

Review of EU Concession Directive

EBI position paper

Nautical tourism and boating is one of the EU's success stories for many regions on lakes, canals, coastal regions and islands. It offers regional high-value tourism and the vast majority of boats in European waters are 'Made in Europe'. The sector is a key component of the EU's tourism mix with around 48 million people undertaking water sports each year, visiting over 10,000 marinas and practicing their leisure and tourism time on over 6.5 million boats (mainly under 8m). In total the sector counts 32,000 businesses, mainly SMEs, and over 280,000 jobs. The EU is the first nautical tourism destination globally. However, it can grow further by unblocking opportunities, as well as move forward along the sustainability pathway.

Leisure ports (marinas) are the key infrastructure and at the intersection of water and land, they face the sustainability challenge, need to provide alternative fuel and charging infrastructure, reduce their environmental footprint and adapt to climate change where they are particularly at risk. These multiple challenges require large amounts of investment, which is challenging to the many SMEs in the sector.

The Concessions Directive is vital because many marinas, yards, and other marine businesses operate on public land under concession. Clear, predictable rules enable operators to invest in infrastructure, secure financing and modernise facilities. Proper concession durations and fair treatment of investments at renewal are essential for business certainty and competitiveness. Strengthening the sector, providing European businesses with opportunities to grow and continuing the industry's sustainability pathway must therefore be key targets.

Below are the priorities for the recreational boating industry in the review of the Concession Directive.

- In a number of EU countries, the concession model is chosen for leisure ports (marinas), yards and other marine businesses which are essential part of the infrastructure of nautical tourism and boating in Europe providing value to tourism, leisure and manufacturing (providing jobs in tourism and associated boat building industry).
- The EU-level rules on concessions must recognise that these are long-term, capital-intensive leisure tourism infrastructure on public domain, not just generic "commercial contracts". Specific needs of the sector need to be addressed in the review.
- Growing, modernising and adapting for alternative fuel infrastructure is, for instance, a key part of the challenge for marinas that they need to deliver to support decarbonisation and reducing overall environmental footprint. This will result in significant investment needs. Specific aspects related to marinas in need of consideration are the access to the sea that it provides for local people, economic opportunities outside the pure marina operations, as well as touristic and leisure offer. They are often hubs for other economic activities and provide positive indirect impact for the region.

- Therefore, concession durations must be long enough to amortise infrastructure and meet financing needs, while still respecting competition rules. A “one-size-fits-all” short duration is unworkable.
- These sorts of businesses in the recreational boating industry face substantial investments during their concession period to keep up with the demands of changing customer requirements, as well as increasingly the digital and green transition that is placing unprecedented demands on marinas (such as developing alternative fuel infrastructure, adapting to climate change, promoting circular economy and biodiversity, as well as complying with new legislation).
- Investment needs to be encouraged in the interests of modernisation, tourism growth and the green transition by ensuring sufficiently long concession periods to ensure viability of investment and consider appropriate compensation of previous holders in case the concession is being awarded to a new holder, and significant investments have taken place.
- It is critical to review the rights of previous concessionaires and their investments. Compensation for investment in case concession changes hands for fixed investment made in the last period (e.g. last half) of the concession period, to encourage investment. An evaluation of the investment amount needs to be made. This should rely on a fair valuation/compensation concept.

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