

Maritime Spatial Planning needs and priorities in Focus Area 1

Discussion paper – May 2014

The ADRIPLAN Project

ADRIPLAN project aims at delivering a commonly-agreed approach to cross-border Maritime Spatial Planning (MSP) in the Adriatic-Ionian Macro-region, considered as a whole and more specifically through two Focus Areas (Northern Adriatic Sea; Southern Adriatic / Northern Ionian Sea). The objective is to promote the harmonized implementation of MSP under an ecosystem based approach of the EU legislative framework on maritime issues, including the Integrated Coastal Zone Management (ICZM) Protocol for the Mediterranean and the new Directive on MSP.

One of the project's main purposes is the incorporation of the best knowledge available, with the support and involvement of all relevant stakeholders that will provide their experiences, perspectives and will help building detailed proposals and recommendations through the entire process of the implementation of cross-border MSP.

The policy context

The so-called “Blue Economy” in the Adriatic and Ionian Region generates an annual turnover that exceeds € 21 billion, with an increasing growth trend. An effective spatial planning is an essential condition in order to guarantee a long-lasting development ensuring a sustainable use of marine resources for future generations.

Maritime spatial planning will be in the next years implemented according to the new Directive “Establishing a framework for maritime spatial planning”, whose provision is that each Member State shall establish and implement maritime spatial planning, taking into account land-sea interactions. These interactions shall establish a substantial connection with the implementation process of the Protocol on Integrated Coastal Zone Management to the Barcelona Convention ratified by the European Council in 2010.

The issue is particularly important today, because the European Commission is launching the Action Plan for the Adriatic and Ionian Region (EUSAIR), that will be endorsed by the European Council this autumn and that will contribute to the definition of the development strategies of the region and to the destination of resources and projects.

The Adriatic-Ionian Region: pressures and potential

The Adriatic and Ionian Sea links its coastal states, all members of the Council of Europe, into a distinct European region, bringing together EU and non-EU members. In terms of demographic trends, an overall population growth has been observed, with most areas growing albeit by significantly different degrees. From an economic viewpoint, the countries bordering with the Adriatic-Ionian Sea are characterized by great differences according to the level of their economic development. Regions' average GDP p.c. is

around 18,000€. The highest GDP p.c. is observed at the coastal regions of Italy, as the average GDP p.c. at 22 Italian coast regions exceeded the 24.000€ in 2011. In terms of activities, maritime transport of goods and people is a crucial sector for the economies of the region and the ports of Adriatic-Ionian Sea are among the most active ports of Europe. At the cargo traffic, the region is mostly specialized in dry bulk transport while in terms of passenger traffic it attracts the 14.5% of tourists cruising in the Mediterranean.

The Adriatic-Ionian Sea is still featured by an excellent quality of water and the high biodiversity. The Region is also highly active in fishing and aquaculture (reported for Italy, Croatia and Greece) sectors. Fish products exceed 10% of the total exported agricultural products with the exception of Montenegro and Slovenia. However, commercial and recreational fishing activity interactions often create conflicts in terms of competition for resources and space. There is a relevant number of established Marine Protected Areas (MPAs) in the region (Croatia, Italy and Greece) while in Montenegro and Albania they have the status of Coastal Protected Areas (CPAs). The main issues detected concern their conflicts with other uses (e.g. tourism) and their legal context.

The extended coastline of the Adriatic-Ionian countries and the large number of islands has rendered the region to a popular tourist destination. Region's capacity of tourism establishments accounts for 11% of the total European capacity and region's occupancy accounts for 10% of total European occupancy in bed/nights terms.

Additionally, the geomorphology of the region and its central position in Europe is strengthening the perspective of rendering the Adriatic-Ionian Sea to a European energy crossroad. The port of Trieste is acting as the supplier of the crude oil Transalpine Pipeline. Moreover, several energy pipelines are planned to bypass the Adriatic-Ionian Sea, thus serving the East-West energy chain, such as Pan-European Oil Pipeline (PEOP) starting from Constanta and ending to Trieste in Italy and the AMBO pipeline starting from the Bulgarian Black Sea port of Burgas and ending to the Albanian port of Vlorë and Trans Adriatic Pipeline (TAP) for the transportation of natural gas from Azerbaijan via Greece and Albania to Italy and further to Western Europe. Although currently no offshore wind plants are installed in the region, several advances have been initiated on the part of Italy and Greece in terms of renewable energy sources.

Adriatic-Ionian Region (AIR) and Focus Area 1 (FA1)

Within ADRIPLAN, boundaries have been defined for the AIR and for the two Focus Areas, according to the scope of the project and the activities to be carried out. According to UNESCO-IOC (2009) definition, they are "boundaries for analysis" (e.g., for planning), that eventually can coincide or include smaller "boundaries for management" (e.g., for implementation). Moreover, boundaries have been selected to be representative of the transboundary and cross-border character of MSP, as peculiar and critical aspect to be tackled within the maritime planning process. The analysis took into account as main criteria the following: i) transboundary and cross-border issues; ii) maritime Uses/Economic Domains; iii) governance issues; iv) environmental boundaries. It reached the conclusion represented in Figure 1, that is now being discussed with Administrations and stakeholders. Contrary to the AIR as a whole, FA1 does not include candidate and potential candidate countries, which could have difficulty complying with EU rules and procedures.

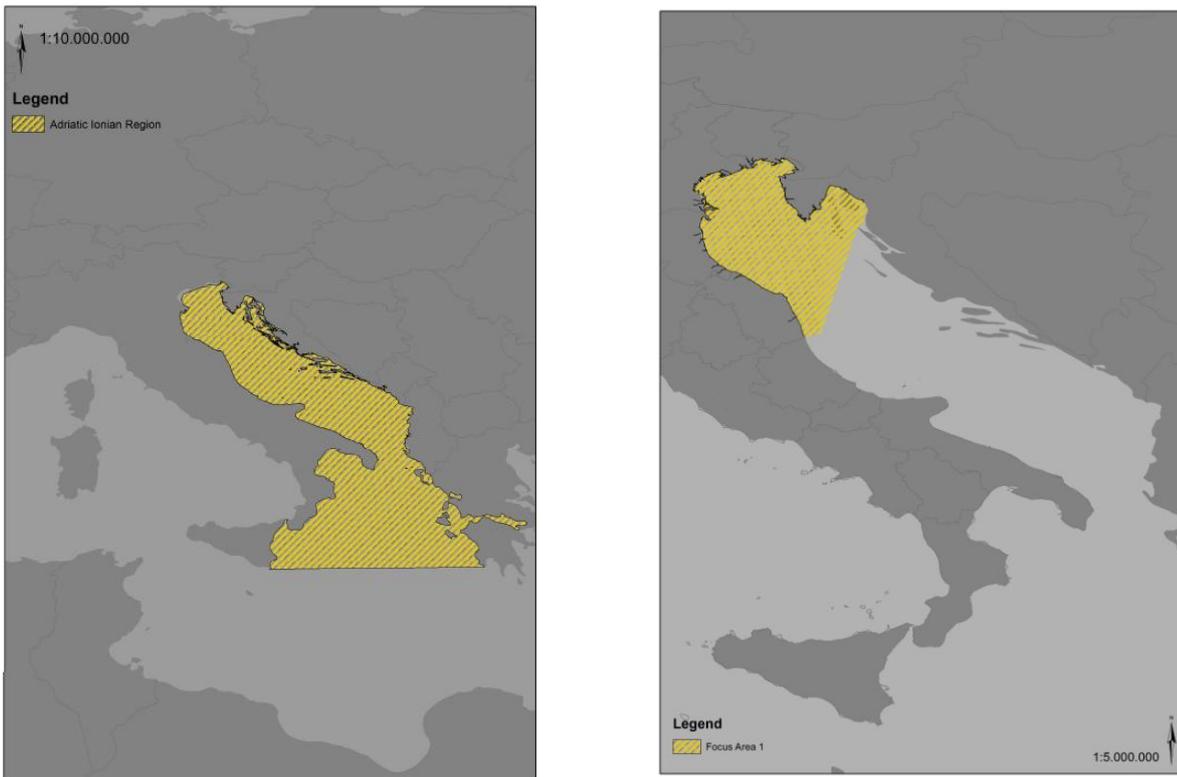


Figure 1- Boundaries proposed for Adriatic-Ionian Region and Focus Area 1 (under discussion).

Maritime Spatial Planning needs and priorities in FA1

The analysis of uses and environmental conditions of FA 1, in the framework of the comprehensive analysis at the AIR scale, carried out in the Initial Assessment phase allowed to point out some key needs and priorities for maritime spatial planning in the area. Such needs and priorities are here synthetically presented to be discussed with administrators and stakeholders and will be the main subject of the planning analysis and proposal to be developed within ADRIPLAN in the following months.

This document takes also into account; i) the preliminary results of the stakeholder involvement activity carried out within ADRIPLAN; ii) the EUSAIR Discussion Paper of August 2013, as drafted by the European Commission; iii) the results of the Analysis to support the elaboration of the Adriatic and Ionian maritime Action Plan (2014) carried out by EUNETMAR for DG MARE.

Aspects addressed here are not exhaustive of MSP needs but refer to what our Initial Assessment showed as most important at the Focus Area scale, with a specific attention to the transnational and cross-border dimension. The evaluation of MSP priorities takes into account, qualitatively at this stage, their environmental, social and economic relevance.

Present and future conditions are qualitatively considered, including: i) ongoing planning and development processes; ii) social-economic scenarios and potentials (EUSAIR consultation and DG MARE -EUNETMAR

study on Blue Growth potential in the Mediterranean and specifically in the AIR); iii) trends in natural driving forces and pressures in the medium-term, in connection with climate change scenarios.

Land-sea interaction aspects are also considered, where relevant.

Legal issues, i.e. the present maritime zones definition, are also very important. According to the Roadmap for MSP (COM(2008) 791 final), to be effective MSPs should be legally binding; this can reinforce commitment of Adriatic-Ionian actors in ensuring their participation in the long-term. As recalled in the EC COM(2013) 133 premises (point 7) “planning of ocean space is the logical advancement and structuring of the use of rights granted under UNCLOS and a practical tool in assisting Member States to comply their obligations”. However, at the scale of the AIR, MSP must address the marine space not falling within national jurisdiction as well; this opens the ground to a relevant and wide discussion on international legal and governance issues.

Presently main legal issues in FA1, not considering national aspects such as lack of clarity as to internal division of competencies and lack of harmonization within domestic legislation frameworks, are the high seas area on the Italian continental shelf outside territorial waters, having Italy not yet declared an EEZ, and the delimitation of the maritime area between Croatia and Slovenia.

By definition, MSP must be ecosystem-based and therefore the MSP priorities briefly presented below have to be, as a cross-cutting issue, compliant with environmental status and targets for the area and will actually act as a support to the implementation of the relevant EU environmental legislation (e.g. Directive 2008/56/EC and Directive 2000/60/EC).

Following the above premises, main MSP needs and priorities in FA1 concern:

Maritime transport (goods, passengers - cruise)

Transport is a key policy for development in Adriatic-Ionian territories; one cannot conceive an integrated macro-area system in Adriatic-Ionian territories without an efficient transport and communication network at a macro-regional scale. Due to their nature, transport and maritime safety issues have a macro-regional (and even wider) dimension, even though they are addressed at FA1 scale.

The four NAPA seaports (Koper, Rijeka, Venice and Trieste) are located at the northern tip of Adriatic Sea, a natural waterway that penetrates deep into the middle of the European continent, thus providing the cheapest naval route from the Far East via Suez to Europe. Container traffic in those ports is expected to increase by 350% within 2030. A significant number of important industrial centers are located along the western Adriatic coast and several mid-European – and in many cases landlocked – countries heavily depend on the Northern Adriatic ports for the import of energy.

In addition, several of the eastern Adriatic ports are deep-water ports – especially in Croatia – which could host super-tankers. These ports could serve as a solution for today’s bottlenecks with regard to oil export routes in Eurasia. Consequently, the Adriatic countries believe that maritime transport will increase in the future. Existing routes will be used more intensively, new routes will be introduced and new south-eastern transit ports will gain importance (among others Ploce in Croatia, Bar in Montenegro and Vlorë in Albania).

Short-sea shipping has been identified as one of the most promising in all countries of the area (except in Albania), thus playing an important role under a macro-regional perspective. Improving passenger ferry service has proven to be a most promising activity in Croatia, Italy, Albania and Montenegro (EUNETMAR, 2014).

Coastal and cruise tourism is recognized as a key economic and development factor in the whole Adriatic Sea. Such high potential requires a sustainable management of natural resources in order to avoid or reduce environmental impacts, therefore compromising touristic activities.

This intensive maritime transport implies also ships and port emissions, risks of accidents, the potential introduction of invasive alien species through ballast water discharges and a substantial increase in underwater noise. All these aspects need to be considered and carefully managed in order to mitigate their impacts on the ecosystems.

Other coastal and marine uses in the area potentially affected, conflicting or having potential synergies with maritime transport, also considering the infrastructures needed, are tourism and recreational uses, fisheries and aquaculture, MPAs.

Fisheries and Aquaculture

Fishing activities at AIR scale rank second in terms of total gross value added generated by maritime activities and rank third as regards employment (EUNETMAR, 2014).

Fish stocks have suffered from overfishing and / or pollution, especially in the Italian part of the Northern Adriatic Sea. Besides the decreasing productivity, another negative effect on the economic performance of the fisheries investigated was determined by increasing costs. Fishing is characterized by multi-gear fishing activities, ranging from small-scale artisanal fishery and hydraulic dredging to demersal trawling and pelagic mid-water trawling and recreational fishing. In Croatia fishing is primarily artisanal, while in Italy trawling is the most common fishing method.

Small scale fisheries is the most important sector in the Adriatic Sea in terms of number of vessels. In association with its economic value, it has a significant social and cultural value for coastal communities in many areas, also associated to coastal tourism.

All countries are aware of the need to promote the principles of sustainability and responsibility in fisheries concerning AIR. The Common Fisheries Policy (CFP) principles should be better implemented and disseminated all over the macro-area, in order to obtain a better harmonization in rules and practices. An important potential application of MSP in the area is related to the fish migration loop between Italy, Croatia and Slovenia. Certain fish species (e.g. Sole and Tub gurnard) migrate in a loop, following the currents in the Northern Adriatic Sea. As a result of overfishing in the area, fish stocks are under pressure. Protection of species by one country will not be effective given the migration paths of these fish.

Aquaculture is a key policy not only for European economy blue growth, but also for the maritime strategy for Adriatic and Ionian Seas. Although aquaculture presently does not appear among the largest marine and maritime activities of the blue economy, it has been identified as one of the most promising activities in all countries of the area (EUNETMAR, 2014). The growth potential of the activity is mainly influenced by the

fact that it could impact on the fishing effort in the area, reducing the impact of natural stocks, diversifying the origin of supply of fish products in terms of production methods and introducing new species in the value chain.

Quality in development is the challenge for AIR, to improve and innovate the labour market, while easing the impact of fisheries on Adriatic-Ionian basin, also by promoting the quality in fisheries sector. Main issues for the AIR in this sector are: limited access to space and licensing; industry fragmentation; limited access to seed capital or loans for innovation; time-consuming administrative procedures and red tape.

MSP on fisheries and aquaculture shall promote a sustainable management of fish stocks, according to CFP and MSFD provisions, the protection of seafloor habitats affected by trawling and at the same time stimulate all the relevant synergies with the touristic sector. Potential negative effects from aquaculture (e.g. aesthetic, organic and pharmaceutical pollution, invasive species, marine litter) shall be mitigated through proper planning and regulations, including carrying capacity of areas, management and monitoring.

Other coastal and marine uses in the area potentially affected, conflicting or having potential synergies with fisheries and aquaculture are tourism and recreational uses, maritime transport and MPAs.

Energy (Hydrocarbons search and exploitation; LNG terminals)

Coordination among Energy Plans of Italy, Slovenia and Croatia could favour strategic choices that reflects in important boundary conditions for the MSP effort. The Italian Energy Strategy intends to develop by 2020 the production of hydrocarbons up to 14% of the national requirement, compared to the present value of 7%. The above strategy is very relevant both in terms of employment savings on energy costs.

Oil & gas exploitation activities and plans for future exploitation along the whole eastern and western border of the basin, from Istria to the Apulian coast need to be well integrated in a MSP process and well evaluated from an environmental / ecosystem point of view. Main potential pressures on the environment are related to discharges during exploration and exploitation, to oil spills and to subsidence effects on the coast.

The recent tender from the Croatian Government for licenses for the exploitation and production of hydrocarbon along the whole Croatian continental shelf and a number of requests for exploration and permits on the Italian continental shelf are clear evidences of such need.

Safety is also a key issue and shall be regulated, in connection with other international regulations, according to the recent EU Directive 2013/30/EC on safety of offshore oil and gas operations.

A strategic analysis of energy needs, sources, flows, will also address issues like cable and pipelines and LNG plants need and best siting.

One LNG terminal is presently located in the area, in front of the Po river delta. A second LNG is authorized in the Rijeka area, while other plant are foreseen in the area and their optimal siting is being discussed. Such discussion shall take into account potential impacts on the ecosystem, on fisheries, on coastal tourism and on maritime transport.

Transnational coordination is needed on these issues and is presently underway, mainly through the Trilateral Commission for the protection of the Adriatic.

Coastal and maritime tourism / Coastal defense / beach nourishment

Tourism is presently one of the largest maritime activities in the region and one of the most promising at AIR scale (EUNETMAR, 2014). It is partially directly related to maritime activities (cruise, marinas, etc.) and partially related to coastal uses strictly connected with the marine areas (e.g. beaches, natural sites, coastal cities, etc.).

EUNETMAR (2014) analysis showed that presently coastal and maritime tourism issues are better addressed at regional level or through bilateral cooperation rather than multilaterally.

In fact, the transnational dimension of this MSP priority is related to the development of a more strategic and integrated touristic offer of the Adriatic-Ionian territories (i.e. tourism spatial planning), able to both locally capture the economic benefits and at the same time mitigate the possible negative effects of localized and massive tourist arrivals. Territorial development plans in the coastal areas shall improve the development of regional clusters and common branding.

Proper management of intensive tourism activities is fundamental in order to mitigate possible negative effects on the coastal, marine, and hinterland environment (marine litter, nutrients, organic and microbiological pollution, coastal landscape) on which it strongly depends.

A peculiar aspect of coastal tourism in FA1 is related to the need to adopt protection and defense measures for coastal beaches, natural sites, lagoons and cities, also considering short and medium term climate change scenarios. Such coastal protection measures shall be envisioned in an integrated and strategic perspective and not in limited time and spatial scale. Marine uses mainly affected are fisheries and stocks of relict sands for beach nourishment.

This is a clear example of land-sea interaction where MSP and ICM measures need to be strictly coordinated, as far as planning, technical, funding and governance aspects are concerned.