



L. 2018/13
SF 6.900/10.250

15/04/2013

Dear Sir/Madam,

MARITIME SECTOR CALLS UPON EUROPEAN PARLIAMENT TO VOTE AGAINST SHIP RECYCLING LEVY

The European associations of shipowners, port authorities and port operators, ship brokers and agents, boatmen, dredgers and tugowners fully support safe and environmentally sound recycling of ships and welcome the compatibility of the European Commission's proposed Regulation COM(2012)118 with the technical standards of the international 2009 Hong Kong International Convention for the Safe and Environmentally Sound Recycling of Ships (HKC).

The maritime sector however strongly opposes proposals made by the ENVI Committee of the European Parliament (report Schlyter) and in particular amendments 31 and 32 that introduce a port levy on ships. These amendments would seriously affect the competitiveness of EU ports and work against improving recycling conditions. Maritime sector organisations therefore call upon Members of the European Parliament to reject these amendments during the plenary vote of 18 April 2013.

The key arguments can be summarised as follows:

- The suggested tonnage-based port levy will significantly increase the costs of calling at EU ports. This will seriously affect their competitiveness compared to neighbouring, non-EU ports. This is particularly an issue for ports in the Mediterranean, the Black Sea and the Baltic Sea. The levy will more generally also affect calling patterns.
- Imposing on ports the levying of a tax for something that they are not responsible for raises legal questions and creates huge administrative burdens.
- The tax will penalise shipowners having invested in new ships that respect already the Hong Kong Convention.
- The additional costs imposed will bias the market against short sea shipping, resulting in a modal shift to transport over land increasing external costs.
- Imposing a regional measure with the proposed levy will result in non ratification of the international Hong Kong Convention by the key recycling states (China, India, Bangladesh, and Pakistan). Since in practical terms, the entry into force conditions of the HKC require at the least two or three of these states to ratify the HKC will be null and void and bringing us back to square one on improving global recycling conditions globally.

Concretely, we call upon your support to:

- **ensure that your political group asks for a separate vote on amendments 31 and 32, and;**
- **vote against these amendments at the plenary session of 18 April.**

We remain at your disposition to discuss further ways of achieving the well-intended aims for conscious ship recycling, while avoiding the risks of detrimental side effects.

For more information, please contact:

European Community Shipowners' Associations (ECSA)

Alfons Guinier + 32 2 511 39 40 / guinier@ecsa.eu

European Sea Ports Organisation (ESPO)

Patrick Verhoeven + 32 2 736 34 63 / patrick.verhoeven@espo.be