



European Commission exercise on administrative simplification

ESPO Input on administrative burdens in EU ports

9 July 2009

1. Introduction

Efficient customs and administrative procedures are crucial for the performance of seaports and overall transport chains and a must to make maritime transport an attractive and reliable transport mode which will make possible the emergence of true co-modal transport chains.

ESPO welcomes the efforts of the European Commission towards administrative simplification in ports and shipping, with the European Maritime transport space without barriers as the cornerstone of this policy. This paper contains ESPO's view on the Communication and Action plan and a contribution to the Commission's exercise on administrative simplification.

2. European Maritime Transport Space without barriers

ESPO welcomes the Communication and Action plan with a view to establishing a European Maritime Space without barriers adopted by the European Commission on 21 January 2009. Port authorities fully support the extension of the internal Market to intra-EU maritime transport and very much welcome the abolishment or simplification of administrative procedures and customs formalities for intra-EU maritime transport.

ESPO generally supports the measures proposed in the action plan but would like to express its concerns about the recommendation made to Member States to establish physical separation in ports of the areas reserved for short sea shipping for container traffic and Ro-Ro traffic.

Firstly, European seaports are naturally diverse and complex. European ports have different characteristics making it difficult or even not possible in most ports to separate port areas for short sea traffic. Though ESPO agrees with the need to rationalise flux and space in ports, it is of the opinion that a one-size-fits-all approach wouldn't be appropriate. The port managing body is in this regard the best placed to decide the most efficient port planning.

Secondly, port land is a scarce resource and separation of port areas as proposed would not always help to optimise its use. Furthermore equipment would have to be duplicated to be used for either short sea or deep sea, which would likely increase the cost of handling goods in ports.

Finally, ESPO is also of the opinion that a stronger emphasis should be put on monitoring the implementation of the action plan and encourages the Commission to concentrate efforts on the follow-up of the action points.

3. ESPO contribution to administrative simplification

As a contribution to the Commission's exercise, ESPO has identified three main categories of burdens related to administrative procedures taken place in European Seaports, which could be addressed at EU level.

Three main categories of administrative burdens have been identified:

- Burdens involving official bodies in charge of various controls
- Burdens derived from customs procedures at Member State level
- Differences in implementation of EU rules into national rules (e.g. import, export, transit procedures)

2.1. Burdens involving official bodies in charge of various controls:

a. Lack in personnel, equipment and labour flexibility preventing fast and coordinated procedures

The shortage in personnel in administrations in charge of various controls in ports such as the plant-health and veterinary services, immigration and border police, competition authorities, consumers' authorities and fraud combating authorities, often leads to delays in the control of passengers and goods. Shortage of staff in the above-mentioned official bodies represents a hindrance for the fluidity of goods on the terminals and contributes to saturate port capacity. Furthermore, it leads to complaints of importers and to discontent users and thus is responsible for a loss in profit for port authorities.

The shortage in operational equipment in the bodies involved in the different controls also entails difficulties with regard to the use of equipment at the different sites of the port, causing delays in the control of containers and overall, in the waiting times. This has a negative influence on the traffic the port generates and means a delay in delivery for the port client. The lack of facilities or their inadequate location have also been reported as important constraints to perform controls.

Low flexibility in labour organisation in some of the administrative bodies that perform controls, such as the border police or customs (though the ongoing reform process provides good perspectives) remains detrimental to the smooth and efficient treatment of passenger and freight formalities. The same problem has been identified with regard to the opening hours of the port.

b. Lack of communication “on the field” between the different services of the State

The often bad coordination of checks performed by the various official bodies involved in controls leads to increased waiting times for goods and delays in delivery with severe consequences in particular for some categories of goods (e.g. perishable goods). The lack of coordination is not without consequences for the port competitiveness.

The harmonization of procedures and information requirements and the digitalisation of forms among the different authorities responsible for different checks would avoid that every authority uses its own formalities and forms.

2.2. Burdens derived from customs procedures at Member State level

Identified burdens linked to customs procedures are of a technical nature and are listed below:

- Lack of an electronic customs clearance system for containerised cargo,
- The time between the request for customs check and actual performance of the check can sometimes be too long,
- Requirements to check and record container seal numbers at the ship side immediately after discharge or before loading,
- Manual inspection of imported goods in containers,
- Inspection by national custom authorities of transshipment containers temporarily held in container terminals even though the check of transshipment containers should be done at final destination,
- Custom formalities for transit cargoes are carried out in the seaport of entrance instead of the final inland port or terminal,
- Treatment of overstaying containerised cargoes (especially in free zones) is not clear,
- Conflicting legislation on what can / should be done with abandoned cargo,
- Current custom procedures and rules make pre-clearance of goods very difficult,
- Fee structure of inland navigation – request to base it on containers
- Need for coordinated information exchange with inland transport network operators,

2.3. Lack of harmonisation of legislation and rules across the EU

Differences in national and local interpretations of European legislation concerning harbour master services and other State services can lead sometimes to non-acceptance of goods and to a loss of traffic in favour of other ports where the rules are implemented more favourably, leading to distortion of competition between European ports. Differences in implementation of EU rules in Member States have also been reported to affect customs procedures and formalities, for example VAT procedures with regard to incoming goods, and in general the way checks are performed and their frequency.

3. Recommendations

ESPO finally wants to further contribute to the exercise by proposing some recommendations to the European Commission.

- Acknowledging that a number of difficulties come from EU legislation, the European Commission should firmly continue to pursue its commitment to a fundamental simplification of European legislation.
- The European Commission could stimulate Member States to establish a system of one-shot-inspections/checks whereby all controls are coordinated. (To establish one-shot-inspections is one of the recommendations in the maritime space without barriers). As regards Customs in particular, though it is Member States responsibility in first instance, the Commission could stimulate national custom authorities to put in place customs “non-stop” services.
- The Commission should also ensure a harmonised application of European rules at Member States level. The establishment of standards, for example, could ensure a smooth port passage and guarantee within the EU a uniform service level in terms of security and safety in the ports. The EU could furthermore put in place audits with regard to the interpretation of European rules on control of goods.
- The European Commission could promote a pilot project to create a European freight corridor without administrative burdens as an exercise to remove any unnecessary and contraproductive administrative burden. Best practices could also be disseminated across Europe.

Since 1993, ESPO represents the port authorities, port associations and port administrations of the seaports of the European Union. The mission of the organisation is to influence public policy in the EU to achieve a safe, efficient and environmentally sustainable European port sector operating as a key element of a transport industry where free and undistorted market conditions prevail as far as practical.

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