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VIOLETA BULC

Member of the European Commission

Vice President Dimitrios Papadimoulis (GUE/NGL)
MEP Manolis Kefalogiannis (EPP)
MEP Nikos Androulakis (SdD)
MEP Kostadinka Kuneva (GUE/NGL)
MEP Elissavet Vozemberg-Vrionidi (EPP)
MEP Maria Spyrali (EPP)
MEP Stelios Kouloglou (GUE/NGL)
MEP Giorgos Kyrtos (EPP)
MEP Eva Kaili (SdD)
MEP Kostas Chrysogonos (GUE/NGL)
MEP Thodoris Zagorakis (EPP)
MEP Giorgos Grammatikakis (SdD)
MEP Sofia Sakorafa (GUE/NGL)

Dear Vice-President Papadimoulis,

Honourable Members of the European Parliament,

Thank you for your letter of 29 June 2018, where amongst other things you expressed some concerns on ensuring compliance with upcoming global limits on the sulphur (SO_x) content of marine fuels (0.50% SO_x starting 2020).

As mentioned in your letter, reduced SO_x levels are expected to provide significant health and environmental benefits, to EU citizens and worldwide. The Commission published in April a report¹ on the implementation and compliance with more ambitious sulphur standards for marine fuels, which assesses their positive impact on air quality in zones bordering so-called Sulphur Oxides Emission Control Areas (SO_x-ECAs).

The same report also presents the accompanying measures and mechanisms put in place by the Commission to support enforcement and compliance with the stricter standards, and minimise unwanted collateral effects. Based on available data, the introduction of a 0.10% sulphur requirements in the SO_x-ECAs established in European waters did not result in any loss of traffic or significant shifts towards road transport. This encouraging precedent suggests that the introduction of the global 0.50% sulphur limit does not need to cause negative economic repercussions for the sector.

¹ COM(2018)188 final, http://ec.europa.eu/environment/air/pdf/report_sulphur_directive.pdf

You further highlight in your letter the importance of supporting policy by dedicated investment and public support. The European Commission fully shares this approach. During the current European financing period (2014-2020), we have put in place a large number of opportunities to support the maritime sector, which will also benefit stakeholders in the Mediterranean basin. This includes funding made available through the Connecting Europe Facility (CEF) and, specifically, the "Motorways of the Sea" funding priority. Analysis published earlier this year indicated that the current EU maritime portfolio (including maritime-related projects under other CEF funding priorities) already benefits from €981.3 million of actual CEF Transport funding².

As you are probably aware, the selection process of the CEF Blending Call has been finalised and I am very pleased to see that the BlueHUBS project has been retained for funding. I hope it will successfully contribute to the development of the LNG / CNG supply chain in the Greek ports.

Moreover, I would like to point out further opportunities for specific support of the maritime sector as it transitions towards green technologies. In 2016, the European Investment Bank (EIB) created a "Green Shipping Guarantee Programme" providing financial guarantee through the CEF Debt Instrument and the European Fund for Strategic Investments (EFSI). With a capacity of €750m of guarantees, the programme targets both general fleet renewal and the retrofitting of ships with environmentally sustainable technologies (such as LNG, ballast water, energy efficiency, and more). I believe such an instrument can help ship owners deploy new technologies and renew their fleet, thus addressing the "chicken and egg" dynamic, which you mentioned in your correspondence.

Although we trust that measures are in place to ensure a smooth transition, we will not be complacent and will continue efforts in the upcoming financing period. As part of the next long-term EU budget 2021-2027, the Commission has proposed to renew the CEF program, and allocate a budget of EUR 30.6 billion to support investments on European transport networks, with the aim of accelerating the decarbonisation and digitalisation of the EU's economy.

As we are now working to ensure a swift agreement on the overall long-term EU budget and its sectoral proposals, we will deeply appreciate your support in ensuring Europe continues to have the means to deliver on this as well as other priorities.

Yours sincerely,



Violeta BULC