Speech on First ECMAR Seminar

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Ladies and Gentlemen,

(INTRODUCTION)

Thank you for giving me the opportunity to speak to you today at the first ECMAR seminar. It is a pleasure to be at your seminar, which focuses on *European* cooperation in the maritime cluster, especially in maritime research and innovation. I want to express my support to your initiative by being present. Cooperation of high standing maritime research institutes - the reputation of the Dutch Marin Institute is well known to me – that cooperation should contribute to improve maritime research in Europe. This is especially essential in this era of globalisation. We need an innovative and sustainable maritime sector in Europe.

At first I would like to underline the importance of research in the Lisbon agenda of the European Union. Secondly, I would like to elaborate on the impact of increased globalisation and economic growth on the maritime sector. Thirdly, I will focus on maritime research and the role ECMAR can play in this field. Lastly, from the perspective of the European Parliament, I would like to underline some priority fields for research and development.

(1. LISBON STRATEGY AND RESEARCH IN EUROPE)

In the year 2000 the European Union agreed on the Lisbon Strategy. A strategy to make Europe the most competitive and most dynamic

knowledge based economy in the world. Within this context, research is a top priority in the European Union, for several reasons:

1. First, the European Union aims to become a **centre of competition** in the world. Being a competitive economy means being able to innovate. Therefore, research is the key to foster this innovation.

2. Secondly, economic growth should be **sustainable growth**, because resources are limited, and so is the environmental capacity. Considering future predictions on growth worldwide, environmental challenges will play an increasingly central role. Applied research to contribute to sustainable development will therefore be crucial to address these enduring challenges.

I am convinced that - with increased effort on technological innovation - we can take advantage of globalisation and growth in a sustainable way. This is also one of the key success factors for the maritime sector in Europe.

Ladies and gentlemen,

(2. THE MARITIME SECTOR IN A GLOBALISING WORLD)

Historically, Europe had a strong position in the maritime sector, which is certainly true for the Netherlands. In a globalizing environment, worldwide transport is increasing at high growth rates. Container traffic between Asia, Europe and America has been growing, in double digits, for years now, and it is predicted that this global trend will continue in the future.

Especially on issues requiring technological know-how, for example regarding chemical tankers, Europe had a major lead position worldwide. However, efforts are needed to keep this strong position. Already, South Korea with 27% and Japan with 26% each, build more ships every year than Europe as a whole. During the last decades emerging countries in South East Asia increased their role, both in maritime transport and the shipbuilding industry. The maritime sector in Europe faces also increasing problems with regard to manning, which is mostly non-European and with regard to environmental issues. For example, effects of maritime related CO2 emissions and acidification are serious problems, which could affect the marine ecosystem and marine food chain.

In the European Parliament we are currently discussing a new approach for a coherent European maritime policy in which technological and environmental developments play a crucial role. This discussion is based on the Green Paper on the future of the European maritime policy, presented by the European Commission. With this Green Paper, the discussion is opened on how to combine the multiple functions of our seas and oceans without compromising the environmental assets too much. The Green Paper proposes an integrated maritime policy to retain Europe's leadership in sustainable maritime development. It is acknowledged that research and development are vital for creating innovative solutions to enable sustainable growth.

Sustainable growth in maritime development is especially relevant, since maritime transport proves to be an essential mode of transport, which is reliable and relatively safe. It still has a considerable potential with regard

to both environmental progress and available capacity. That also counts for short sea shipping and inland shipping.

Ladies and gentlemen,

(3 MARITIME RESEARCH)

The European Union has confirmed and even strengthened the important role of research and development, by setting up the Seventh Framework Program, in which a total number of 50 billions euros for the next seven years is set aside for cross border research on several issues. Environment, climate change and transport are on the priority list. The aim of the Seventh Framework Program is to create and develop Europe's leading position, through support for several important research projects with considerable added value for Europe. National budgets and money from the private sector is expected as well, so that the European Framework Program can and should function as a trigger. Through shared actions and combined efforts, integrated research, aimed at concrete results, can be expected.

As indicated, the cross border element is an important aspect in the Research Framework Programs of the European Union. We need enhanced cooperation from both European Member States and research institutes, also in the Maritime sector. That's exactly why I welcome your ECMAR initiative. It is strategically placed as a linking pin and a bridge between theory and practice and it also gives a unique platform for European cooperation. ECMAR can be successful as a virtual centre of knowledge and maritime research in Europe.

Cooperation can provide you with a stronger position in the European Research programs, but I also hope that cooperation gives you a stronger

position to attract money from private resources. In the end your research strengthens the Maritime sector and provides added value. Therefore you should be an attractive partner for both maritime industry and the financial sector including the European Investment Bank.

Ladies and gentlemen,

(4. KEY AREAS FOR MARITIME RESEARCH)

I would like to share a few areas with you where applied research should and can play a vital role in the future of maritime transport in Europe. Research in this field should be focussed at developing new concepts, improving quality levels and creating innovative solutions to existing problems in order to further develop European maritime industry. Consider it focus or key areas for European leadership and success.

At first, I would like to mention the shipbuilding industry. The European shipbuilding industry has shown that the sector can revive itself through innovation.

Figures of CESA, the Community of European Shipyards Associations, show that today more than 100.000 high qualified jobs are provided by European shipbuilding industry and another 300.000 in adjacent marine equipment and service industries. So, in recent years the shipbuilding industry has shown a remarkable recovery by focussing on high quality and innovation.

However, shipbuilding competition will further increase in the future. Innovations will also be reproduced quicker than before, especially in Asia. Therefore, as the European shipbuilders say themselves: the permanent challenge is to innovate faster than the competitor can imitate.

The European LeaderSHIP 2015 program will contribute to that goal. As an ambitious programme to ensure long-term prosperity in a dynamic market, the LeaderSHIP program is all about knowledge based innovation. This program is not only focussed on shipbuilding, but also on the regulatory burdens and the manning problem: strategies to attract young people to the maritime industry.

Some yards are nowadays investing about 10% of their annual turnover in research, development and innovation. However, there is a tendency to sacrifice spending on R&D for getting prices lower in order to better compete on price level with foreign competitors abroad. This might only be a successful strategy for the short term. As the leaderSHIP 2015 program points out: long term prosperity in shipbuilding industry can mainly be achieved through a competitive advantage on quality rather than price. Shipbuilding is an area where applied research plays a major role in ensuring effective competition with the rest of the world.

2. A second area where applied research will be important in the future is **sustainability**. Especially on emissions, for example CO2, there is much to be done. International agreements and regulations must go hand in hand with technological advancement through research. Reducing emissions by creating cleaner ships will be a precondition for addressing the global problem of climate change. Still a lot of research needs to be done.

On safety aspects, protection of fuel tanks and recycling of ships, research efforts are needed too in the whole chain from building to demolition. If we look for example at tanker safety, the Exxon Valdez oil spill in Alaska

and the Erika incident off the coast in France have led to increased efforts both in the US and Europe to apply double hull technology as a ship design and construction method. Technology regarding ship scrapping needs also be improved, for example through upcoming green recycling.

3. A last area where applied research is of added value to the maritime cluster, is **logistics and supply chain management**. Originally this theme was dominated by the road transport sector. With the growing congestion problems in Europe water based transport serves great potential which can and should be used better.

If we want to better use the advantages of maritime transport and inland waterways, it is important that different transport modalities can be combined in a better way as part of the logistic chain. This multimodal chain should guarantee efficient and reliable transport for shippers. Therefore research into a new generation of supply chain management, is necessary. Both on the strategic, tactical and operational side, a better supply chain management should include efficient process integration and sharing of information. Developments on information and communication technology will therefore be an important tool in creating effective multimodality.

With regard to information and communication technology I would like to specifically point at traffic management information systems. These systems can contribute both to the efficiency of multimodal logistic chains and to improve the safety and security on the waterways. In general, traffic management systems can provide valuable information both on ships, on the landside and in the logistic chain to increase efficiency, flexibility and performance. In inland waterway transport the

first experiences on the River Information System show that the system is multifunctional and has major advantages.

Ladies and gentlemen,

Europe should and can have a leading role regarding maritime research and innovation. I mentioned three areas which are of specific importance related to the European agenda for sustainable growth and the European transport policy. Research means investing in the future and in long-term prosperity. A stronger emphasis on more European and even world wide cooperation is needed. Cooperation in the Maritime cluster, where both research institutes, the industry and governments at European and Member States level are involved. I hope ECMAR can contribute to this cooperation. I would like to wish you a successful seminar and fruitful research in the forthcoming years.

Thank you.