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COMMUNICATION FROM THE COMMISSION TO THE EUROPEAN PARLIAMENT, THE COUNCIL, THE EUROPEAN ECONOMIC AND SOCIAL COMMITTEE AND THE COMMITTEE OF THE REGIONS

A Maritime Strategy for the Adriatic and Ionian Seas

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A Maritime Strategy for the Adriatic and Ionian Seas

Located centrally in the northern Mediterranean, the Adriatic and the contiguous Ionian Seas constitute an important maritime and marine area in Europe. The prospect of EU accession means that there will be a continuing increase in the free movement of people, goods and services. Climate change and its impacts are posing an increasing threat for coastal areas. Coastal countries still have uneven levels of experience, technical capacity, financial resources and know-how to ensure the sustainable development of their marine and coastal areas.

Seas, islands and coastal regions are complex and interconnected systems. It is thus no surprise that the countries of the Adriatic and Ionian area have decided to step up their cooperation starting from the sea, their main common natural asset.

INTRODUCTION

(1) Objectives

This Communication assesses the needs and potential of sea-related activities in the Adriatic and Ionian area, and sets out a framework to move towards a coherent maritime strategy and corresponding Action Plan by 2013. Should the EU Member States decide to ask the Commission to prepare an EU Strategy for the Adriatic and Ionian region, this maritime strategy might constitute the first component of such an EU macro-regional strategy covering additional fields.

The strategy will define viable actions and joint initiatives addressing challenges and opportunities with a cross-border dimension that can be solved only by common engagement. It will utilise the existing resources, legislation and structures to foster cross-border partnerships and prioritise objectives around which local, regional and national actors can be mobilized to turn the priorities of the Europe 2020 Strategy into targeted actions.

Thanks to smart management, implementation of this strategy can act as an economic driver without needing any extra money. It will also help in better formulating project applications and coordinating their financing and delivery, particularly with a view to more effective spending under the new financial framework 2014-2020. Maritime projects can be financed under various EU programmes and financial instruments, while respecting the competences of Member States which are eligible for support. These include the ERDF, CF, ESF, EFF[1] and other funding programmes and instruments, both existing (such as FP7[2] and LIFE+[3]) and future (such as the Connecting Europe Facility and the EMFF[4]). Furthermore, IPA[5] funds

1 European Regional Development Funds, Cohesion Fund, European Social Fund, European Fisheries Fund.

2 The future Framework Programme for Research and Innovation (Horizon 2020).

3 The Financial Instrument for the Environment.

4 European Maritime and Fisheries Fund.

5 Instrument for Pre-Accession Assistance.

need to be mobilised in order to involve candidate and potential candidate countries in future actions. There are also other potential sources of funding, such as International Financial Institutions, including through the Western Balkan Investment Framework (WBIF), national, regional and local resources as well as private investors. Attention should be paid to combining all them efficiently within the strategic framework. Attention will also be given to competition rules if the funding of a particular project can be considered as State aid.

It will lay the foundations for growth by supporting long term sustainable and responsible fishing activities, good environmental status of the marine environment and a safer and more secure maritime space. It will also help address horizontal issues, such as efficient adaptation to the impact of climate change. This will foster smart, sustainable and inclusive growth of the maritime economy thus contributing to achieving the targets of the Europe 2020 Strategy.[6]

(2) Geographical scope

The Adriatic and Ionian[7] Seas link the territories of seven countries: three EU Member States (Greece, Italy and Slovenia), one acceding country (Croatia), one candidate country (Montenegro) and two potential candidate countries (Albania and Bosnia and Herzegovina). Serbia, also a candidate country, is one of the eight members of the Adriatic and Ionian Initiative.[8] Other countries in the area also have a political and economic interest in maritime activities in the Adriatic and Ionian Seas, and can thus be involved in specific activities on a case-by-case basis.

(3) Context

There is already extensive cooperation between the coastal states of the Adriatic and Ionian Seas, stemming partly from European programmes, such as the IPA Cross-border Cooperation Adriatic Programme and future programmes covering the area, and partly from other initiatives, such as the Adriatic Ionian Initiative.

This Communication provides a framework to adapt the Integrated Maritime Policy to the needs and potential of the natural resources and socio-economic fabric of the Adriatic and Ionian marine and coastal areas. In its Conclusions on the Integrated Maritime Policy of December 2011, the Council expressed support for the '*on-going work of Adriatic and Ionian Member States to enhance maritime cooperation with non-EU neighbours in the area within the framework of a macro regional strategy'*. As highlighted in the 'Limassol Declaration'[9], sea-basin cooperation is a milestone in the development and implementation of the EU's Integrated Maritime Policy. The experience acquired in the Baltic Sea[10], in the Danube[11] and in the Atlantic Sea[12] can provide useful examples and lessons learnt. The ideas presented below have been confirmed by three stakeholder workshops organised during 2012 in Greece, Italy and Slovenia.

6 COM(2010) 2020 final.

7 For the scope of this work we refer to the International Hydrographic Organisation definition that indicates the southern limit of the Ionian as the line from Cape Tenaron to Capo Passero.

8 The AII is an initiative for regional cooperation launched by the Ancona Declaration in 2000. Serbia became an AII member succeeding to the State Union of Serbia and Montenegro.

9 Declaration of the European Ministers responsible for the Integrated Maritime Policy and the European Commission on a Marine and Maritime Agenda for growth and jobs adopted on 8 October 2012.

10 COM(2009) 248 final and COM(2012) 128 final.

11 COM(2010) 715 final.

12 COM(2011) 782 final.

SETTING AN AGENDA FOR SMART, SUSTAINABLE AND INCLUSIVE GROWTH FROM THE SEA

PILLAR 1: Maximising the potential of the blue economy

In the Communication on '*Blue Growth: Opportunities for Marine and Maritime Sustainable Growth*'[13], the Commission provides a picture of Europe's blue economy. To harness economic growth from the sea, countries need to put in place the right conditions for innovation and competitiveness and to concentrate on areas of comparative advantage.

1.1 Setting the conditions for innovation and competitiveness

A number of drivers for growth and bottlenecks need to be addressed to achieve the growth potential of marine and maritime sectors. These include administrative simplification and harmonisation, skills needs, research, development and innovation, maritime clusters, smart and climate-proofed infrastructure and a qualified and mobile workforce. Proper conditions for their development will help crucial sectors for the area – such as shipbuilding, the boating industry and logistics – to strengthen their competitive leverage and kick-starting new business opportunities. In the Friuli Venezia Giulia region, Ditenave provides a good example of a maritime cluster bringing together high-tech industry, universities and regional authorities.

The increased economic use of the marine and coastal space might intensify the competition for space. Maritime Spatial Planning (MSP) is a key element to achieve the kind of decision-making that balances sectorial interests competing for marine space. Similarly, Integrated Coastal Zone Management (ICZM) helps tackle increasing pressure on coastal zones. The Priority Action Plan of UNEP/MAP[14] plays an important role in supporting ICZM by Mediterranean countries, implementing the ICZM Protocol of the Barcelona Convention.

In the light of the above, the following issues provide examples of priority areas to develop:

- Enhancing administrative cooperation to simplify and harmonise formalities for shipping, as provided in the EU *acquis*;
- Stimulating the creation of maritime clusters and research networks as well as the formulation of a research strategy to spur innovation;
- Increasing the mobility and qualification of the workforce, including transparency of qualifications;
- Developing MSP and ICZM at both at national and cross-border level, on the basis of the eco-system approach and making the best use of results of key EU research projects on Marine Protected Areas.[15]

13 COM(2012) 494 final, 13 September 2012.

14 The Coordinating Unit of UNEP/MAP is the body charged with the implementation of the Convention for the Protection of the Marine Environment and Coastal Region of the Mediterranean.

15 e.g. FP7-OCEAN project COCONET.

1.2 Relevant marine and maritime sectors

1.2.1 Maritime transport

Given their position both on the east-west and north-south axes of Europe, the Adriatic and Ionian Seas constitute an important maritime transport route. Several central European and landlocked countries depend heavily on the northern Adriatic ports for their imports. Five Northern Adriatic ports (Koper, Ravenna, Rijeka, Venice, Trieste) have gathered within the logistical platform of the North Adriatic Port Association (NAPA). The competitiveness of Adriatic and Ionian ports, as has been identified in the ongoing development of the EU's ports strategy with relevant proposals planned for the first part of 2013, depends between others on:

- Their capacity to enhance intermodality by integrating seaborne and land transport. The Baltic-Adriatic and Mediterranean transport corridors foreseen in the Connecting Europe Facility will tackle the lack of railways and motorway connections;

- Efficient and environmentally friendly operations.

Ports play a crucial role in ensuring territorial continuity and social cohesion. However, sea connections for freight and passengers among Adriatic and Ionian countries are rarely the preferred choice. Given the large number of countries and towns around the Adriatic and Ionian Seas and the relatively short distances between them by sea, the potential for development of short sea shipping is strong. The Adriatic Motorway of the Sea[16] exemplifies efforts to provide a viable and, reliable transport service through a trans-European multimodal transport system. Cross-border ferry connectivity is particularly important given the high number of islands off the Croatian and Greek coasts.

In light of the above, the following issues provide examples of potential priority areas to develop in the planned ports strategy and the future TEN-T actions:

- Optimising interfaces, procedures and infrastructure to facilitate trade with southern, central and eastern Europe;

- Optimising the connections by developing an integrated, demand-based, low-carbon maritime transportation network across the region, paying particular attention to island connectivity;

- Increasing long-term environmental and economic sustainability.

Concrete options to be considered could be improving connectivity of ports with their hinterlands and ensuring the rapid implementation of the maritime transport space without barriers (reducing administrative burden for intra-EU sea exchanges in the region or promoting the efficiency and quality of port services in the region).

1.2.2 Coastal and maritime tourism

Tourism is economically significant as one of the main and fast-growing maritime activities. It strongly benefits the regional economy by creating jobs and promoting the conservation of coastal and maritime cultural heritage. A common trademark, "AdrIon", has been developed by the Forum of Adriatic and Ionian Chambers of Commerce. Proper management of intensive coastal tourism is fundamental in order to mitigate possible negative effects on the

16 ADRIAMOS.

coastal and marine environment on which it strongly depends. For example, the capacity of waste or wastewater treatment plants needs to be adapted, to avoid discharging it directly into the sea.

In the cruise sector, the Adriatic and Ionian area is already seeing rapid growth. Venice and Dubrovnik rank among the 10 main cruise passenger ports in Europe. Increasing segmentation of the market and new business models are opening up new opportunities for various ports.

Finally, cultural and archaeological heritage in the coastal area and seabed constitutes an important element both in term of tourism development and common identity.

In the light of the above, the following issues provide examples of priority areas to develop:

- Supporting the sustainable development of coastal and maritime tourism, encouraging innovation and common marketing strategies and products;
- Guaranteeing the sustainability of the sector by limiting its environmental footprint, taking into consideration the impacts of a changing climate;
- Promoting the sustainable development of cruise tourism;
- Enhancing the value and appreciation of cultural heritage.

Concrete options to be considered could be enhancing common branding for the touristic promotion of the region, in line with the work started by the Adriatic and Ionian Chambers of Commerce, and identifying new business models in the cruise sector.

1.2.3 Aquaculture

The aquaculture sector represents in the EU roughly 80.000 direct jobs, a vital source of income in numerous EU coastal areas. Italy and Greece are amongst the first producer countries in the whole Mediterranean for farmed fish, producing over 284,000 tonnes per year.

The development of a strong, high-quality European aquaculture sector that is environmentally and economically sustainable has the potential to contribute to the creation of jobs and to the supply of healthy food products. Aquaculture can also alleviate fishing pressure and thus help to preserve fish stocks. The mitigation of negative impacts is duly taken into account by the body of the EU environmental legislation.

A number of barriers prevent the development of the full potential of EU aquaculture: limited access to space and licensing; industry fragmentation; limited access to seed capital or loans for innovation; time-consuming administrative procedures and red tape. In full respect of the subsidiarity principle, the Common Fisheries Policy reform proposes to promote aquaculture through a coordinated approach based on non-binding strategic guidelines and common priorities and exchange of best practices through the open method of coordination. In the light of the above, the following issues provide examples of priority areas to develop:

- Creating new jobs and business opportunities through further research and innovation;

- In line with the principles of MSP, working on tools to properly site aquaculture in waters, including tools to identify activities for potential co-location with other economic activities.

Concrete options to be considered could be cooperating to reduce administrative burden and optimising spatial planning through exchange of best practices.

PILLAR 2: Healthier marine environment

The Adriatic and Ionian coastal and marine environment host a high diversity of habitats and species. Posidonia meadows and various marine mammals can be found in both seas.[17]

The combined action of high anthropogenic pressure and topographic characteristics make these habitats highly susceptible to pollution. Cooperation between coastal states takes place within the regulatory frameworks of the Marine Strategy Framework Directive, the Barcelona Convention and its protocols as well as the Joint Commission for the Protection of the Adriatic Sea and its Coastal Areas.

A significant impact on the Adriatic Sea comes from river runoff. Roughly one-third of the Mediterranean's continental water flows into the northern and central Adriatic Sea. Resulting eutrophication is one of the main threats to this area.[18] Implementing the provisions of the Water Framework Directive is thus relevant to achieving good environmental status of the marine environment.

Besides representing an aesthetic problem, marine litter often poses significant risks to marine life. The major sources of the litter are land-based activities: household waste, releases from touristic facilities and run-off from waste dumps.

The area is also characterised by intensive maritime transport, which implies ships and port emissions, risks of accidents and the introduction of invasive alien species through ballast water discharges. In 2005 Croatia, Italy and Slovenia signed an agreement on a Sub-Regional Contingency Plan[19] setting a legal and operational framework for preventing and combatting marine pollution incidents.

In the light of the above, the following issues provide examples of priority areas to develop in the respective EU policies:

- Ensuring good environmental and ecological status of the marine and coastal environment by 2020 in line with the relevant EU *acquis* and the Ecosystem Approach of the Barcelona Convention;

- Preserving biodiversity, ecosystems and their services by implementing the European ecological network Natura 2000 and managing it, considering also related work within the Barcelona Convention;

- Reducing marine litter, including through better waste management in coastal areas;

- Continuing improving sub-regional cooperation and monitoring the existing mechanisms, particularly those set up by EMSA as regards prevention, preparedness and coordinated response to major oil spills and exploring how to make better use of available EU resources.

Concrete options to be considered could be exchanging best practices among managing authorities of Marine Protected Areas aiming to preserve biodiversity, building on the work of the Adriatic Protected Areas Network (AdriaPAN), as well as implementing the Sub-Regional

17 Initial integrated Assessment of the Mediterranean Sea fulfilling step 3 of the ecosystem approach process.

18 Idem.

19 Sub-Regional Contingency Plan for Prevention of, Preparedness for and Response to Major Marine Pollution Incidents in the Adriatic Sea.

Contingency Plan, possibly extending it to other Adriatic and Ionian countries.

PILLAR 3: A safer and more secure maritime space

Human and environmental health, safety and security challenges are not limited to the maritime borders of one single country. The aim should be a synergetic regional response, with harmonised implementation of the existing EU and international rules and exploitation of new technologies.

There is a need for some third countries in the region to improve their performance as flag states and their ranking in the performance list of the Paris Memorandum of Understanding on port state control. Rigorous implementation of the EU and international rules will eventually contribute to the development of quality shipping in the region, result in a level playing field, encourage mobility and progressively prepare candidate and potential candidate countries for accession to the EU. The establishment of a culture of compliance with existing EU and international rules shall be pursued.

There are also more passenger ships' crossings per year compared to other regions, while oil and gas transportation is increasing. Beyond commercial maritime traffic, the Adriatic and Ionian seas are used by criminal networks engaged in irregular migration and other illegal activities. The capabilities of public authorities to monitor maritime traffic, respond to emergencies, save human lives, restore the marine environment, control fisheries activities, and cope with security threats and illegal activities shall be enhanced.

The following issues provide examples of priority areas to be developed particularly in the neighbouring countries in the region, taking into account ongoing actions in the framework of the EU *acquis* and in coherence with the national institutional frameworks involved:

- Improving the culture of compliance in flag and port state control, liability and insurance of shipping, ship sanitation and control of communicable diseases on ships, accident investigation and port security;

- Enhancing cooperation between national or regional maritime authorities with the EU, establishing mechanisms to enable maritime traffic information exchange between national VTMIS[20] systems through SafeSeaNet;

- Supporting the development of decision support systems, accident response capacities, and contingency plans;

- Ensuring adequate sources of information for crews and navigators, such as bathymetry, sea-bed mapping and hydrographical surveys, and incorporating this information into electronic nautical charts (e-navigation), especially for use by passenger ships.

A concrete option to be considered in order to achieve these objectives, as emerged during the first round of stakeholder consultations, could be upgrading the existing ADRIREP[21] system and integrating it with SafeSeaNet.

20 Vessel Traffic Management Information System.

21 Adriatic Traffic Reporting System.

PILLAR 4: Sustainable and responsible fishing activities

The strategy should enhance efforts towards long-term sustainable and responsible fisheries so that fishing activities can continue to provide an economic resource for coastal areas.

Firstly, effective implementation of the principles of the Common Fisheries Policy (CFP) should be sought. The CFP advocates the promotion of a bottom up approach to fisheries management. Common principles and tools for marine protected areas of fishery interest[22] including the adoption of measures for the protection of sensitive habitats and certain species (e.g. turtles, dolphins), would also be beneficial for this area.

There is already cooperation on the commercial aspects of fisheries among administrative bodies and producer organizations in Croatia, Italy and Slovenia leading for example to the establishment of the Socio-Economic Observatory for Fishing and Aquaculture in the North Adriatic. Its scope could be extended to develop market intelligence and services to ensure better traceability and allow for marketing of products.

In the field of control, monitoring and surveillance, the culture of compliance needs to increase and the transfer of information facilitated, based on the exchange of expertise and best practices and the further development of common operational initiatives. The upgrade of all the proper operational tools (systems, equipment and other resources) should also be investigated.

There is already cooperation on scientific issues and fisheries management within the multilateral framework of the General Fisheries Commission for the Mediterranean and FAO regional projects (Adriamed and Eastmed). These projects need to be reinforced by increasing participation of all subscribing countries. In parallel, further scientific cooperation between the region's countries could be promoted to better link scientific research with the needs of fisheries and aquaculture.

In the light of the above, the following issues provide examples of priority areas to develop:

- Achieving the sustainable management of fisheries, including the development of multiannual plans and measures such as Marine Protected Areas in their wider sense;
- Contributing to the profitability and sustainability of fisheries, by strengthening stakeholders' involvement in fisheries management and other actions;
- Improving the culture of compliance, saving resources, facilitating the transfer of information and enhancing cooperation for the control of fishing activities;
- Developing scientific cooperation on fisheries.

Concrete options to be considered might be developing market intelligence and services to ensure that marketing of fisheries and aquaculture products in the region is clear, efficient and fully compliant with applicable rules, as well as exchanging socio-economic data in the fishing sector.

22 Such as fishing protected areas under Art. 19 of the Mediterranean Regulation, fisheries restricted areas under the GFCM framework and Specially Protected Areas of Mediterranean Importance (SPAMIs) under the Barcelona Convention.

NEXT STEPS: TOWARDS AN ACTION PLAN

The maritime strategy for the Adriatic and Ionian Seas will be spelled out in detail in an Action Plan due in the second half of 2013, respecting the ongoing and planned actions of relevant EU policies. Based on the pillars identified in this Communication, it will include priority areas and actions recommended for support in order to respond to the challenges and opportunities set out above. It will also set clear targets in line with those for the Europe 2020 strategy. Such actions will be undertaken by stakeholders in the region with whom the Commission will work, including governments and agencies, regions, municipalities, business actors, researchers and international and non-governmental organisations.

The Commission will work with these stakeholders and other institutions, programming bodies and intergovernmental organisations active in the region, to align, where appropriate, their activities with the objectives of the strategy and to identify co-ordinating bodies for the envisaged actions and projects.

The governance of the strategy should be defined with a view to establish, monitor and implement its Action Plan in the most coherent way.

CONCLUSIONS

The Commission is convinced that this framework will support all countries in delivering on the Europe 2020 objectives with regard to their maritime assets, their potential and sustainable use. It will promote European integration and territorial cooperation in a flexible and inclusive way, while respecting the subsidiarity principle. The European Commission would like to know if the priority areas identified cover the main issues at stake, for which further cooperation can make a difference. The European Commission would also be interested in ideas for an effective and flexible governance set-up to accompany the Strategy and Action Plan and to put actions into practice. It therefore invites the Council, the European Parliament, the Committee of the Region and the European Economic and Social Committee to examine and endorse this Communication.