

**SECOND EUROPEAN RESEARCH ROUNDTABLE CONFERENCE
ON SHORTSEA SHIPPING
Athens-Vouliagmeni, 2-3 June 1994.**

**KEYNOTE ADDRESS BY H.N. PSARAFTIS
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Ladies and gentlemen,

On behalf of the National Technical University of Athens, let me add my own greetings in welcoming you to Greece.

Taking a look at the program, this year's conference promises to be even better than the previous one, not only in terms of content and quality of papers, but also in terms of the interaction between maritime researchers and maritime policymakers that will take place. But this is something you will be able to judge for yourselves in the course of the next two days.

What I would like to do in my talk is attempt to highlight some of the challenges for European shortsea shipping in the years ahead.

I think it's fair to say that shortsea shipping is emerging as an important focal point of the transport policy of the European Union.

For one thing, it has become evident that this mode of transport is one of the principal means for alleviating the severe congestion caused by freight moving on the European road and rail networks.

In addition, as intra-European borders are rapidly being dismantled, and Eastern Europe is gradually becoming more open, shortsea shipping's significance gains an even more prominent role, and its potential in enhancing the EU's competitiveness, economic and social cohesion, and sustained mobility is very real.

Developments in information technologies and telecommunications have significantly increased the potential for efficient intermodal transport, which opens new horizons for shortsea shipping.

A number of official documents (such as the Maastricht Treaty, the Commission's White Paper on a common transport policy, and the Maritime Industries Forum report to the Commission, among others) highlight, either directly, or indirectly, the importance of shortsea shipping as an instrument to achieve some of the broad policy goals of the European Union.

The role of shortsea shipping is multi-dimensional, and may include any or all of the following functions:

1. Relieving the European land-based networks (especially road) from congestion;
2. Decreasing the average unit cost of intra-European transport;
3. Promoting the overall European trade competitiveness;
4. Maintaining vital transport links for passengers and freight in Europe's peripheral and less developed

regions;

5. Facilitating the integration of the Eastern European transport systems within the broader European economy; and,

6. (last but not least) Providing an environmentally friendlier form of transport for passengers and freight.

And yet, today European shortsea shipping is by no means ready to take on the challenges implied by the recent developments and by the ambitious goals set forth by the European Union. Here is a random list of problems that await solutions.

Problem 1. Inadequate infrastructures (particularly in ports and hinterland connections) are serious impediments to shortsea shipping growth.

Problem 2. The precise role of shortsea shipping within an integrated Trans-European Network structure is not yet well understood.

Problem 3. We don't know very well which cargoes have the greatest potential to be shifted from land to sea, either geographically, or commodity-wise.

Problem 4. The potential role of fast ships in shortsea shipping is not well fathomed, either for passengers or for freight.

Problem 5. It is still not clear exactly how shortsea shipping can influence the development of Eastern Europe.

Problem 6. In many areas, providing competitive shortsea transport while maintaining adequate level of service to less developed regions is a difficult problem to solve.

In Greece, and as our coastal shipping market becomes deregulated in 2004, the last problem is one of the main challenges of the next decade.

The list of problems in shortsea shipping is really open.

Notice that although some of these problems are "new problems," (such as for instance the whole issue of Trans-European Networks, or the issue of fast ships), there are also "older" problems (such as the infrastructure problem) that have been here for some time, and are likely to be with us for some time to come.

The interesting fact is that the appearance of the new problems has made the older problems more complex. The new European environment and the latest technological advances have certainly added to the complexity of the more traditional problems. The new world is more exciting, but also more complicated.

All the problems related to shortsea shipping are diverse, but they have some common features: Many of them are new problems, many are not well defined, and most of the problems are interconnected. In addition, it's clear the new game will be played with more players: Shortsea shipping will have to interact effectively with the other modes of transport and with telecommunications networks if the very concept of a Trans-

European Network is to succeed.

Unfortunately, there are no obvious solutions to all these problems. If there were, life would be so much easier (and less exciting). So the determination of viable solutions will be an very challenging task.

It would be unfair to expect that the shortsea shipping community should have "off-the-shelf" solutions for all these problems. It will definitely take some time to formulate these problems, let alone solve them.

Addressing the entire spectrum of problems in shortsea shipping is a monumental task. It calls for (among other things) significant R&D to determine policy priorities in this area. Fora such as the MIF and various conferences (such as this one) are dealing with many of the relevant issues. Much of the necessary R&D will be sponsored by the Commission, within the 4th Framework Programme. Individual member states are also sponsoring related programs.

Speaking of "problems," I want to mention one additional problem that is specifically related to R&D in shortsea shipping. This problem is very serious, and concerns the general lack of reliable and standardized data. In order to do any serious analysis, one needs data that is readily available, and is dependable.

Unfortunately, and although a lot of shortsea shipping data is available, the sources are diverse, some of the data is not in the form needed, databases are heterogeneous, and a lot of data simply does not exist. The unenviable task of collecting good data for R&D is usually left to the analyst himself.

Since the GIGO principle (garbage in, garbage out) is always true, it seems to me that in view of the significance of the R&D that will address problems in European shortsea shipping, establishing reliable databases should be viewed as an issue of top priority. The cost of doing so may be significant, but I submit that the cost of inaction (that is, having the wrong conclusions because of bad data, or no conclusions because of no data) must be several orders of magnitude more. Europe cannot afford such an outcome.

The theme of this conference is "strategies for achieving cohesion in Europe through shortsea shipping." In several official documents (most notably the Maastricht Treaty) the term "cohesion" is viewed in its social and economic meaning.

Cohesion will make sure all parts of the European Union are efficiently and effectively connected, so that sustainable mobility can be achieved. This issue is important enough for the less developed regions of the Union, that special funds are earmarked to help achieve this goal. Shortsea shipping is expected to play a big role in that regard, as many papers in the conference will point out.

Now if instead of a physical transport network we consider a different kind of network, and more precisely, the maritime research and policy network, the word "cohesion" obtains a different (and rather interesting) meaning.

Cohesion in this new network means that ideas from all parts of the network can be exchanged effectively, that discussions can have fruitful results, and that research is not done for its own sake, but in connection to specific policy priorities.

It also means that a cross-fertilization of ideas will take place, and that joint efforts will be undertaken.

This is, after all, what the purpose of a forum such as this is all about. To move away from the fragmented, isolated practices of the past, and toward a cooperative and multi-dimensional process, encouraging interaction and discussion.

Our generation of maritime researchers and policymakers has a unique blessing. We live in a period of profound change, unheard of several years ago. As we are off to move into uncharted territory, we will have the distinct privilege of actively participating in the metamorphosis of the system.

The shortsea shipping community must seize this rare opportunity with determination, and a sense of historic responsibility.

I hope you enjoy the conference.

Thank you very much.