the Director for Shipping at the Federal Ministry of Transport (BMVI) in Bonn, who confirmed that the BMVI had no intention to divert from the 25/75% share allocation between public and private navigational dredging.

VdN have succeeded in raising awareness of the interests of the German dredging companies, in particular with

the German MPs focusing on the maritime industry. In August 2018, VdN organised a site visit with German MPs to observe a dredger working on the Elbe near Stade (Van Oord).

During its visit to Berlin, VdN also managed to meet with the new Maritime Coordinator of the Federal Government, who accepted to be the keynote speaker at the VdN's 100th anniversary in November 2018.

The VdN campaign demonstrated that the private German dredging industry works efficiently and provides value for money.

Next Steps

Since the formation of the German government, several political contacts were made with federal Members of Parliament and high-level officials. The lobbying of VdN is gaining momentum and more and more politicians are aware of the issue, agreeing in principle with the VdN proposals. The lobby campaign needs to be pursued in 2019.

China

Background

For the last 10 years, EuDA has been forced to react and counter Chinese unfair trade practices worldwide: e.g. tied financing schemes that close markets in Africa, South America and Asia. EuDA prepared a position paper on the de facto closed Chinese domestic market to European dredgers. EuDA fought against recognising the Market Economy Status of China in WTO. EuDA was involved in the first case of unfair practices to win a dredging project inside Europe (the Case of Swansea Bay Tidal Lagoon).

Most of the threats for the European Dredgers emanate from Chinese State-owned Enterprises (SOEs). Indeed, Chinese SOEs:

- **use unfair trade practises** to win markets in third countries and even in Europe;
- perform **highly subsidised activities** and provide their clients with access to **cheap but tied financing** schemes (the service of which quickly becomes unsustainable);
- benefit from **protectionist measures**, restricting access to the Chinese market as well as unfair fiscal treatment in China;
- exclude competition through Chinese **package deals or State to State arrangements**.

The EU has always proven to be a promotor of open trade ensuring that access to markets is facilitated for all. European countries are very committed to their open relations with China and actively seek out Chinese investment. But *Europe seems to be all too naïve* as far as China is concerned. Not only China does not reciprocate that commitment, but it keeps its markets protected from any type of European investment in a growing number of economic sectors.

The Chinese One Belt, One Road Initiative (BRI/ OBOR) is not an opportunity for European companies as long as Chinese financed projects are not open to competition from non-Chinese contractors.

It is high time for Europe to respond to this lack of level playing field. Therefore, the European Dredging Industry demands that the **principle of Reciprocity** should be applied for Public Procurement.

EuDA Strategy

EuDA established in 2018 an ad hoc **Task Force on China** (TF CN) to investigate the means to defend the interests of the European dredging industry. EuDA gathered facts, figures and information to establish a proper EuDA strategy proposal.

The task remains immense as the Chinese State-owned Enterprises combine their economic might with

the political influence of China to penetrate markets and decimate non-Chinese competition.

In framing and developing a strategy at the level of the EU against unfair competition, the ideal situation would be to get third-countries to become signatories of the WTO on Government Procurement Agreement (GPA). This is particularly true for China limiting its commitments to a minimum in most international organisations where it is a signatory.

At European level, the ultimate instrument for implementing 'reciprocity' would be an International Procurement Instrument (IPI), that would allow Europe to reciprocate treatment, meaning that: if there is de jure or de facto no access to the third country market, the same treatment for accessing the EU domestic market should be applied to the third country's companies. But, the IPI proposal (2016 version) as it now stands, is inadequate in getting the required reciprocity from China or hold it accountable for its unfair practices.

With specific focus on unfair competition from State-owned Enterprises (SoEs), there is a source of "reverse discrimination" in Europe: indeed, State Aid legislation only applies to EU companies, while the State Subsidies legislation (transposed from WTO) does not treat the

non-EU companies in the same way. This has led European companies to lose construction tenders in the EU to massively subsidised non-EU competitors. Besides protecting the European market, all projects funded with EU money should comply with a minimum of ethical, sustainable and reciprocity standards.

Overview of 2018 Activities

In 2018, EuDA worked on preparing extensive analyses:

- Background Analysis
- Legal & Policy Analysis
- Economic & Market Analysis
- Strategic & Security Analysis

Each analysis would feed the overarching EuDA Strategy. The report by Prof. Jonathan Holslag on “*The Silk Road Trap: How China’s Trade Ambitions Challenge Europe*” proved to be an important source of background information helping to properly frame the challenges. The major challenges include the size of the opposition (the entire Chinese economy) and its organisation (if not all Chinese companies are State-owned, those that aren’t depend on the Chinese State-owned banks for their financing and need to follow the lines drawn in Beijing).

Next Steps

The most realistic way forward for EuDA is to find a solution within existing instruments. The proposed strategic options included:

- create **European Trade Defence Instruments (TDI) for Services**;
- get inspiration from other existing EU legislations;
- improve the requirements in the public procurement and award concessions directives.

Australia

Background

In order to control and selectively authorise immigration, Australia introduced specific immigration programmes. The most commonly granted working visas are for hiring highly skilled workers in Australia. Work visas are often sponsored by the individual States or directly by Australian companies, recruiting to fit their specific needs. The most popular form of sponsored working visa was so far the 457 Visa set in place in 1996.

As from 18th April 2017, this 457 Visa has been abolished by the Australian Government and has been replaced with the Temporary Skill Shortage (TSS) Visa, introducing extensive changes to Australia’s immigration policy.

In addition, the Skilled Occupations list accompanying these new TSS visas has been substantially reduced from the previous list applied under the 457 Visa system. And this is of significantly more concern for the dredging operations as a number of skilled roles (such as Ship’s Master, Ship’s Officer and Ship’s Engineer) that were previously permitted are no longer available.

Impact on the European dredging companies

The changes introduced with the TSS will have a **significant impact** on the ability of the European Dredgers to mobilise and operate dredging and off-shore installation vessels to and in Australia as it **denies access of project-critical employees to work in Australia**.

With their highly innovative and technologically advanced vessels, European dredging companies require the presence of dedicated and experienced crew and staff onboard. The latter are employed on a full-time basis and are part and parcel of a sustainable operation system unique to each vessel type and size.

The normal modus of operation when mobilising specialised vessels to Australia is to **strike a healthy balance between locals and expats with regards to the crew on these vessels**. The typical proportions

“Keeping critical crew and staff
on board European Dredgers in
Australia is indispensable”



for a TSHD are 8 expats and 22 Australians out of a total Persons on Board (POB) of 30 people, employed for the duration of the project. For CSD, the typical proportions are 9 expats and 29 Australians out of a total POB of 38 people for the duration of the project. Over the years, this system has been very successful.



EuDA Strategy

In 2017, EuDA prepared a position paper to provide arguments to initiate diplomatic action through Benelux. The following points were highlighted:

Dredging critical crew

- 1° it is **necessary to maintain permanent critical crew members on-board** the individual dredging units;
- 2° the critical crew includes **dredge master, officers, engineers, mechanics and electricians**;

Operating in Australia

- 3° keeping **critical crew and staff** on board in **Australia is indispensable** to European Dredgers (and to any dredging company operating internationally);
- 4° **specific occupations**, such as **'Dredge Master', 'Dredge Officer' and 'Dredge Engineer'** should be **re-instated under the Temporary Skill Shortage Visas list**;
- 5° European dredging companies do **not intend to reduce or replace employment opportunities for Australians**;
- 6° Without their critical crew and staff, European Dredgers working on Australian projects, will have dramatically increased **risk exposure** and consequently will have reduced opportunities to effectively tender and successfully perform and complete, if at all, **future works**.

Overview of 2018 Activities

In 2018, action in Australia at EuDA level was considered. The Board approved the creation of an ad hoc Task Force on Australia (TF AUS) to represent the interest of all the European contractors involved in Australia towards the local administrations.

DG TRADE organised a stakeholders' consultation, to which EuDA provided a response and submitted an updated version of its position paper.

The issue with the Australian visas is still not resolved. Time is passing and the last remaining 457 Visas will expire.

Under the Temporary Skill Shortage (TSS) visa (subclass 482), the Skilled Occupation List saw the introduction of the position of the - **Ship's Master** on the Regional Occupational List (ROL).

Next Steps

A lot of lobby work will need to be done towards the local government and authorities, as well as towards the unions.

Based on the developments described above, a possible and obvious next step would be to seek

further amendments to the **Regional Occupational List (ROL)** resulting in the inclusion of other critical positions such as Chief Engineers, First Engineers and First Officers.

European Bunkering Taxation

Bunkering taxation is regulated at European level by the Council Directive 2003/96/EC of 27 October 2003 restructuring the Community framework for the taxation of energy products and electricity. In this legislation, bunkering fuel is mandatorily exempted under Art 14c for **navigation purpose** (excluding private use):

“Member States shall exempt from taxation...energy products supplied for use as fuel for the purposes of navigation within Community waters (including fishing), other than [in] private pleasure craft, and electricity produced on board a craft.”

Dredgers are also included under Article 15:

“Without prejudice to other Community provisions, Member States may apply under fiscal control total or partial exemptions or reductions in the level of taxation to: [...] (k) motor fuels used for dredging operations in navigable waterways and in ports;”

Moreover, CJEU clarified that

“Manoeuvres carried out by a hopper dredger during its operations of pumping and discharge of materials, that is to say, journeys inherent in the carrying out of dredging activities, come within the scope of the term ‘navigation’.” C-391/05 (dredgers)

Issue for dredgers

The specific issue for the dredgers is the uneven application of the directive in the Member States, whereby some exempt dredging activities from bunkering taxation (sometimes under very specific conditions: e.g. fuel used for propulsion only), others don't.

The consequence of these differences in legal treatment is potential competition distortions but also increased administration burden, with in some cases the need for estimating which part of the fuel will be exempted and which will not.

The European Community Shipowners' Associations (ECSA) and European Bunkering Association (UPEI) have been very supportive of the dredgers case, as their members will also be affected by the decisions on the dredgers (e.g. the bunker suppliers have to collect the tax on behalf of the administration).

EuDA Strategy

As mentioned in the recently created EuDA Core Values (see chapter 1, above), **EuDA is committed to fair competition and unhindered market access worldwide.** That means that our aim as industry sector is to promote level playing field.

An ad hoc Task Group on European Bunkering Tax (TG EBT) was established to advise the Board on these issues and establish a common position.

Overview 2018

In 2018, the European Commission organised a consultation on the possible revision of the directive 2003/96/EC. On this occasion, EuDA made a submission and also co-signed a joint position paper with ECSA (shipowners) – CLIA Europe (Cruise shipowners) - Interferry (ferry shipowners). In this joint paper, the shipowners' organisations call for level playing field and dedicated an entire paragraph on dredging.

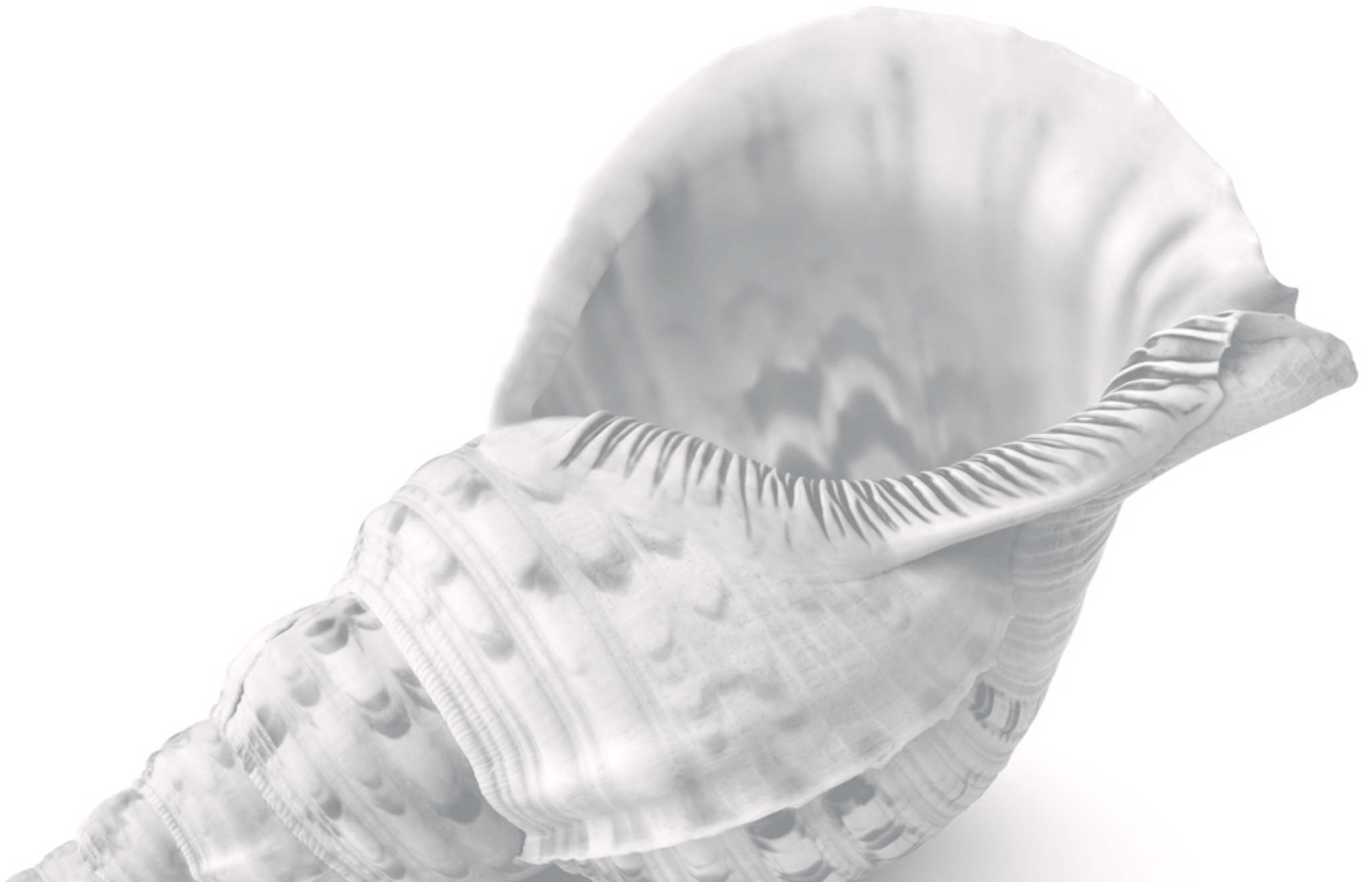
The proposed solution to reach level playing field for dredging was to exempt the dredgers (maritime, not inland) from the bunkering taxation.

Next Steps

With the help of the TG EBT experts, EuDA will need to establish its strategy.

Open minded and united, we stand together
to promote our common values

For the last 25 years, the European Dredgers have united their voice under the banner of the European Dredging Association (EuDA) to promote market openness and global level playing field towards the European and international organisations.



MEMBERS



Belgium

Baggerwerken Decloedt & Zoon N.V.
DEME Building Materials N.V. (DBM)
DEME Environmental Contractors N.V. (DEC)
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.
Global Sea Mineral Resources NV (GSR)
Jan De Nul N.V.
Van den Herik N.V (Brugge)
Van Oord België B.V.B.A.



Bulgaria

Boskalis Offshore Subsea Contracting B.V.



Cyprus

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



Denmark

DEME Offshore DK A/S
Rohde Nielsen A/S



Estonia

Terramare Eesti OU



Finland

Terramare Oy



France

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



Germany

DEME Offshore DE GmbH
HDC Wasserbau GmbH Nord
Hegemann GmbH
Heinrich Hirdes GmbH
Jan De Nul Nassbaggerei und Wasserbau GmbH
OAM-DEME Mineralien GmbH
Strabag Wasserbau GmbH
Van den Herik GmbH
Van Oord Deutschland GmbH
Vereinigung der Nassbaggerunternehmen E.V.



Gibraltar

Van Oord (Gibraltar) Ltd.



Ireland

Irish Dredging Company
Van Oord Ireland Ltd.



Italy

Boskalis Italia Srl
DEME Environmental Contractors N.V.
(Branch Italy)

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



Latvia

Baltic Marine Contractors SIA
Dredging International NV Branch Latvia



Lithuania

UAB Boskalis Baltic



Luxembourg

Dredging and Maritime Management S.A.
Dredging International (Luxembourg) S.A.
DEME Offshore LU S.A.
Societe de Dragage Luxembourg 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 B.V.
Royal Boskalis Westminster N.V.
DEME Building Materials B.V. (DBM)
Dredging and Contracting Rotterdam B.V.
DEME Offshore NL B.V.
Mijnster zand- en grinthandel B.V.
Paans & Zonen B.V.
Royal Boskalis Westminster N.V.
Van den Herik B.V.
Van der Kamp International Dredging B.V.

Van Oord ACZ Marine Contractors B.V.
Van Oord Nederland B.V.
Van Oord N.V.
Vereniging van Waterbouwers



UK

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



Norway

DEME Environmental Contractors NV 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.
Dredging International N.V. (Branch Portugal)



Romania

Boskalis International B.V.
Van Oord Dredging and Marine Contractors



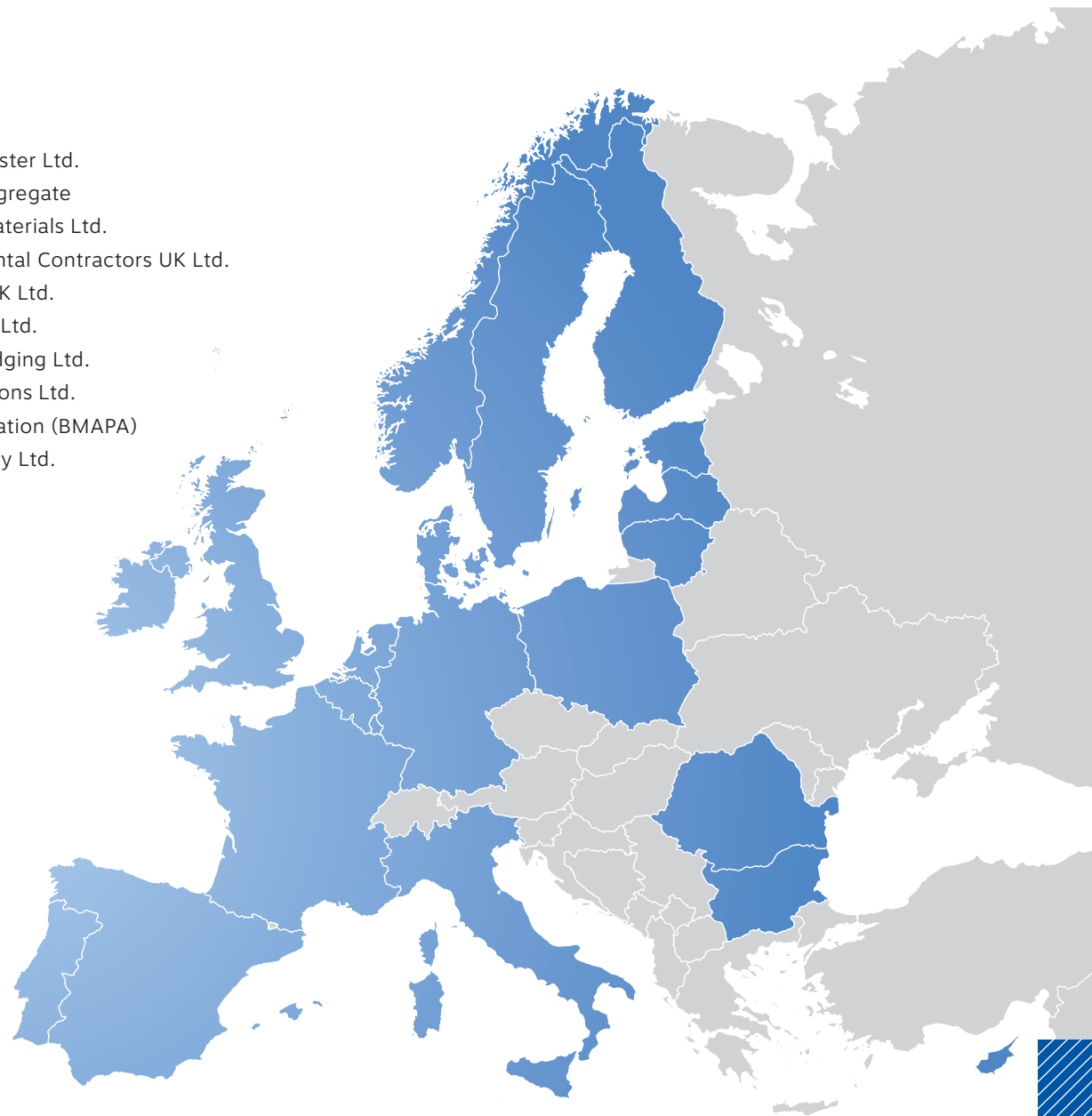
Spain

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



Sweden

Boskalis Sweden A.B.
DEME Environmental Contractors N.V. (Branch Sweden)



EUDA VERIFICATION COMMITTEE

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

2018
Members of
the Verification
Committee



Mieke Fordeyn
(Jan De Nul)



Hilde Vermeire
(DEME)



EuDA celebrated
its 25th Anniversary
in 2018

ABOUT EUDA

Having celebrated its 25th Anniversary in 2018, the European Dredging Association ("EuDA") was founded in 1993 as a non-profit industry organisation for European dredging companies and related organisations to interface with the various European Union's ("EU") Institutions and also some International Organizations (such as IMO, HELCOM or ILO). EuDA members employ approximately 25,000 European employees directly "on land and on board of the ships" and more than 48,300 people indirectly (through the suppliers and services companies). The combined fleet of EuDA's members counts approximately 750 seaworthy EU-flagged ships.

Dredging activities are not well known by the wider public, but as a matter of fact, the European dredging companies, members of EuDA, are world market leaders with about 80% share of the worldwide open dredging market and a turnover of 7.4bn Euro in 2017. Although 70% of operations take place outside Europe, 90% of the returns flow back to Europe.

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

EuDA has registered as Interest Representative Nr 2492574893-58 under the EU transparency register. The Association will pursue its goals by endorsing policies to create fair and equitable conditions for competition; commits to respecting applicable national, European and international rules and regulations; commits to operating its fleet safely, effectively and responsibly.



Isabelle Gourdin

Thank you, Isabelle! Welcome, Vassia!

Isabelle Gourdin joined the EuDA secretariat on the 1st of March 2005 and worked with Agnès de Meester and Erik Mink first, then with Paris Sansoglou under the chair of Marc Stordiau, the longest serving chairman of EuDA, as well as under the chair of Alan Lievens, the current EuDA chairman.

During 14 years, more than half the lifetime of EuDA, you gave us your good and loyal services. You were EuDA's office and event manager: organising countless events, trips and meetings, while keeping the accounts up-to-date and making sure all invoices were paid on time and in full. You were dedicated to our association, our sector and our members.

On behalf of the EuDA Board and all the EuDA members, we would like to thank you Isabelle for all your hard work that didn't go unnoticed, as every EuDA event was a success. We regret but respect your decision to find new endeavours under new horizons: not too far from the dredgers, with the European private ports and port operators. We are certain you will do well there and we wish you as much success and pleasant times as you had with us.

But work in the secretariat has to continue and Vassia Nikolopoulou has accepted to support the secretariat in its new challenges.

Farewell Isabelle! Welcome Vassia!

Thank you on behalf of the EuDA Board and the EuDA members,

Alan Lievens

EuDA Chairman



EuDA Secretariat Paris Sansoglou, Secretary General Vassia Nikolopoulou, secretary

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