

Geopolitics and climate regulations discussed at BPO's Lunch Debate in the European Parliament

The end of May saw the gathering of the transport industry community for a debate in Brussels on the impact of the geopolitical situation in the Baltic as well as to discuss the status of the legislation process of the Fit for 55 package. Andris Ameriks, European Parliament Member from Latvia and Vice-Chair of the TRAN Committee, hosted the meeting with the presence of the Baltic Ports Organization's (BPO) Board, the European Sea Port Organisation (ESPO), the European Community Shipowners' Associations and representatives of the European Commission, European Parliament and Baltic ports.

Ameriks presented the recent situation in the Baltic Sea region caused by the Russian war against Ukraine, with the aggression impacting much of the political discussion in the European Parliament last year. He underlined the need for a steady consultation between politicians in Brussels and industry organisations, including those representing ports.

Kimmo Naski, the Port of HaminaKotka's CEO chairing BPO, highlighted that the ongoing war in Ukraine has left and will continue to leave a terrible mark on the lives of those who fell victim to its tragedy. The sanctions on energy imports from Russia, the destruction of, among others, logistics infrastructure, disruption in trade lanes, and associated security issues – all this and more will have long-lasting consequences for all industries, including the port sector.

He also underlined, "Challenges are many, and they are not limited only to the geopolitical shifts. While ports will undoubtedly have a great role to play in securing the necessary energy supply for

the European Union, port authorities will have many difficult decisions to make in the upcoming years. Combating climate change and emission reduction are some of perhaps the greatest and most impactful hurdles the maritime transport sector will have to overcome. Meeting the goals set by policymakers will require careful planning and numerous investments."

Isabelle Ryckbost, ESPO's Secretary-General, underscored the need to understand the importance of EU ports. They are energy hubs, and their significance can no longer be measured in tonnes, TEUs, or ship calls. Undeniably, they also have a central role in Europe's green energy transition, a progression that will require substantial infrastructure investments if the EU's engine is to continue running.

Moreover, the Alternative Fuels Infrastructure Regulation (AFIR) proposal was discussed. Providing onshore power supply by ports is more complicated than putting a container with the necessary equipment on a quay. Grid capacity, energy prices, taxation, and the production mix significantly impact the

investment decision and its long-term economic & environmental feasibility. Providing cold ironing that makes sense must involve stakeholders from across the entire value chain, not only ports and shipping lines. The Lunch Debate also focused on including maritime transport in the EU Emission Trading System, particularly the risk of re-routing transport services at the expense of the block's ports.

Bogdan Ołdakowski, BPO's Secretary-General, summarised the meeting, "Ports proved last year how important they are for Baltic countries and the European economy in energy security supply to the whole EU. Baltic ports also support EU climate policies aiming to reduce greenhouse gas emissions. At the same time, there is a need for logic and common sense when implementing policies into regulations. A better understanding of the role of ports in the entire energy transition is necessary. As the future port investment needs are huge, for example, taking into account the energy transition alone, increasing the EU budget for ports in CEF-3 is a must." ■