



ECSA

European Community Shipowners' Associations

ECSA POSITION PAPER

BETTER PORT RECEPTION FACILITIES IN EUROPE

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The European Community Shipowners' Associations (ECSA) fully supports the aim of the Port Reception Facilities Directive 2000/59/EC (hereafter 'PRF directive') to prevent illegal discharges of ship-generated waste and cargo residues into the sea by encouraging vessels to discharge all waste to shore-side receptacles.

European shipowners believe that the system set by the PRF directive remains appropriate, but that its implementation lacks harmonisation and proper enforcement. Within the framework of the revision of the PRF directive, ECSA does therefore not advocate for an overhaul of the system, but rather for its improvement. More specifically, ECSA pursues the following objectives:

- 1. Adequacy of port reception facilities (PRF)** for ship-generated waste and harmful cargo residues, preferably 24/7. This includes the development of facilities to cover new types of waste induced by stricter environmental requirements by taking into consideration that these types of waste may evolve in time as the technology evolves;
- 2. A reasonable, harmonised and functional fee system** that fulfills some minimum requirements, and constitutes a fair incentive to shipowners to deliver waste ashore;
- 3. Clarification of the exceptions & exemptions regime:** without endangering the goals of the PRF directive, more flexibility can be offered not only to short sea vessels engaged in scheduled traffic but also in tramp services as well as to all vessels when having sufficient dedicated storage capacity;
- 4. Better enforcement of MARPOL provisions on harmful cargo residues** without introducing additional requirements in the revised PRF directive;
- 5. Proper enforcement of the PRF directive through an efficient monitoring and enforcement mechanism** with inspections but also through an electronic system that will allow shipowners to report on PRF inadequacies but also receive information on the availability of PRF prior to a port of call.

1. Port Reception Facilities Adequacy: a pre-requisite for an efficient framework

According to the PRF directive, EU Member States (MS) shall ensure the availability of adequate port reception facilities to meet the need of the ships normally using the port without causing undue delay, a requirement that comes from the International MARPOL 73/78 Convention¹. It is the most essential prerequisite for ships to be able to deliver ashore. However, ECSA believes that this objective is not fulfilled. This shortcoming must be addressed within the framework of the revision of the PRF directive by finding appropriate means to **ensure that Member States and ports fulfill their responsibility to provide adequate reception facilities** for ship-generated waste and harmful cargo residues, preferably 24/7.

European shipowners acknowledge that it is impossible for all European ports to be able to receive and treat all types of waste. However, it is important that the PRF adequacy is known to the shipowners in advance and that shipowners, together with all port users, are consulted on the development of the **Waste Reception and Handling (WRH)** plan as per the PRF directive (article 5.1). The consultation should not just be a formal step but allow users to provide input on the proposed plan and feedback on its implementation. Consultation should take place about the level of services, the fee system (see below under point 2) and PRF availability in terms of volume and types of waste that can be accommodated. In order to facilitate the monitoring of this provision, the plan should clearly mention the stakeholders involved in the development of the plan. Last but not least, the plan needs to be available to all port users both in the local language and in English.

Although a substantial effort is made on board to ensure that garbage waste is segregated, shipowners often report that in numerous ports, waste is being received ashore into a single receptacle, without segregation, meaning that all waste delivered may be treated as contaminated which brings zero environmental benefits. There is no harmonised set of requirements between Member States on how to sort this type of waste in reception facilities, and the application of many different requirements causes confusion and certainly frustration to the ship's crew side. **Agreeing on standardised rules with regard to the segregation of ship-generated waste ashore** that all parties could adhere to is imperative so as to respect waste reduction and/or segregation practices. In addition, as the handling of port reception facilities is given to specialised waste contractors, it is imperative to ensure that there is a close cooperation between the port authority and its contractor so that the targets in the concession signed between the two parties are met.

In addition to the prevailing situation, new requirements create demand for ports to take ashore variable operational waste, such as exhaust gas cleaning sludge, bleed-off from NOx abatement system, ballast water sediments. There is therefore a compelling need to **ensure that reception facilities are also able to accommodate these new types of waste.**

¹ International Convention for the Prevention of Pollution from Ships, 1973 as modified by the Protocol of 1978

In this context, ECSA welcomes the EU's intention to consider amending the '*ship-generated waste*' definition given in the PRF directive to include MARPOL Annex VI² waste, currently not covered, such as scrubber waste. ECSA believes that the bleed-off produced by NOx abatement system (selective catalytic reduction (SCR) systems), should also be included in this waste definition. Last but not least, with the International Convention for the Control and Management of Ships' Ballast Water and Sediments almost reaching its ratification threshold, the development of ballast water reception facilities is crucial and should be covered by the revised PRF directive. **However, this revision with regard to the different types of waste should not be too strict, taking into consideration that they may evolve in time as the technology also evolves.**

2. Fee System: a fair incentive to deliver waste ashore

The PRF directive currently allows Member States to implement a wide range of fee systems. The establishment of variable charging mechanisms creates problems for shipowners such as: fees for ship-generated waste are too high, the fixed fee is charged but there is no right to deliver ashore, fees are disproportionate to the delivered waste or category, type or size of the ship, the calculation basis varies from port to port and/or is not available to the port users. This does not provide sufficient and comparable incentives to ensure that port users deliver their waste in port reception facilities. The fee system should only cover the expenses of waste delivery at port and be reasonable.

European shipowners acknowledge that the full EU-wide harmonisation of the cost recovery systems is not possible, but request that a minimal level of alignment is achieved. The HELCOM recommendation³ for a No-Special-Fee system, which has been successfully implemented in the Baltic seaports, could be used as a good example of a functional, transparent and standardised fee system. In addition, regional approaches (as made possible under article 5(2)) could also be explored in order to ensure better coverage of smaller ports. In all cases, the European shipowners support that every fee system should have the following characteristics:

- Firstly, the general principle should be that the payment of a fee should give the **right to deliver** ship-generated waste without extra costs. This is a way to incentivise the delivery of ship' waste. Therefore the fee system should be **indirect**, at least for garbage which usually constitutes the largest amount of waste delivered. A system based on the actual use of the PRF (i.e. a 100% direct system) is not desirable: it clearly sends the wrong message in terms of environment protection, and does not give an incentive to deliver in PRF. This is confirmed by the Ex-Post evaluation of the PRF directive⁴ which shows that lower amounts of waste are delivered to ports that charge in relation to the volumes of waste delivered, than in ports with indirect fee systems in place, and suggests that the latter are indeed more in line with the objectives of the PRF directive.

² Annex VI is about the Prevention of Air Pollution from Ships

³ [HELCOM Recommendation 28/1](#), Adopted 7 March 2007

⁴ <http://ec.europa.eu/transport/modes/maritime/studies/doc/2015-ex-post-evaluation-of-dir-2000-59-ec.pdf>

- Secondly, it should be **transparent**. As mentioned earlier, clarification and proper enforcement is needed in the development of the Waste Reception and Handling (WRH) plans by the ports as well as systematic consultation and exchange of good practices with the port users. The consultation should cover the fee system, and the relationship between fees and costs should be clearly mentioned in the WRH plan, which should describe the different cost elements of PRF on the basis of which the fee is calculated⁵. The type and amount of waste that can be delivered without extra costs should be clearly stipulated.
- Thirdly, the PRF directive should define the meaning of the '**significant contribution**' (referred to in article 8(2a)) by setting a basis of specific percentage to the PRF's costs. ECSA encourages the European Commission to further examine the 'no less than one third' principle⁶ which apparently has worked effectively in many EU ports. Should such a provision be included in the revised PRF directive, it needs to be clearly defined, so that there is no room for diverging and/or confusing application. The introduction of an upper limit for fees for the disposal of waste which depends directly on the (running) expenses of the PRF to handle various types of waste may be considered, as it would contribute to creating a better level playing field throughout the EU. In all cases, the formula used needs to be clearly mentioned in the WRH plan.

The PRF directive gives the possibility for reduced fees if the ship's environmental management, design, equipment and operation are such that the master can demonstrate it produces reduced quantities of ship-generated waste. It appears that this possibility is at best not used in a harmonised manner, and at worse hardly used. In principle, ECSA supports the possibility to reward those vessels: although shipowners should be incentivised to deliver ashore, they should also be encouraged to invest in new practices/technologies that will help them minimise the waste generated. However, ECSA encourages a careful and transparent approach **when identifying criteria** for applying reduced waste fees to '**green ships**' as such **reward conditions should not result in an indexing of ships**. ECSA therefore suggests to have an exchange of views on current practices in the European Sustainable Shipping Forum sub-group, and assess whether there are good practices to promote at EU-level.

Finally, the fee system currently allows for flexibility based on the ship's category, type and size of vessel. European shipowners suggest that a fourth element should be included, namely the **type of trade** that a ship is operating in. This concerns ships engaged in Short Sea Shipping (SSS), which are frequent callers in EU ports. This possibility would contribute to the reduction of port costs, and would therefore foster the development of short sea shipping⁷.

⁵ The NSF system suggests that the basis of calculation should be the gross tonnage. Additional factors may be the type and size of the ship as well as the number of crew and passengers.

⁶ As per Article 8 (4) of EU PRF directive 'The Commission shall, if necessary in the light of this evaluation, submit a proposal to amend this Directive by the introduction of a system involving the payment of an appropriate percentage, of no less than one third, of the costs referred to in paragraph 1 by all ships calling at a port of a Member State irrespective of actual use of the facilities, or an alternative system with equivalent effects.'

⁷ These vessels should also have the opportunity to benefit from exceptions/exemptions

3. Exceptions & Exemptions: more flexibility without endangering the goals of the PRF directive

In order to support efficient ships' waste management plan and avoid undue delay at berth and financial burden to the ship, ECSA underlines the need for clearer and more balanced requirements on the possibility for the ship to proceed to the next port of call without delivering waste. This can be achieved either through ad-hoc exceptions (article 7) or through an exemption (article 9). European shipowners believe that the current procedures to grant an exception/exemption are not transparent enough, and few ships benefit from these schemes. Therefore, we suggest the following changes:

- Under article 7, all vessels should be able to get an exception from the requirement to deliver: the discharging frequency should be correlated to the vessel's self-sufficiency to carry related generated waste on board (i.e. based on incineration capabilities, holding tanks volume). This means that **defining the 'dedicated storage capacity'** under the revision of the PRF directive is imperative.
- Secondly, in order to intensify the use of exemptions provided by article 9, **the terms 'scheduled traffic' with 'frequent and regular port calls' must be more flexible** taking into consideration vessel substitution situations and/or delays/cancellations which are a frequent occurrence in the short sea trades sector. Not only vessels on scheduled traffic with frequent and regular port calls should be able to benefit from exemptions but also vessels operating on the spot market, i.e. non-regular services, as long as they can demonstrate that they have satisfying arrangements in place. Indeed, these vessels face similar compliance and cost challenges.

This constructive approach can allow for more flexibility without endangering the main objectives of the directive. A smoother procedure for exemption certificates and the standardisation of the exemption form would also be very useful.

4. Better enforcement of MARPOL provisions on harmful cargo residues

The PRF directive addresses both ship-generated waste and cargo residues. Cargo residues are very different to ship-generated waste since they have a commercial value and usually remain the property of the cargo owner. Cargo residues fall outside the scope of both Article 7 (delivery obligation) and Article 8 (fees) but are covered by the PRF adequacy obligation (Article 4) and are regulated under Article 10, referring to MARPOL 73/78.

There is clearly a need to encourage, facilitate and improve the delivery processes of harmful cargo residues. However, European shipowners argue that the introduction of an explicit requirement in the revised PRF directive would be problematic due to the difficulty to calculate with a degree of certainty the volumes of cargo residues before cargo unloading. Instead, **the EU should strive for the better implementation of the existing MARPOL requirements.**

European shipowners have a number of concerns related to the delivery, reception and handling of harmful cargo residues at EU ports. The primary concerns regarding cargo residues relate to berth time, cost and inadequacy of PRF. Cargo residues are not delivered mainly due to time and costs pressure at berth, because the primary MARPOL requirement of adequate facilities for the reception without undue delay is not fulfilled. The tank washing operations, especially for crude oil washing or the delivery of sediments (MARPOL Annex I), are usually problematic due to lack of adequate and reliable unloading equipment in ports/terminals and shortage of berth time. Similar concerns have been reported regarding the tank washing waters of noxious liquid substances (MARPOL Annex II). In addition, there is usually an insufficient pumping rate, difficulties to pump washing waters containing solid materials and municipal drain that cannot take care of residues/sediments and appropriate cleaning technologies.

Improvement could be achieved by further advancing the **pre-arrival notification requirement** to also deal with specific practices regarding cargo residues, to ensure that all the relevant information also related to cargo residues is exchanged. The availability of PRF for cargo residues needs to be known to the ship well in advance. In addition, the fee for the use of these facilities should be made publicly available and be transparent as should be the case for ship-generated waste.

5. Proper and harmonised enforcement: a must for the fulfillment of the PRF directive's objectives

The European shipping industry welcomes the initiative of the European Commission to improve a number of aspects related to the enforcement of the PRF directive. One of these elements is the notification form, completed by the master to indicate the type/amount of waste and residues to be delivered and/or remaining on board and the percentage of maximum capacity. The **reporting procedure** to introduce the notification form is taking place electronically via SafeSeaNet through the Reporting Formalities Directive,⁸ in application since June 2015. However, shipowners report connectivity interruptions onboard while the format is not yet standardized from port to port creating unnecessary administrative burden to the crew. The notification form must be aligned with the International Maritime Organisation (IMO) standard Advance Notification Form⁹ which was developed to enhance the smooth implementation and uniform application of MARPOL requirements. Also, encouraging the use of a standard Waste Delivery Notification receipt as per the IMO requirements would be useful to provide uniformity of records throughout the world.

In addition, the European shipping industry supports the provisions of the PRF directive suggesting the establishment of an appropriate **information and monitoring system** to help its proper enforcement (Article 12 (3)). Apart from contributing to the identification of the non-compliant ships, such a system could be used so that the crew is informed about the PRF availability prior calling at an EU port.

⁸ Directive 2010/65/EU on reporting formalities for ships arriving in and/or departing from ports of the Member States and repealing Directive 2002/6/EC

⁹ In April 2014, MEPC 66 adopted, by circular [MEPC.1/circ.834](#), the Consolidated guidance for port reception facility providers and users, which constitutes the Guide to good practice for port reception facility providers and users

Such system would also be vital by giving shipowners the possibility to report on PRF inadequacies¹⁰, preferably on an anonymous basis. This would therefore improve the adequacy of the reception facilities which, as mentioned in the first part of the paper, is the main prerequisite for the delivery on shore. In addition, the enforcement of the PRF directive would be significantly improved through inspections and penalties when necessary.

The Ex-Post evaluation of the PRF directive¹¹ rightly points out that there are "substantial differences between the various ports and Member States in interpretation and implementation of key elements of the PRF directive". This paper repeatedly asks for **harmonisation**, as well as for **transparency** whether it relates to the fee system, to the proper handling of garbage, to the exemption regime, to the waste reception and handling plans or to the administrative procedures. There is no reason why different principles should prevail in different ports, and ECSA hopes that the revision of the directive will address these differences.

European shipowners support the objectives of the PRF directive. With a proper enforcement and appropriate improvements of its provisions, all necessary measures will be in place to better manage ship-generated waste and cargo residues in Europe. ECSA welcomes the revision process of the PRF Directive and is keen on participating actively and constructively in the improvement of the text, through the work of the dedicated subgroup created under the European Sustainable Shipping Forum and then through the upcoming legislative procedure.

The European Community Shipowners' Associations (ECSA), formed in 1965, comprises the national shipowners' associations of the EU and Norway. ECSA aims at promoting the interests of European shipping so that industry can best serve European and international trade and commerce in a competitive and free business environment, to the benefit of both shippers and consumers. The European Economic Area maintains its very prominent position with a controlled fleet of 40% of the global commercial fleet.

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¹⁰ The format agreed in the IMO Guide to good practice for port reception facility providers and users (MEPC.1/circ.834) could be used as a basis

¹¹ <http://ec.europa.eu/transport/modes/maritime/studies/doc/2015-ex-post-evaluation-of-dir-2000-59-ec.pdf>