PRESS RELEASE

CCNR Round Table demands Europe-wide reduction in the sulphur content of inland shipping fuel to 10 ppm in one single step and quality requirements in line with EN 590

More than 60 experts from the European inland navigation sector, engine manufacturers, the shipbuilding industry, oil producers and traders, alongside representatives of the European Commission and the governments of Member and Observer States of the Central Commission for Navigation on the Rhine met on May 3rd, 2007 to discuss and formulate the conditions for the introduction of low-sulphur fuel compatible with the development of inland shipping in Europe:

1. In particular the representatives of the inland shipping sector and the governments stressed the need for swift introduction of low-sulphur fuel both to protect the environment and to ensure that inland waterways transport remained the leading mode of transport in ecological terms.

2. In light of the remarkably wide range of engine types and ages in the inland shipping sector, it is necessary to ensure that existing engines can also safely run on low-sulphur fuels before such fuels are introduced. Accompanying technical measures will have to be developed for those engines which may be expected to run into difficulties.

3. Following the reduction in sulphur content to 1000 ppm in 2008, the experts are demanding reduction to 10 ppm in one step; the interim phase of 300 ppm proposed by the European Commission is rejected since it is perceived to be of little use, and as giving rise to undue costs.

4. In order to guarantee the safe operation of engines, fuels will in future have to comply with certain technical quality characteristics, as well as fulfilling the relevant European standard EN 590. It is yet to be ascertained whether the biogenic components this would permit could cause problems for inland shipping.

5. The reduction of sulphur content to 10 ppm will lead to fewer emissions of harmful substances. More sweeping reductions can be attained with the next stages of the exhaust emissions regulations presently being drafted at expert level for possible implementation as of 2012 and 2016. The proposed low-sulphur fuels are an essential prerequisite for the exhaust reduction technologies such regulations will require.

The CCNR shall inform its Member and Observer States and the European Parliament Rapporteur dealing with the amendment of the appropriate Community Directives of the results from the Round Table.
Ambassador Paul Seger, President of the CCNR welcomed the participants and recalled the Basel Declaration made by the Transport Ministers of the CCNR Member States in May 2006 in which they demanded a considerable reduction in the sulphur content of inland shipping fuel in order to boost the environmental friendliness of the sector. Mr Seger pointed out that the wide response given to the Round Table by the affected branches of the economy showed that the CCNR was tackling an important issue and was acknowledged as a forum to find an efficient solution.

Ivo ten Broeke, Commissioner for Rhine Navigation of the Netherlands and Chair of the Round Table in his introduction established the link between the reduction of sulphur content and that of exhaust emissions. He referred to a study carried out under the EU-funded research project CREATING, according to which the upcoming limit values for inland waterways transport proposed by the CCNR at expert level will make it possible to maintain the ecological competitiveness of the sector.

Ian Hodgson, responsible staff member at the Directorate General for the Environment of the European Commission explained its proposal to amend the relevant Community fuel directives. The suggested staggered reduction of sulphur content initially to 300 ppm at the end of 2009 and ultimately to 10 ppm at the end of 2011 was the result of cost-benefit considerations. Consultation on the proposal in the Council Working Party on the Environment had already begun and the European Parliament would take the matter up in autumn at the latest.

Rinus de Korte, President of the European Barge Union, underlined in his presentation the wish of the inland shipping sector for as rapid a switch as possible. He noted that inland navigation was an environmentally friendly mode of transport and would remain so. The main issue for the changeover would be fuel quality. It would therefore have to be ensured that both new and existing engines could operate smoothly on low-sulphur fuels.

Peter Scherm, Secretary-General of Euromot, stated that in the future inland shipping engines would draw on the emission reduction technologies developed for road-going vehicles and consequently the fuels normally used in road vehicles would also have to be used for inland waterways vessels. The introduction of EN 590 would be necessary to achieve this. Since the engine manufacturers are unable to provide any general guidance on the compatibility of older engines with low-sulphur fuels, they suggest that all stakeholders, i.e. engine manufacturers, the oil industry and vessel owners conduct a study or test programme to pinpoint those engines requiring special conversion measures and to establish the content of these measures.

Martin Suenson representing Europia, the association of major European oil producers, emphasised that the future inland shipping fuel would have to correspond with one of the main product groups such as heating oil or diesel for road vehicles due to practical reasons. He further noted that the benefits and costs of switching would have to be carefully considered. He expressed support for the test programme put forward by the engine manufacturers.

Associations representing oil traders and the bunker services took the view that a one-step reduction could be achieved quickly, entailing only minor costs. They are assuming that the higher grade fuels demanded cannot be sold at the same prices as the fuels currently in use and think it vital that the switch take place simultaneously in all EU and CCNR Member States to forestall logistical difficulties and, in particular, distortion of competition.

Bert de Vries, CESA representative, affirmed that the European shipbuilding industry does not anticipate any problems in the use of low-sulphur fuels for older engines so long as these fuels comply with certain technical parameters; for example those laid down in EN 590.

CCNR Chief Engineer Gernot Pauli indicated in his closing remarks that there was still a chance in the coming weeks to make decision-makers in the European Council and Parliament aware of the conditions for introducing low-sulphur fuels compatible with the development of inland navigation in Europe.

The CCNR website (www.ccr-zkr.org) contains further information on the Round Table, particularly the presentations made by participants.