



Priority Area on Clean Shipping

EU Strategy for the Baltic Sea Region

Copenhagen, 22 November 2013

Final minutes

1st Meeting of the international Steering Committee, held on 4 October 2013 in Copenhagen

Agenda and summary of the main decisions of the meeting

Present at the meeting were representatives from relevant authorities of all EU Member States bordering the Baltic Sea, the European Commission, all ongoing Flagship Projects of the Priority Area, regional organisations and private sector representatives.

1) Welcome by the Danish Maritime Authority in its capacity as Priority Area Coordinator
by Francis Zachariae, Deputy Director General, Danish Maritime Authority

2) Brief update on the development of the EU Strategy for the Baltic Sea Region since its adoption
by Kim Vinthen, Chief Adviser, National EUSBSR Contact Point, Ministry of Foreign Affairs of Denmark

3) Briefing on the development of the Priority Area in the years 2009 – 2013
by Bjarke Wiehe Bøtcher, Chief Adviser, Priority Area Coordinator for the Priority Area on Clean Shipping

4) Results of the HELCOM Ministerial Conference held in Copenhagen on 3 October 2013
by Anita Mäkinen, Chief Adviser Environment, Finnish Transport Safety Agency

5) Plans of the Lithuanian EU Presidency in the maritime field
by Egle Vysniauskaite, Deputy Director, Ministry of Transport and Communications of the Republic of Lithuania

6) Progress presentations of the Priority Area's Flagship Projects

7) Discussion of the role of the EUSBSR Priority Area on Clean Shipping as one of several actors in the field of clean shipping in the Baltic Sea Region

Participants agreed that no other existing forum could fulfil the role of a steering committee for PA Ship. However, it was preferred to hold meetings of the steering committee back-to-back with other related events in order to save time and travel funds. It was suggested to consider holding the next meeting in the Spring of 2014.

8) Proposal for the creation of a Steering Committee for the Priority Area to anchor decisions and activities all over the region. Presentation of draft terms of reference.

The proposed creation of a Steering Committee was supported by all Member States present as well as by the Flagship Projects and private sector representatives, with the exception of the German representative who was missing instructions on the matter. The draft Terms of Reference of the Steering Committee, which were disseminated to the participants prior to the meeting, were briefly presented. Latvia and Lithuania voiced comments as to the phrasing of the involvement of 3rd countries, which will be taken into account and a slightly revised version will follow.

9) Presentation on expected sources of EU financing for projects in the field of clean shipping from 2014 onwards

This agenda item was left out due to time constraints. The minutes contain more information on the subject.

10) Discussion on topics for new projects addressing Clean Shipping in the Baltic Sea Region

The agenda item was left out due to time constraints. The minutes contain more information on the subject.

Draft minutes

1) Welcome by the Danish Maritime Authority in its capacity as Priority Area Coordinator

The Deputy Director General of the Danish Maritime Authority, **Mr Francis Zachariae** welcomed all participants of the meeting. Noted that the Danish Maritime Authority carries the responsibility for both the Priority Area on Maritime Safety and Security and the Priority Area on Clean Shipping in the EU Strategy for the Baltic Sea Region and is proud of this task on behalf of the other EU members around the Baltic Sea,

After this welcome the Deputy Director General invited the participants to briefly present themselves.

The Deputy Director General noted positively that the meeting was attended by a very skilled group of participants. This of course posed a challenge to the Priority Area Coordinators, which they would do their best to live up to. The Deputy Director General stressed that he was aware that everyone had very busy travel schedules and therefore in the future the Priority Area Coordinators would do their best to ensure that meetings of the steering committee would preferably be held back-to-back with other meetings or events.

The Deputy Director General underlined the importance of having a steering committee to guide the Priority Area. The Danish Maritime Authority also serves as Priority Area Coordinator for the Priority Area on Maritime Safety and Security (PA Safe) together with Finland. That Priority Area had a steering committee which had been functioning already for four years and the experience for the Priority Area Coordinators was very positive. The experience from the Priority Area on Maritime Safety and Security was that a steering committee provided real cross-border and cross-sectoral dialogue, which was very useful in the regional context. He encouraged participants to prioritise this steering committee in order to achieve this cross-border and cross-sectoral work in the Priority Area on Clean Shipping. The Deputy Director General noted that although the EUSBSR was meant to coordinate activities of EU Members states in the Baltic Sea region it was important not to forget the importance of non-EU

Members of the region in maritime affairs and include these in the work of the Priority Area and found it equally important to establish close cooperation with other regional organisations.

The Deputy Director General expressed belief that one of the key focus areas of the steering committee should be to keep the vision of the Priority Area - to become a model region for clean shipping - in mind. He underlined the importance of keeping the long term perspectives in the day-to-day work with the projects and to link this with overall policy and visions. A steering committee could help to ensure a close link between results and vision. At the moment the area of clean shipping was an area with a multitude of possibilities and roads to take to address the common challenges of making shipping in the region more environmentally friendly and meeting the new strict environmental requirements. The Priority Area should work to enhance the opportunities for all maritime actors in region and the steering committee should help to prioritise activities and projects.

With these words the Deputy Director General gave the word to the Priority Area Coordinator, **Mr Bjarke Wiehe Bøtcher** and asked him to conduct the meeting.

Mr Bøtcher noted as a follow-up to the Deputy Director General's comment on the skills of the participants that the diversity of the composition of the group was purposeful. He felt it was useful for the Priority Area Coordinators as well as for the participants to have a heterogeneous composition of the group. Representatives from different ministries and agencies were present as well as private sector representatives and researchers. With regard to representatives from the private sector he noted that today there were private sector representatives from Denmark, however, hopefully in the future other countries' private sector representatives would also find it useful to participate. Mr Bøtcher encouraged participants to see the heterogeneous composition of the group as an advantage, however if they felt it would be more relevant for another representative to attend meetings he encouraged them to contact their colleagues or other ministries to find the most relevant representative.

Mr Bøtcher noted that all participants might not be fully aware of the concept of the EU Strategy for the Baltic Sea Region, for which reason the Danish National Contact Point for the EU Strategy for the Baltic Sea Region was invited to give the participants a briefing on the strategy.

2) Development of the EU Strategy for the Baltic Sea Region since its adoption

Mr Kim Vinthen, Chief Adviser from the Danish Ministry of Foreign Affairs and National Contact Point for the EUSBSR began his intervention by thanking the Danish Maritime Authority for the invitation and noted that the establishment of a steering committee for the Priority Area on Clean Shipping was an important event, because it marked another step in fulfilling the goals set out by the EUSBSR.

Mr Vinthen took the opportunity to look back at the four years that had passed since the adoption of the EUSBSR and noted that many had doubts that the EUSBSR would be successful when it was established in 2009. The task of coordinating the activities of an entire region was not easy and the EUSBSR experienced many difficulties in the first years. The EUSBSR was the EU's first macroregional strategy and it was a major step to move from political level to practical implementation. In this context the political commitment from the Member States had been crucial to secure the development of the EUSBSR. The challenges in the beginning of the strategy included a lack of clearly defined roles and responsibilities in the EUSBSR, procedures linked to project identification and implementation and lack of experience with macro-regional strategies on EU level. Still the EUSBSR started to move forward and the implementing

stakeholders learned from the challenges experienced in the first years. On the basis of these first experiences a review of the EUSBSR and its Action Plan was agreed in 2012 during the Danish EU Presidency and completed in the beginning of 2013. The review resulted for instance in the reduction of the objectives in the EUSBSR from four to three:

- To save the sea
- To connect the region and
- To increase prosperity

It also introduced specific targets, objectives and indicators in each of the Priority Areas as well as the Horizontal Actions.

Furthermore a study had been carried out about the EUSBSR and other macro-regional strategies and late October 2013 the European Council was expected to confirm that the EUSBSR and other macro-regional strategies provide added value¹). Mr Vinthen believed that with the updated Action Plan the EUSBSR is much better equipped to handle the challenges ahead. These challenges consist primarily of ensuring alignment of funding with other EU-structures and avoiding overlap, duplication of efforts and ineffective use of resources – especially to avoid overlap of work which is also carried out in other Baltic Sea regional cooperation structures like CBSS, HELCOM and the Northern Dimension. Mr Vinthen noted that better coordination, stronger cooperation and clear communication was the way forward if the major players in Baltic Sea cooperation are to play together, and he was optimistic that this could be achieved. Mr Vinthen ended his presentation by assuring the participants that Denmark was firmly committed to Baltic Sea regional cooperation. He welcomed the establishment of a steering committee for the Priority Area on Clean Shipping and wished it every success.

Mr Bøtcher thanked Mr Vinthen and went on by giving a brief update on the developments in the Priority Area on Clean Shipping in the years 2009 – 2013.

3) Briefing on the development of the Priority Area in the years 2009 – 2013

Mr Bøtcher started his presentation by pointing out that when the Danish Maritime Authority had been appointed Priority Area Coordinator of the Priority Area on Clean Shipping the task of Priority Area had not been very concrete. With time this task had become more concrete.

When the EUSBSR was adopted an Action Plan was made and in that Action Plan a number of Flagship Project were appointed to the Priority Area. This was a very diverse portfolio of projects. Some had funding and a project leader, some had not, while some only had a name and no responsible country. It was up to the Priority Area Coordinators to find Flagship Projects Leaders where they were missing and to coordinate the activities. The tasks and the division of labour had then been relatively unclear. Despite these difficulties the Priority Area on Clean Shipping was fortunate to have been appointed good Flagship projects and since 2009 a number of them have completed their activities very successfully. The first Flagship Project which completed was "Elimination of discharges of sewage from ships". This project was led by HELCOM and was completed when HELCOM's proposal to designate the Baltic Sea as a Special Area for Sewage from ships was adopted in IMO in 2011. "Improve the waste handling on board and in ports" was an EU supported project which was called Baltic Master II and developed an innovative universal adaptor for sludge handling. "Conduct a feasibility study

¹ In the mean time, [Council Conclusions on the added value of macro-regional strategies](#) of 22 October have been adopted.

on LNG infrastructure for short sea shipping" was led by the Danish Maritime Authority and led to a very extensive report which LNG projects all over Europe are using as a reference document.

In addition to these projects the Priority Area has just seen the completion of two other major Flagship Projects – the Clean Baltic Sea Shipping Project and the BSR Innoship project. Both held their final conferences in the beginning of September 2013. With the completion of these two projects there are four ongoing Flagship Projects left in the Priority Area. Mr Bøtcher noted that these projects could be said to fall into two categories – political processes within HELCOM and more classical projects with a project leader and project partners. The Priority Area had also received an application for Flagship Project status from a fifth project entitled "LNG in Baltic Sea Ports", led by Port of Helsingborg and co-financed by TEN-T. The Priority Area had accessed the application and positively recommended the project to the European Commission, whose response was currently pending.

In conclusion of this point Mr Bøtcher saw a need to identify new relevant Flagship Projects in the Priority Area on Clean Shipping to keep up the good and so far very fruitful work of the Priority Area. This autumn two larger Flagship Projects had ended and there was room in the Priority Area for new projects. At the same time the opportunities were good at the moment for creating good projects as various funding schemes seemed to prioritise themes related to clean shipping (Please cf. agenda item 9 for further elaboration of this).

After this background briefing Mr Bøtcher presented the tasks of the Priority Area Coordinator as described in the pamphlet [*Roles and responsibilities of the implementing stakeholders of the EUSBSR*](#), which was distributed at the meeting. The tasks are as follows:

Facilitate involvement of and cooperation with relevant stakeholders from the entire macro-region and in close cooperation with those²:

1. Implement and follow-up the Priority Area towards targets and indicators defined. Whenever relevant, review of the indicators and targets set.
2. Review regularly the relevance of the Priority Area as described in the Action Plan. Propose necessary updates including the addition, modification or deletion of actions and flagship projects to the European Commission.
3. Facilitate policy discussions in the Baltic Sea Region regarding the Priority Area concerned.
4. Facilitate development and implementation of actions and flagship projects defined under the Priority Area.
5. Convey relevant results and recommendations of ongoing and completed flagship projects to the policy level.
6. Ensure communication and visibility of the Priority Area.
7. Maintain a dialogue with bodies in charge of implementation of programmes/financial instruments on alignment of funding for implementation of the Priority Area and flagship projects.
8. Liaise and cooperate with other Priority Area Coordinators and Horizontal Action Leaders in order to ensure coherence and avoid duplication of actions in the EUSBSR implementation.
9. Monitor progress within the Priority Area and report on it.

² For this purpose, a steering committee/coordination group should be set-up and chaired by the Priority Area Coordinator(s). A group should be composed of representatives of all Member States and other Baltic Sea Region states, when relevant, as well as experts in the area concerned. A group should meet at least twice a year and support Priority Area Coordinator(s) in implementation of the tasks referred.

Mr Bøtcher underlined that in this document it was specifically mentioned that a steering committee should be set up.

Lastly Mr Bøtcher briefed on the benefits for the projects to gain Flagship Project status in the EUSBSR. The main benefit is a “stamp of quality” of the project including the right to use the strategy’s logo and increased political attention. Until 2013 there had been no direct financial advantages for the Flagship projects. In 2013 the EUSBSR Seed Money Facility was launched, enabling project proposals to apply for funding to ease the start of new projects (Please cf. agenda item 9). It was also noted, that Flagship Project status comes with an obligation for the projects to keep in touch with the Priority Area Coordinators and provide short reports on their activities when required as well as to share their project results in the context of the strategy. Most projects also found the opportunity to meet and exchange experience with similar projects operating in the same field very useful. Mr Bøtcher noted that a steering committee was an ideal setting to facilitate this dialogue which was useful for the Flagship Projects as well as for policy makers and other regional stakeholders.

Mr Axel Rød, from the EUSBSR team in the European Commission’s Directorate General for Regional and Urban Policy congratulated the Priority Area Coordinator on the results achieved so far. He noted that the EUSBSR has been underway for four years already and that the Commission is increasingly asking for tangible results from the Strategy. This issue is perhaps the greatest challenge for the EUSBSR currently. He urged the Member States to discuss the recommendations from the Flagship Projects at national level and come up with proposals on which results to convey to the policy level for implementation.

4) Results of the HELCOM Ministerial Conference held in Copenhagen on 3 October 2013

Ms Anita Mäkinen from the Finnish Transport Safety Agency gave a short briefing on the clean shipping related results of the **HELCOM Ministerial Meeting** held on 3 October 2013.

Ms Mäkinen noted that a major issue of the Ministerial Meeting was disagreement on the text of the NECA application which the HELCOM countries had planned to submit jointly to the IMO. The application had not been submitted yet but the EU states of HELCOM intended to submit an application together within the timeframe decided at MEPC 66.

There was also considerable focus on the topic of marine litter at the Ministerial Meeting and underwater noise had been more explicitly mentioned than previously. Ms Mäkinen also mentioned the expected establishment of a Alternative Maritime Fuels Platform under the auspices of the HELCOM Maritime Group. She suggested that these new topics and especially the platform would be discussed as possible areas that may add projects to the Priority Area.

Mr Bøtcher thanked Ms Mäkinen and added as a comment on the NECA issue that the region had lately experienced the closing of two ferry routes where the official explanation from the ferry companies was the SECA regulations. If the region was to ensure economic growth it was important that the environmental regulations could be turned into opportunities for developing and testing new technology rather than barriers. The green technology which the region is to develop could in turn be exported to the rest of the world.

5) Plans of the Lithuanian EU Presidency in the maritime field

Ms Egle Vysniauskaite, Deputy Director of the Ministry of Transport and Communications of the Republic of Lithuania gave a brief presentation of the plans of the Lithuanian EU Presidency in the maritime field, focusing especially on matters related to clean shipping.

Lithuania focuses on three overall goals during its Presidency:

- Credible Europe
- Growing Europe – focusing on the EU 2020 Agenda
- Open Europe

Within the field of maritime transport the Lithuanian EU Presidency has quite a comprehensive agenda. Several clean shipping elements can be found here. They are e.g. working on:

- funding of the European Maritime Safety Agency- foreseen to come into force by 1 January 2014;
- the European Ports Policy which the Presidency intends to have orientation debates about in December this year;
- a proposal for a Directive on the deployment of alternative fuels infrastructure (within the Clean Power for Transport package) - this is a priority of the Lithuanian presidency and the presidency expects to reach general approach on the draft Directive by December 2013;
- a proposal for a Directive establishing a framework for Maritime Spatial Planning and Integrated Coastal Management within the EU Integrated Maritime Policy - the Presidency expects to reach general approach on the draft by November 2013.

Several environmental issues are related to maritime transport and Ms Vysniauskaite was able to give a short presentation of these although they were the responsibility of the Lithuanian Ministry of the Environment. Of special interest to clean shipping were fx. a proposal for of Monitoring, Reporting and Verification of carbon dioxide emissions from maritime transport, ratification of the Hong Kong convention and support of the HELCOM NECA application.

Lastly Ms Vysniauskaite drew attention to one of the important events of the Lithuanian Presidency, which had been prepared for a long time namely the Annual Forum of the EU Strategy for the Baltic Sea Region which was to take place in Vilnius on 11-12 November. She encouraged all participants to register for the event.

The Priority Area Coordinator thanked Ms Vysniauskaite for her useful presentation and noted that the growth focus of the Lithuanian Presidency matched the EUSBSR very well and that the strategy often considered itself a regional contribution to the implementation of the EU 2020 Agenda. With regard to the Annual Forum of the EUSBSR he thanked Ms Vysniauskaite for drawing attention to this important event, which would gather all EUSBSR stakeholders. Both maritime Priority Areas had been allocated stands at the Project Village on the annual forum and the Priority Areas had been asked to organize a workshop focusing on maritime issues and growth. A dialogue with the Flagship projects had already been established about their contribution to the stand and Project Village programme of the Annual Forum.

6) Progress presentations of the Priority Area's Flagship Projects

All ongoing, recently completed and pending Flagship Projects of the Priority Area presented their projects' main idea, progress and results.

a) **Mr Andrius Sutnikas** from Klaipeda Science and Technology Park presented the project **MarTech LNG** which his organisation is leading. The main aim of MarTech LNG is to create better access to LNG related technology and knowledge for business and to build up LNG competences in the South Baltic Region. The project does this primarily through very practically oriented work packages aiming to create business to business partnership and developing training programs. The project has for instance recently organised a business to business seminar on board the new LNG-fuelled cruise ferry Fjordline sailing between Hirtshals and Stavanger. The aim was to establish contacts between businesses from different parts of the value chain in order for partnerships to develop to overcome some of the obstacles felt by business in establishing LNG infrastructure.

Ms Mäkinen stated that Finland found the project interesting as her country was in the process of establishing an LNG Action Plan for which reason a further dialogue could be considered.

b) The next project to present its results was the **Clean Shipping Index** presented by **Mr Merijn Hougee**. This project was developed in Sweden, but has gained an international character as companies from other countries are joining. The project is essentially a business network of cargo owners and ship owners who are all globally oriented. The index which has been developed is a tool for cargo owners to assess the environmental impact of the transport of the cargo at sea. Ship owners can register the environmental performance of their vessels in the index and cargo owners can check the environmental performance of the vessel and decide which vessel or shipping company to use for shipment of cargo. The number of cargo owners using the index and of ship owners registering their vessels is increasing all the time and although the project is still receiving funding from the Swedish founding partners the network aims to be self-supporting in time.

Mr Hans Otto Kristensen from the Danish shipowners' Association pointed to the existence of several indexes and development of a new piece of legislation in France based on a European index. He asked whether this was included in the Clean Shipping Index. Mr Hougee replied that the Clean Shipping index is basing its standards on the global EEDI as most of the companies using the index are globally oriented and the index thought it most useful to align itself with existing global indexes.

c) The next project to present itself was the **Clean Baltic Sea Shipping project**, which had recently ended its project activities by a large conference in the Port of Trelleborg. The CEO of the port of Trelleborg **Mr Tommy Halén** presented the project as Port of Trelleborg was the Lead partner of the project. Mr Halén started by presenting the consortium of 19 project partners, 20 associated and 14 supporting partners. The vision of the project was to create efficient shipping with small effects on the environment. The objective was to develop tools and solutions for and by the shipping sector. The projects approached this objective in five core subjects: Development of an Environmental Port index, researching possibilities to have Environmentally Differentiated port dues, creating a better overview of the Alternative Fuels in shipping opportunities, developments of Port Reception Facilities and possibilities to introduce Onshore Power Supply for ships at berth. Altogether 14 different reports were made during the duration of the project and the final report came up with policy recommendations for policy makers on how to improve clean shipping conditions in the Baltic Sea Region.

d) The **Baltic Sea cooperation for reducing ship and port emissions through knowledge- and innovation-based competitiveness (BSR Innoship)** project was completed at the same time as the Clean Baltic Sea Shipping and held its final conference only

a week later in Bruxelles. The representative of the Lead Partner, Baltic Institute of Finland **Mr Tapani Stipa** gave the participants a brief overview of the project's results. The project had used among other things HELCOM AIS data and collected air pollution data in the port of St Petersburg with the help of the City of St Petersburg as well as economic data about shipping in the Baltic Sea region. The results showed that trade in the Baltic Sea is indeed an important part of world trade and plays a significant role in the economy of the Baltic Sea countries. At the same time new regulations place many new requirements on shipping companies and this is a huge challenge as the sector and the states are not ready for these changes if a modal backshift is to be avoided. Mr Tapani concluded there has been very little operational experience with clean shipping solutions so far in the region. If the industry and the Baltic Sea states are to comply with the new SOx regulations as well as other regulations entering into force in the coming years much more should be done e.g. in terms of development of LNG infrastructure, financing arrangements for investments, compliance monitoring, continued guidance etc.

The Priority Area Coordinator thanked Mr Stipa for the presentation and was grateful that Mr Stipa had mentioned the cooperation with St. Petersburg. Both the BSR Innoship and the Clean Baltic Sea Shipping project had been very successful in engaging Russia and were examples of how hands-on projects could be a good way to have concrete cooperation with Russia. It was also suggested that an overview of the Flagship Projects and which countries and organisations were participating in them would be prepared for the steering committee at a later stage.

e) The Flagship Projects led by HELCOM entitled **Promote measures to collect ship-generated waste** and **Introduce differentiated port dues depending on the environmental impact on ships** were presented by Ms Mäkinen who had taken it upon herself to present them in the absence of representatives from the HELCOM secretariat. Ms Mäkinen started by presenting the HELCOM Maritime Group and its work as a platform for regional implementation of global shipping regulations. Ms Mäkinen noted that these projects are of a different character than traditional EU-supported projects as they are in reality political processes and therefore depend on the Member States of HELCOM for their progress. "Promote measures to collect ship-generated waste" is about establishing adequate Port Reception Facilities in Baltic Sea Passenger Ports by 2013 and the very latest by 2015 as agreed in the 2010 HELCOM Port Reception Facility Roadmap. These facilities are a prerequisite for the Special Area for Sewage under MARPOL Annex IV to enter into force in 2015. The project is carried out through the HELCOM Port Reception Facility Cooperation Platform and as such is making its progress through this work. "Introduce differentiated port dues" originated from the HELCOM Recommendation 28E/13 "Introducing economic incentives as a complement to existing regulations to reduce emissions from ships" which was adopted in 2007. Since then primarily national initiatives (mainly Swedish and Finnish) have made progress in this field. It is therefore fair to say that the project is making quite slow progress regionally. If the project is to have an impact regionally it would be beneficial if more Baltic Sea States or ports would show an interest in this topic. Apart from the Flagship Projects placed directly under the Priority Area for Clean Shipping Ms Mäkinen pointed to the existence of another Flagship Project highly relevant for clean shipping: "Restrict the introduction of new alien species by ships" which is placed under the responsibility of the Priority Area on Biodiversity in the EUSBSR.

The Priority Area Coordinator thanked Ms Mäkinen for her presentation and noted that as Ms Mäkinen had mentioned in her presentation the Priority Area was indeed dealing with topics

overlapping with other Priority Areas for instance the Priority Area on Biodiversity. This was inevitable with a topic as broad as clean shipping, but the Priority Area Coordinators would do their best to coordinate among themselves. As a matter of fact the Priority Area on Clean Shipping had received an application for a Seed Money Project dealing with the topic of alien species, so the Priority Area would be involved in this issue as well if that project was to receive Seed Money Funding.

Mr Kristensen raised the topic of the collection of data for calculations in HELCOM. Ms Mäkinen confirmed that AIS was used to collect data and referred to Mr Stipa who had presented the BSR Innoship project. The Priority Area Coordinator pointed out that the HELCOM Ministerial Meeting also had emphasized the use of AIS, which was important for the region to be able to measure environmental impact of shipping. AIS was originally developed as a ship-to-ship anti-collision tool to enhance safety of navigation, but the data is now also used for environmental measurements. This is one of many examples of how safe and clean shipping are in many ways interlinked. Mr Stipa in turn promised to send a link to a report on exhaust emissions from ships which the Finnish Meteorological Institute (FMI) had made for the European Maritime Safety Agency. The report can be found [here](#). The report is protected with a password which can be obtained by contacting the Priority Area Coordinators, Mr Stipa or Mr Jukka-Pekka Jalkanen from the FMI.

f) The last project to present was **the LNG in Baltic Sea Ports** project, presented by the Lead Partner, **Per Olof Jansson** of the Port of Helsingborg. The Priority Area Coordinator introduced the project and noted that the project had not yet received Flagship Project status, but in the opinion of the Priority Area Coordinator the project suits the EUSBSR priorities and overall EU transport priorities to build up LNG infrastructure very well. He expressed his sincere hope that the project could soon be included in the Priority Area as a Flagship Project.

LNG in Baltic Sea Ports is a TEN-T co-funded project involving seven Baltic Sea Ports as partners (Port of Århus, Copenhagen-Malmö Port, Port of Helsingborg, Port of Stockholm, Port of Turku, Port of Helsinki and Port of Tallinn) as well as a number of supporting partner from the industry. The project has been initiated within the Baltic Ports Organisation which is also involved as an administrative partner. The project focuses on making pre-investment studies such as environmental impact assessments, feasibility analyses for LNG terminals or bunkering vessels, project designs, regional market studies, safety manuals, etc. in the seven ports. It represents a unique cooperation between the ports in which they share the information from the studies. The final aim of the project is to establish jointly developed operational ships bunkering installations in ports that can serve as objects of reference to other ports in the Baltic Sea region and to other regions in EU.

Mr Jansson also took the opportunity to convey greetings from the General Secretary of the Baltic Ports Organisation, Mr Bogdan Oldakowski was unable to attend.. Mr Oldakowski expressed his and BPO's support for the creation of the Steering Committee.

7) & 8) (these agenda items were discussed together as the items were considered to be interlinked)
Proposal for the creation of a Steering Committee for the Priority Area on Clean Shipping

The Priority Area Coordinator presented an overview of the existing bodies in the Baltic Sea region dealing with clean shipping issues. This overview served as a background to discuss whether it was necessary to establish a separate steering committee for the Priority Area on Clean Shipping or whether this function could be fulfilled by one of the existing bodies, e.g.

HELCOM Maritime or CBSS Expert Group on Maritime Policy (EGMP). The Priority Area Coordinator concluded in his presentation that there was hardly always a thematic overlap between the EGMP and the Priority Area on Clean Shipping. The HELCOM Maritime Group and the Priority Area on Clean Shipping were, however, likely to have somewhat similar agendas. However, HELCOM Maritime was hardly suitable to function as a Steering Committee for the Priority Area, due to a different membership and not least the fact, that HELCOM Maritime normally meets only once a year for a two-three day long session, that for practical reasons could not easily be extended with an additional day. The Priority Area Coordinator recalled, that the European Commission had recommended that the Steering Committees of the EUSBSR meet at least twice a year. Additionally, HELCOM Maritime is a very policy-oriented body aiming primarily at providing input to the HELCOM Ministerial Meetings whereas the aim of the Steering Committee of the Priority Area on Clean Shipping is to guide the Priority Area and create a policy link to the Flagship Projects. In contrast, the steering committee would focus on a project oriented policy dialogue, but was not expected to engage in policy making per se. That being said, the Priority Area Coordinator recognised that HELCOM Maritime has recent years made great efforts to include a broad range of regional stakeholders. Against this background the importance of keeping close links with HELCOM Maritime was underlined.

Ms Mäkinen confirmed that very close links between HELCOM Maritime and the Priority Area on Clean Shipping existed already now. HELCOM was responsible for several Flagship Projects with relevance to the Priority Area and the work in the Priority Area had great relevance for HELCOM Maritime.

After this presentation the Priority Area Coordinator briefed on the proposal for terms of reference for the steering committee and noted that it was a slightly updated version of the terms of reference successfully used by the Priority Area on Maritime Safety and Security since 2010. Mr Bøtcher asked all participants to state their position on the establishment of a steering committee. All countries and all other participants supported the establishment of the committee with the exception of **Ms Nina Tavakkoli** who did not have instructions on Germany's position. Ms Mäkinen pointed out that Finland warmly supported the establishment of steering committee in PA Ship, but there had been concerns about the potential overlap with other bodies and it was important that duplication of efforts would be avoided. This statement was backed up by several of the other participants.

It was discussed what in practical terms could be done to avoid duplication of efforts. The Priority Area Coordinator suggested that the meetings of the steering committee to the extent possible be placed back-to-back with other meetings, where most participants would find an interest in being present. It was suggested to look into placing a possible next meeting during the European Maritime Day in Bremen in May 2014. This idea was welcomed by many participants and Mr Ilya Ermakov, representing CBSS EGMP mentioned that EGMP was also planning an event during the European Maritime Day in Bremen.

Ms Jessica Hjerpe-Olausson from the Swedish Marine and Water Management Agency noted that Sweden also warmly supported the establishment of the steering committee. However, she believed that it would be beneficial to have discussions on the goals/aims and vision of the Priority Area and the steering committee.

The Priority Area Coordinator recalled that the Action Plan of the EU Strategy for the Baltic Sea Region served as the guiding document for the Priority Area and could also serve as such for a steering committee. However, he suggested that one of the tasks of a steering committee of the Priority Area would be to review the wording of the Action Plan's chapter on the Priority

Area on Clean Shipping and the targets and indicators described in this. For that purpose he agreed that it would be very useful to discuss this document at subsequent steering committee meetings.

The draft Terms of Reference drafted by the Priority Area Coordinator and circulated before the meeting were discussed. Latvia and Lithuania informed of their reservations as regards point 2.2:

2.2 Other interested Baltic Sea States (in particular the Russian Federation, Norway and Iceland) can also become members of the Steering Committee should they so wish.

Ms Baiba Zasa from Latvia pointed out that instead of *Other interested Baltic Sea States (in particular the Russian Federation, Norway and Iceland)* the wording could be *states from the wider Baltic Sea area or CBSS states*.

Ms Vysniauskaite raised the issue of admittance of non-EU Baltic Sea States. Lithuania suggested that other Baltic Sea States should be allowed to attend meetings as observers, after submitting a request to the Committee, which, on unanimous decision basis, could accept the request on case by case principle.

On this basis the issue of participation of non-EU States was discussed briefly. The Priority Area Coordinator pointed out that although the EUSBSR is a strategy for the EU countries of the region, non EU members, especially Russia plays an important role for the maritime sector in the region. For this reason it would be unfortunate not to include this country in a pragmatic and project oriented cooperation forum. Although negotiations between the states on a global or European level might sometimes experience trouble, a pragmatic, result-oriented forum like this steering committee might have the potential to engage e.g. Russian or Norwegian partners on a hands-on level, which could be very fruitful for cooperation within clean shipping. It was also pointed out that cooperation with HELCOM Maritime and the EGMP was essential to the work of the steering committee in order to avoid duplication of efforts and in those fora Russia was present in both and Norway and Iceland in the CBSS.

Mr Ermakov noted that CBSS was very supportive of the steering committee as a project-oriented cooperation forum and did not see the participation of non-EU members in this forum as well as in the EGMP as an obstacle.

As it was not deemed possible to find a solution for another wording of the Terms of Reference at the meeting due to time constraints, it was decided that the Priority Area Coordinator would prepare an adjusted draft for the next meeting.

9) Presentation on expected sources of EU financing in the field of clean shipping

The agenda item was left out due to time constraints, however as dissemination of knowledge on funding sources is an integral part of the work of the Priority Area, input from the presenters has been gathered and a summary is provided below. The Priority Area Coordinator aims at having an overview of EU funding opportunities, and potential project makers are always welcome to approach the Danish Maritime Authority for a dialogue on funding, relevant project partners and the opportunity to apply for Flagship Project Status in the EUSBSR.

EUSBSR Seed Money Facility:

In the beginning of 2013 an EUSBSR Seed Money Facility was launched. The facility is established by the EU Member States of the Baltic Sea Region and the European Commission

to support development of complex projects with strategic impact on the EUSBSR. The Facility enables preparation of project applications in line with the Action Plan to the EUSBSR and the EU 2020. These future projects shall be financed by different sources, e.g. the EU structural funds programmes 2014-2020. This type of funding is also considered vital for preparing project proposals with investment components. To ensure that the projects are in line with the Action Plan of the EUSBSR a key role in the selection of the projects was given to the Priority Area Coordinators and Horizontal Action Leaders as project applicants are requested to provide a letter of support from a specific Priority Area or Horizontal Action. The Seed Money Facility aims to keep the administrative burden of the application process and the implementation of the projects at a minimum. Projects can apply for up to 50.000 EUR for a project duration of max one year.

Further information about the Seed Money Facility can be found [here](#). In addition to the EUSBSR Seed Money Facility other regional Seed Funding opportunities exist. You can find a list of these [here](#). In connection with the second call of the EUSBSR Seed Money Facility in the Fall of 2013 several project applications in the field of clean shipping have been received and are currently pending decision. Successful such projects are expected to present themselves at subsequent Steering Committee meetings.

Maritime opportunities within EU financing for regional and blue growth³

European Strategic Investment Funds can for the next seven year financial period (2014-2020) provide added stimulus and support to the blue economy and coastal development. Maritime and coastal projects can now explicitly be referenced and included in the Partnership Agreements and Operational Programmes that are currently under preparation. This type of projects comes with a dual approach: through the national maritime related priorities and through identifying priority areas for cooperation in the context of the EU Strategy for the Baltic Sea Region.

European Strategic Investment Funds cover the European Regional Development Fund (ERDF), the Cohesion Fund (CF), the European Social Fund (ESF), the European Maritime and Fisheries fund (EMFF) and the European Agriculture and Rural Development Fund (EARDF). The next programming period provides possibilities to combine financing from various funds to achieve the desired result.

The **ERDF** could cover some investments in maritime research and innovation as well as maritime transport development including clean shipping. The **ESF** is of specific interest for actions related to qualification and attractiveness of maritime careers, i.e. training and certification, labour mobility across sea-related sectors as well as between land-based and sea-based jobs. The **EMFF** could fund investments in equipment or on board aiming at reducing emissions of fishing vessels.

The research funds available through **Horizon 2020** will be crucial for marine and maritime research. The programme will tackle societal challenges related to transport – smart, green and integrated; energy – secure, clean, efficient and cross-cutting blue growth challenges, where one of the priority axes will focus on offshore industries.

Furthermore, the **Leadership 2020** programme aims at boosting shipbuilding industry through skills, more innovations, cleaning and diversification, better access to finance. It promotes developing a concept of Public Private Partnership, addressing energy efficiency, emissions reduction and safety of shipping to be established by industry in the context of Horizon 2020.

The **BONUS** programme provides possibilities for new partnerships supporting blue growth, including clean shipping.

The European Investment Bank (EIB) is also looking into extending funding to the shipbuilding sector.

³ Input provided by Izolda Bulvinaite, Policy Officer – Baltic Sea, European Commission, DG Mare and Axel Rød, National Expert, European Commission, DG Regio

Regarding the ERDF programmes operating in the Baltic Sea Region, such as the Baltic Sea Region Programme, the Central Baltic Programme and the South Baltic Programme, it is worth noting that partnership agreements on these funding programmes are not yet completed, but that clean shipping projects can possibly be financed. Opportunities for private sector participation in projects are likely to be improved.

Trans-European Transport Networks (TEN-T)

Creation of an efficient European transport infrastructure to ensure smart, green and inclusive growth in Europe is a top priority of the European Parliament and Council. This is also reflected in the new budget period for 2014-2020, which allocates 26,2 billion € for the transport area within the Connecting Europe Facility. Of these funds 11,3 billion € are to be transferred from the Cohesion Fund to be used for infrastructure development in Cohesion Countries (Estonia, Latvia, Lithuania and Poland in the Baltic Sea Region). That leaves 14,9 billion € for the so-called TEN-T funds allocated for transport and infrastructure development in all member states. Of these funds app. 5 % is expected to be allocated to the development of the maritime sector, including infrastructure, cleaner shipping, navigation etc.

Motorways of the Sea, which has been a maritime TEN-T programme in the current budget period will continue as a multiannual programme from 2014 and is financed by app. 80 % of the funds allocated for the maritime sector. The rest of the maritime funds will be allocated in annual programmes. The Marco Polo programme which played a role in the current budget period is discontinued.

Clean shipping and low-carbon transport elements are expected to have a high priority in the new TEN-T guidelines. Development of alternative fuels infrastructure in Europe and support of cleaner shipping is part of a number of policies adopted in recent years. One of the objectives of TEN-T is to support the transition to cleaner shipping.

It should be mentioned that in the current budget period (2007-2013) a last call of app. 50 mill. € is expected to be launched within the Motorways of the Sea programme – utilising the last unused funds of the programme for the current period. Also, under the Annual Programme, it is expected to set aside funds to 'promote innovation and new technologies' for all transport modes, including maritime. The call is expected to be launched by the beginning of or in mid-December.

10) Discussion on topics for new projects addressing Clean Shipping in the Baltic Sea Region

This agenda item was left out due to time constraints, but will be raised at the next meeting of the steering committee. Participants and stakeholders are encouraged to contact the Priority Area Coordinator regarding new ideas for projects and other activities within the scope of the Priority Area.