

## CCNR WEEKLY NEWSLETTER – N°4

### Rhine navigation in the context of COVID-19

*Given the exceptional situation in relation with the COVID-19 pandemic, as well as its impacts on the Rhine and European navigation, the Central Commission for the Navigation of the Rhine (CCNR) wishes to share relevant information via a “Weekly newsletter”. This newsletter will be published every week on the [CCNR dedicated webpage](#) “Information regarding Rhine navigation in the context of COVID-19”.*

#### **European Transport Workers call for action**

Crew changes in the Danube area, but also travel restrictions for international crew members remain at the heart of concerns of the European Transport Workers’ Federation (ETF) these days. The river commissions’ [crew attestation](#) is identified as part of the solution for the latter, leading to manifold problems at European borders. ETF voiced its concerns in a letter to Commissioner Vălean dated 15 April 2020:

<https://www.etf-europe.org/covid-19-as-issues-persist-in-european-transport-etf-calls-for-swift-action/>

and in a specific statement on inland waterway transport (IWT) on 14 April 2020:

<https://www.etf-europe.org/covid-19-recommendations-for-urgent-measures-in-inland-waterways-transport/>

which is cited in the letter to Commissioner Vălean.

ETF had already initiated talks between social partners in European IWT (EBU, ESO and ETF) on 19 March 2020 to agree on a common position addressing current difficulties for the sector. The European trade union organisation had also sent a previous letter to Commissioner Vălean on 1 April 2020, listing several recommendations to improve the situation of the 5 million transport workers whom ETF is representing.

#### **Impact of COVID-19 on the river cruise sector**

The 2019 figures revealed by IG River Cruise (the European River Cruise Association representing approximately 70% of the operators active in Europe) in a recent study show that the European river cruise sector was in a healthy state before the COVID-19 pandemic. The optimistic predictions that could have been expected for 2020 are however today severely affected by the crisis.

Before the crisis, 19 new river cruise vessels were expected to enter the market in 2020. However, it remains today very uncertain how many of these will actually start operating this year, when and under what conditions. Regarding the construction activity of new river cruise vessels, the impact of the COVID-19 crisis could however, be more likely to be felt in 2021 and 2022, in particular if those companies facing too heavy financial difficulties no longer have the capacity to invest in new buildings.

Regarding the current financial situation, it remains dramatic for the sector, with an expected drop of turnover of 90% for passenger transport and liquidity outflow of several tens of millions of euros, while revenues are on a 5 % level compared to normal for several companies. In addition, strong uncertainties exist as to when passenger transport will relaunch to its usual levels again. It is expected that many companies will not survive this financial collapse.

The positive figures for 2019 reported by IG River Cruise could however provide some hope for the sector to restart its operations, driven in particular by intra-EU river cruising. Indeed, German passengers accounted for almost 30% of all passengers cruising in Europe in 2019, behind the US-Americans and Canadians. At a time when international cruising will be restricted for an undetermined period of time, intra-EU cruising, particularly on the Rhine and the Danube which are easily accessible by passengers originating from Germany and a few other countries, may allow to support the sector in the short term.

However, in the long run, to limit the already high economic damages endured by the sector, it is essential for the prosperity of the river cruise sector that overseas passengers resume cruising on European waterways. Two reasons for this not materialising can be identified: they do not want to (because of the health risks) or they are not allowed to (flights are cancelled, strict travel restrictions apply, etc.).

Another aggravating factor is the average age group for river cruises, which are popular among the people over 55 who are the most at risk from the virus. They are likely to be more reluctant to resume international travel after the crisis, even after the lifting of travel restrictions.

How to relaunch the activity while guaranteeing health standards on vessels, thereby rebuilding the confidence of potential cruisers, is therefore a key issue currently being reflected upon within many river cruises companies. However, developing such a concept is a challenge and might take time before a common approach can be found among the companies as well as approved by the relevant authorities in the different European States. More hygienic measures will certainly have a cost on top of the implementation of social distancing measures, which would be tantamount to lowering the number of passengers, thus resulting in further financial losses. This also raises the question of whether it is worth relaunching the activity too early after the “peak” of the sanitary crisis, particularly if it is in such conditions that it becomes hardly profitable for river cruise companies to operate. Without a proper vaccination solution, it could be that no full relaunch is possible.

In the longer term, some companies say that the number of bookings for 2021 is good, although it is unclear how much of that is owed to customers rebooking cancelled trips.

(Sources: Stakeholder interviews, [Seatrade Cruise News](#), [Binnenschifffahrt online](#), [Travel Weekly](#))

### **Impact of the Corona crisis at the Port of Rotterdam**

**The effects of the corona crisis at the Port of Rotterdam** were noticeable already at the end of March due to less supply from China, after the partial lockdown there in February: **the volume of containers from Asia was 2.8% lower** than in the first quarter of 2019.

As a result of this crisis, **the Port of Rotterdam Authority is anticipating a drop in cargo throughput of 10 to 20% this year.**

#### **Bright spots can still be observed**

- **ore throughput (+15.7%):** steel companies bought more stock in the past quarter in 2020 than during the same period in 2019, while production has not increased;
- **biomass (+106%):** this can be explained by an increase in the use of biomass in the Amer 9 power station in Geertruidenberg of 80 to 90%;
- **LNG (+18%):** more liquefied natural gas was transferred to the European gas network as a result of the low price.

#### **Bulk in the red**

- **Liquid bulks** showed a loss of 13.9%, dropping from 58.51 Mt to 50.35 Mt, notably because of the situation of oil flows: crude oil fell by 8% and refined products by almost 33%.
- **But for ores, other dry bulk** fell by 21%, mainly driven by:
  - o the postponement of construction projects which impacted severely the building material segment,
  - o the reduction in the transport of coal which fell by 39.6% (from 7.49 to 4.52 Mt).

### **One pole of stability**

Container handling in the first quarter of 2020 was almost the same as in 2019 with 37.93 Mt compared to the same period last year (38.04 Mt).

(Sources: [NPI](#), 17/04/2020 « *Sur le Rhin « la situation est loin d'être catastrophique »*; [Port of Rotterdam](#), 08/04/2020 « *Throughput volume falls in an exceptional first quarter »*)

*Keep safe and healthy!*

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### **About the CCNR**

The Central Commission for the Navigation of the Rhine (CCNR) is an international organisation that exercises an essential regulatory role in the navigation of the Rhine. It is active in the technical, legal, economic and environmental fields. In all its areas of action, its work is guided by the efficiency of transport on the Rhine, safety, social considerations, and respect for the environment. Many of the CCNR's activities now reach beyond the Rhine and are directly concerned with European navigable waterways more generally. The CCNR works closely with the European Commission as well as with the other river commissions and international organisations.