



Photo: HAROPA

Searching high and low for the right model(s)

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The Higher Institute of Maritime Economics (ISEMAR) was founded in 1997 by the local communities, the Chamber of Commerce and Industry, and the port community in Nantes Saint-Nazaire. Its goal is to develop an expertise serving as a touchstone for maritime transport, ports, and naval industry. The Institute is, therefore, a honed observatory on changes in maritime economics. ISEMAR puts its knowledge in research and understanding of maritime transport and commerce at the disposal of a wide audience since these are crucial issues in this global economic era. For more info please visit www.isemar.fr/en

Over the past 20 years, the French port policy has undergone major changes. The country's port model is built around two main types: decentralised ports under local (regional) authority as well as state-owned companies known as “Major Maritime Ports” (“Grands Ports Maritimes” in French, GPM). Both adhere to the landlord rule – a model embraced by most European countries, the aim of which is to increase the competitiveness of French ports.

The 2004 French decentralisation reform transferred port governance duties from the state to local authorities. Its aim was to move public policies closer to the local level to ensure a more relevant and efficient approach; only port policing powers remained in the hands of central authorities. Governance forms are manifold in the case of secondary ports, due to the variety of their use (trade, fishing, and yachting).

Another bill was passed in 2015 to encourage regional authorities to take on management of these ports. However, the transfer of authority was not met as favourably as was anticipated. This decentralisation movement is not following a fixed blueprint and has resulted in additional and more complex forms of port governance in France.

To highlight the importance of decentralised ports, like Brest, Sète, Boulogne, Lorient, and Caen, it's worth mentioning that

while they account for only 20% of all freight turnover in France, they take care of 80% of the passenger traffic at the same time.

The “shipping route” strategy

Major Maritime Ports are companies owned by the French state which carry out administrative public service duties (development, maintenance, port policing, and public domain management), alongside industrial activities. Recognising the lack of competitiveness of the country's ports, the French legislators passed a bill on 4 July 2008 refocusing the roles of the GPMs (Dunkirk, Le Havre, Nantes Saint-Nazaire, Rouen, La Rochelle, Bordeaux, and Marseille) – from port authorities that also provide stevedoring services, to landlords who pick the most promising concessionaire and make sure that the quality of the handling services they provide is supported by infrastructure investments.

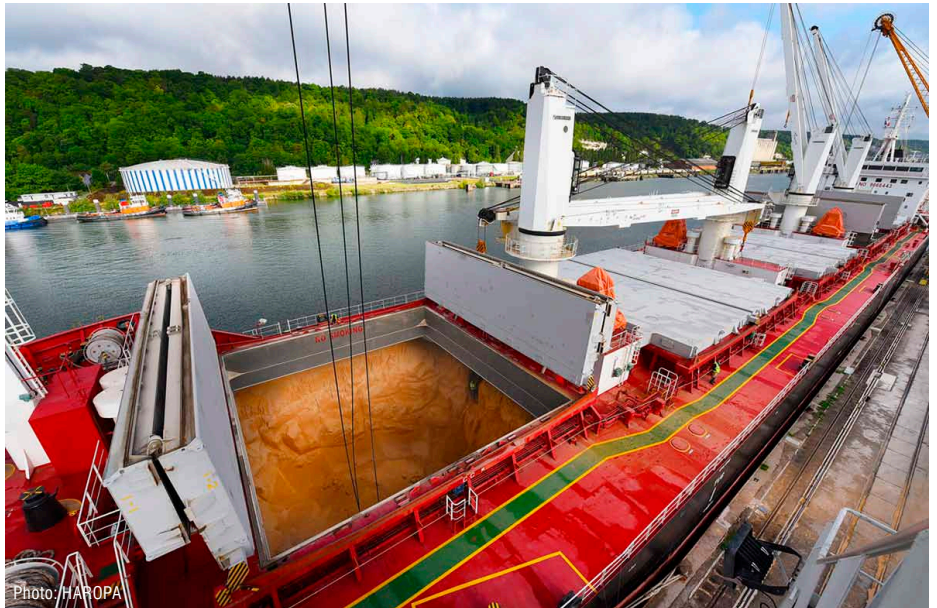
Specifically, the reform provided for the transfer of full ownership of public equipment (superstructure), which originally belong to the ports, to private companies. This piece of legislation also changed the port governance model by introducing smaller executive and supervisory boards. A 2016 bill also strengthened the role of regional authorities and private operators in the decision-making bodies managing major maritime ports. In essence, port authorities are no longer in charge of representing the state by carrying out sovereign tasks only; they are now also expected to create an attractive, innovative, and competitive environment based on a medium-to-long-term vision. This foresight must now translate into a “shipping route” strategy.

Clustering around

In order to integrate port policies with economic and territorial policies, and to foster synergies between ports, the 2008 reform introduced the creation of “port coordination councils” that bring together the state, local authorities, and the relevant ports. There are three such councils to date: Seine route, Atlantic coast, and Antilles-French Guiana.

Their aim is to promote synergies between trade and investment policies in the different ports and to avoid pointless competition between harbours that are located along the same coast. These councils develop coordination papers and set guidelines for future investment/project development as well as port promotion (though, coordination can be a challenging task given the different legal types and activity structures of entities involved, such as GPMs/regional ports, sea/river harbours, or when management is in the hands of public authorities or is executed under a concession, etc.). The Atlantic inter-port coordination council, for example, brings together Nantes Saint-Nazaire, La Rochelle, and Bordeaux. Yet, despite that all of them are GPMs, which in theory should make cooperation easier, stakeholders have expressed their disappointment over the council’s “lack of activity and the absence of professionals representing the field. This consultation tool therefore has less-than-wholehearted support.”

This “pack-hunting” approach also includes other clustering initiatives targeted at ports that are located along the same coast or a shipping route, but which this time gather together GPMs, decentralised ports, and inland ports. The first is the Seine route, with HAROPA, a network founded in 2009 which includes the ports of Le Havre, Rouen, and Paris. It has opened up to the decentralised maritime ports of Caen and Cherbourg, too, and to other inland port partners along the River Seine. In 2017, the French Prime



Minister, Edouard Philippe, called upon the three leading ports of HAROPA to merge. Another example is the Rhône route, with Medlink Ports (2008). It aims at promoting intermodal transport along the rivers Rhône and Saône. It includes the GPM Marseille, the Port of Sète, but also Compagnie Nationale du Rhône (CNR), an electricity generation company, and Voies Navigables de France (VNF), an authority responsible for managing inland waterways and associated facilities. The ports situated in the Hauts de France region (Boulogne, Calais, Dunkirk, and Le Tréport) have joined up under the name NordLink Ports (2017), which also includes inland ports in Lille and Valenciennes.

These collaborations are helping the parties involved to implement a more effective strategy than any would be capable of carrying out alone, in particular by pooling resources. In result, by focusing on cooperation instead of competition, they can move forward at a faster pace. Greater visibility is another gain, especially for the “less fashionable” ports.

Work in progress

The 2008 and 2016 reforms have strengthened the say that regions and local authorities have in relation to port governance and management. This greater involvement in port decision-making mechanisms was justified by their financial contribution in development projects driven by port authorities and by the fact that ports are crucial to economic and territorial development.



Photo: Port of Bordeaux

During the 2017 Annual Maritime Industry Conference (Assises de l'économie de la mer), the French Prime Minister called upon regions which are, according to him, at the “appropriate level” to do so, to manage all the decentralised ports and all GPMs that do not have a recognised European scope – as ports with a European scope (HAROPA, Marseille, and Dunkirk) will remain under state responsibility and will follow a shipping route strategy. The ports of Nantes Saint-Nazaire, La Rochelle, and Bordeaux, in turn, “could be decentralised” to the benefit of the regions.

Maritime stakeholders are recurrently waiting for decisions expected to clarify their, as of yet, uncertain future. The French port model is still a work in progress. ■

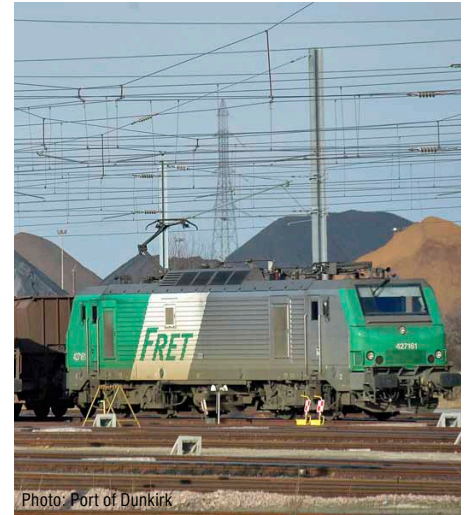


Photo: Port of Dunkirk

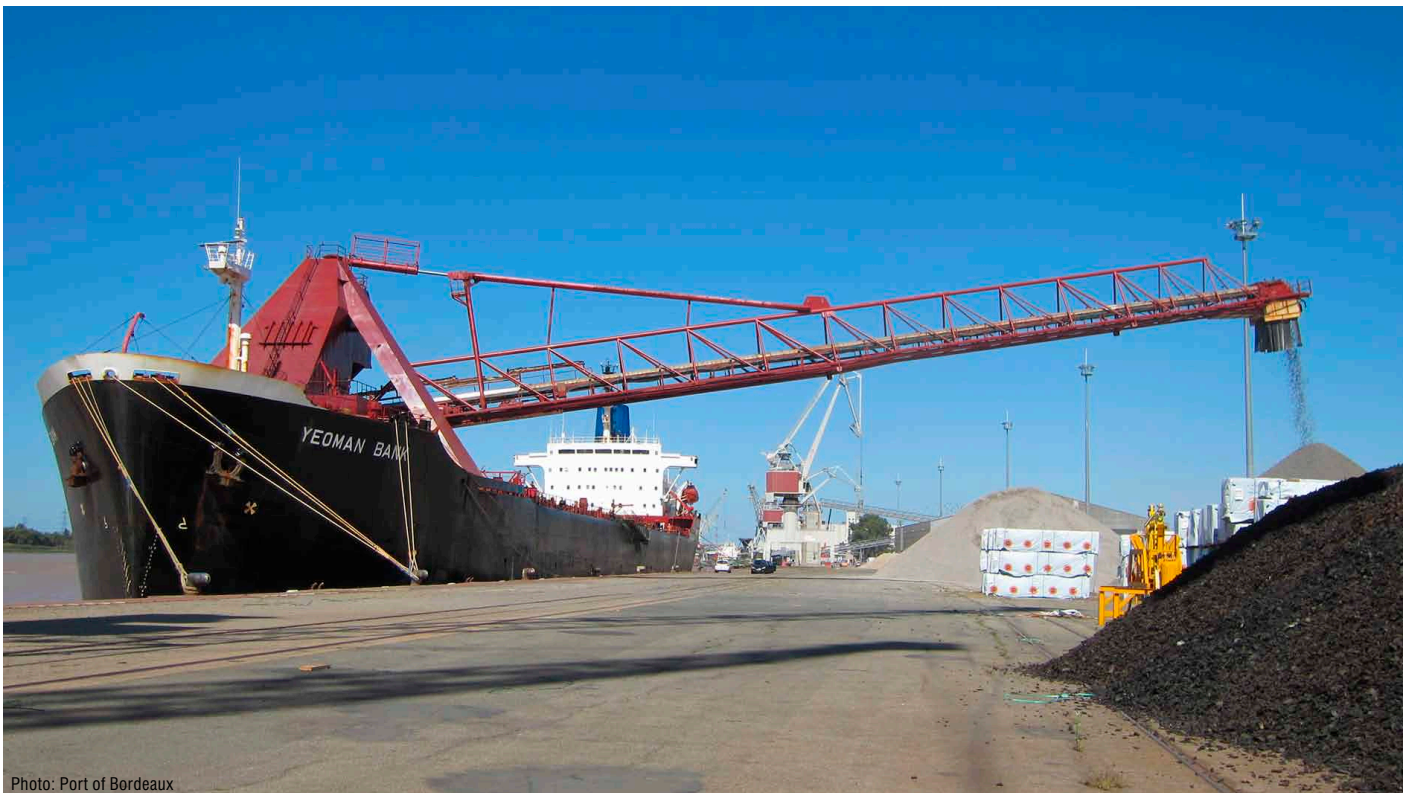


Photo: Port of Bordeaux