

EU should limit market behaviors for alliances, says FEPORT

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To close what it believes to be the legal vacuum that will exist from 25 April 2024, following the expiry of the Consortia Block Exemption Regulation (CBER), the Federation of European Private Port Companies and Terminals (FEPORT) believes "the European Commission (EC) should now set clear limits on the behavior on the market for large alliances and strictly enforce existing laws."

There have been vertical and horizontal integrations of shipping companies as well as shipping companies and terminal operators, logistics service providers and so on in the last 10 years.

FEPORT says, therefore, that it was not surprising that the EC decided not to extend the CBER and claims that it would not be enough to normalise the market.

According to FEPORT, the current version of the CBER "unfortunately is too little rigorous on some aspects as it does not clearly mention what to do and what not to do. For example, the federation has not expressly stated in the

text or the ban on the joint purchase of cargo handling services or port services in order to restore a more balanced situation for the terminals and for technical-nautical services, as mentioned in the Ocean Shipping Reform Act of 2022 (OSRA 2022), nor the strict restriction, in an accelerated vertical integration context, of exchange of data and any other form of information limited to maritime trafficking."

FEPOR recalls that "despite the fact that in the last review carried out in 2019, the EC acknowledged that it was unable to assess the interconnections between alliances and consortia, it had decided to renew the exemption by category." According to FEPOR, the current version of the CBER "unfortunately is too little rigorous."