

Fact Sheet Danube Transportation

Danube Waterway - backbone of the European Transport Network and key logistics axis of the entire region

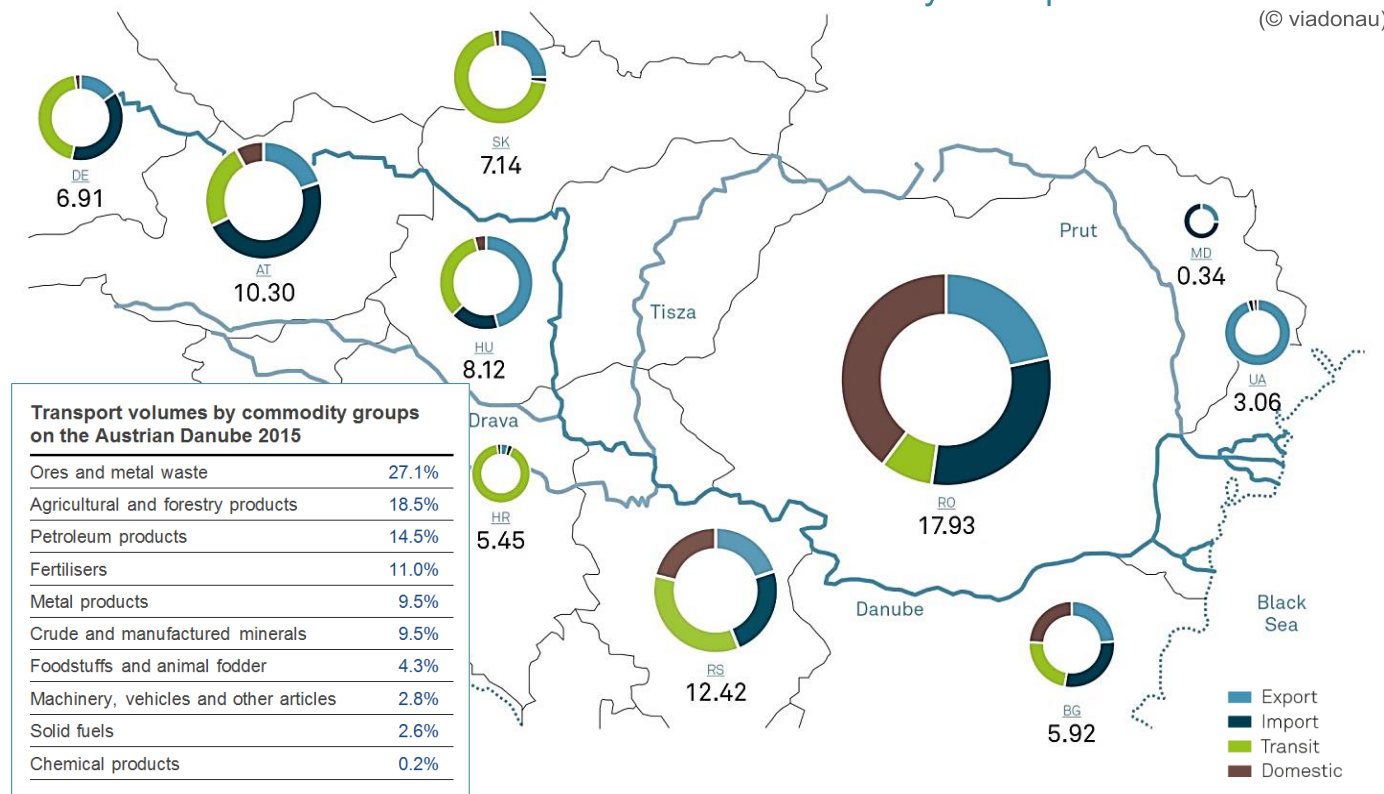
More than 40 million tons of goods were carried on the Danube waterway and its tributaries in 2014, whereby a total of 14.3 million tons were transported on the Romanian Danube-Black Sea Canal. The largest transport volumes are realised on the Lower Danube (Romania, Serbia) followed by the Upper Danube (Austria).

Bulk capacity and low transport costs make inland waterway transport a suitable means of transport for different commodity types ranging from construction materials, agricultural and forestry products, iron steel products to recycling products. With the right framework conditions in place, Danube navigation can capture an even bigger share of Europe's multimodal transport.

The positive societal side effects of a higher share of inland navigation are well-known. The safety and environmental record of inland navigation is unbeatable. Danube navigation therefore is an indispensable element of Europe's transport policy.

Inland Waterway Transport on Danube 2014

(© viadonau)



In millions of tons	DE	AT	SK	HU	HR	BA	RS	RO	BG	MD	UA
Export	1.05	2.03	1.76	3.71	0.21	0.04	2.49	3.86	1.43	0.09	2.98
Import	2.65	4.98	0.10	1.37	0.14	0.05	3.02	5.50	1.70	0.25	0.06
Transit	3.06	2.49	5.22	2.71	5.05	0.00	4.30	1.36	1.36	0.00	0.00
Domestic	0.15	0.80	0.06	0.33	0.05	0.00	2.61	7.21	1.43	0.00	0.02
Total	6.91	10.30	7.14	8.12	5.45	0.09	12.42	17.93	5.92	0.34	3.06

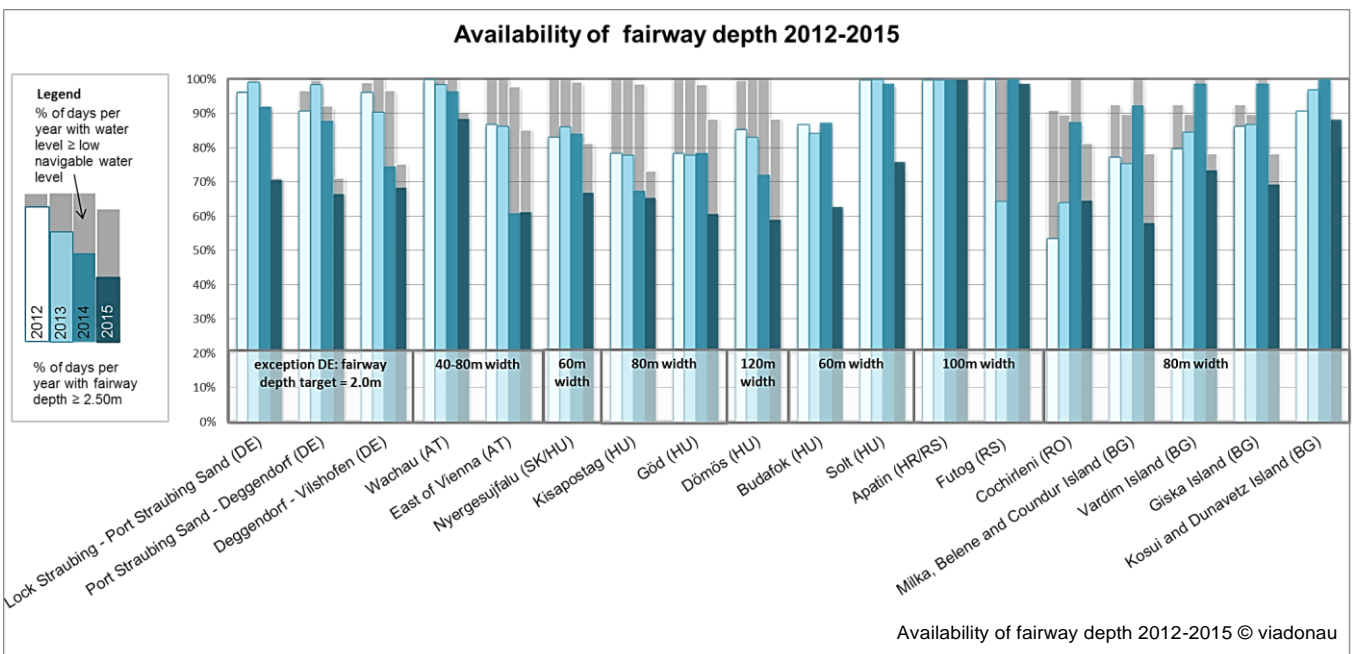
In order for Danube navigation to take up a larger share of transport in the Danube corridor following key issues need to be addressed:

Secure stable fairway conditions

Cargo is transported along the Danube over an average distance of about 600 km. In order for these shipments to be transported in an economic way, a stable and reliable fairway is needed. Close international cooperation and coordination is thereby required, since no less than 10 riparian states are responsible for proper maintenance of the Danube waterway.

Fairway conditions were very difficult along the whole Danube over the last years due to shortcoming in maintenance work of almost all the waterway administrations. On a large part of the main critical maintenance and rehabilitation sections along the Danube, the recommended fairway depth of 2.5m at Low Navigable Water Level was not achieved in almost all the years of the last decade resulting into severe financial losses or even disruption of the logistics chains thus withholding the economic potential of Danube transport.

Within the framework of the EU Strategy for the Danube Region, a Fairway Rehabilitation and Maintenance Master Plan for the Danube was developed in cooperation with the waterway administrations and representatives of private shipping companies. This document identified the most critical locations in the waterway network and, more importantly, draws up proposals for their elimination.



All Ministers of transport of the Danube Region (except HU) reaffirmed their commitment towards proper waterway maintenance on the basis of this Master Plan document in June 2015. Progress is being monitored and major implementation steps are taken within the framework of the EU-funded FAIRway Danube project (2015-2020, Connecting Europe Facility). Despite the progress made a stronger political commitment is needed to implement the defined maintenance projects in time and in line with the needs of the IWT sector.

How policy makers should support:

- Keep waterway maintenance and development high on the agenda through close progress monitoring
- Ensure proper finance of maintenance works as well as adequate technical and human capacity of waterway administrations
- Facilitate TEN T bottleneck projects in line with Joint Statement (ICPDR) by providing technical and organisational assistance to waterway administrations
- Ensure close coordination between the different policy areas (transport, regional development, environmental policy) and involvement of private sector stakeholders to guarantee tangible results
- Optimize use of EU funds to solve most urgent shortcomings in period 2016-2020

Boost fleet modernisation

In total approximately 20 fleet operators and 15 agents or freight forwarders work on a regular basis on the Danube IWT market. A high number of the industrial shippers manage their own logistics departments to interface with vessel operators. In total, well over 1.000 motorized vessels are in operation on the Danube waterway.

Inland navigation is an efficient, safe and environmentally friendly mode of transport. In order to further reduce the environmental impact and to improve the economic performance of Danube navigation, it is necessary to stimulate the modernisation of the Danube fleet. Several European projects have demonstrated that a whole range of innovative technologies is available to make Danube navigation even greener and more efficient (Liquefied Natural Gas, filtering technologies, economy planners, etc.).



LNG pusher concept developed within the Innovative Danube Vessel project (DG Regio 2013) © Ship Design Group

The full roll out of these technologies is however hampered by the severe economic framework conditions, an uncertain investment climate as well as limited access to finance.

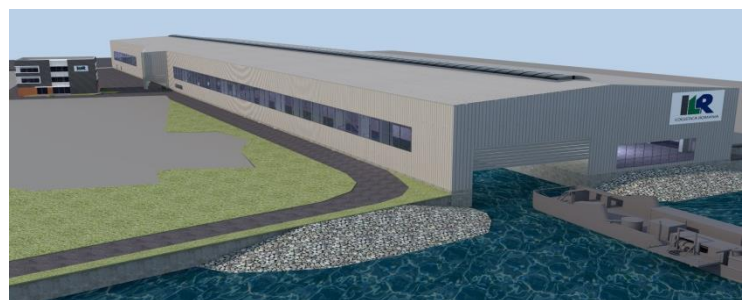
How policy makers should support:

- Provide public financial support via State Aid Schemes for fleet modernization and innovation in IWT transportation
- Create support facilities to secure a solid investment climate for private entrepreneurs (e.g. fleet modernization fund) and for advocacy on promising green technologies
- Ensure a concise legal framework for environmental and safety standards to guarantee fair competition and a reliable planning horizon of fleet investment
- Foster development and deployment of lead projects for technological advance of vessels within adequate EU programs

Enhance network of efficient multimodal ports

There are approximately 70 ports along the 2.414 km length of the Danube and out of these it is only those in Germany and Austria that display an adequate level of infrastructure, facilities and hinterland connections that allow them to provide high-quality logistics services in record time and with a reduced effect on the environment.

This gap in transport infrastructure quality, safety and eco-performance between the Western and the Eastern countries ports requires substantial investment, transnational coordination and close cooperation with private sector stakeholders. With the right strategy and measures Danube ports have a huge potential to become efficient nodal hubs of a sustainable transport system and focal points of smart regional economic growth spanning across traditional borders.



3D-Model of the Trimodal Logistics Center, High Performance Green Port Giurgiu © ILR Logistica Romania

How policy makers can support:

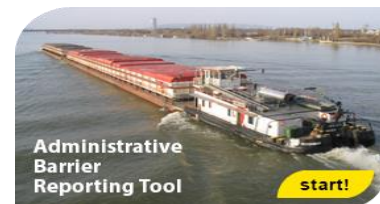
- Support elaboration of a transnational strategy for the Danube Ports and implementation of targeted actions to improve the functioning of Danube Ports (port legislation, port administration / management and port development)
- Provide public finance through National Funding Schemes for port development, modernization and improvement of hinterland connections
- Facilitate lead projects for port improvement and development in adequate EU programs

Reduce administrative barriers

Excessive administrative procedures and processes by many authorities and administrations create significant competitive disadvantage for inland waterway transport on the Danube and its tributaries and result in time losses and unnecessary costs. The current unsatisfactory situation calls for a targeted transnational approach, facilitated by the EU Strategy for the Danube Region. A lead project initiated by Pro Danube which will bring together all relevant authorities and private sector stakeholders (start in the Danube Transnational Program in January 2017) will provide the necessary international coordination for dedicated national implementations.

How policy makers can support:

- Facilitate reduction of administrative procedures & processes and related fees to a minimum and thus relief IWT industry from costs and time losses
- Work towards simplification, harmonisation and digitalisation of administrative procedures along the entire Danube waterway following the Pro Danube concept of “Same River – Same Rules”

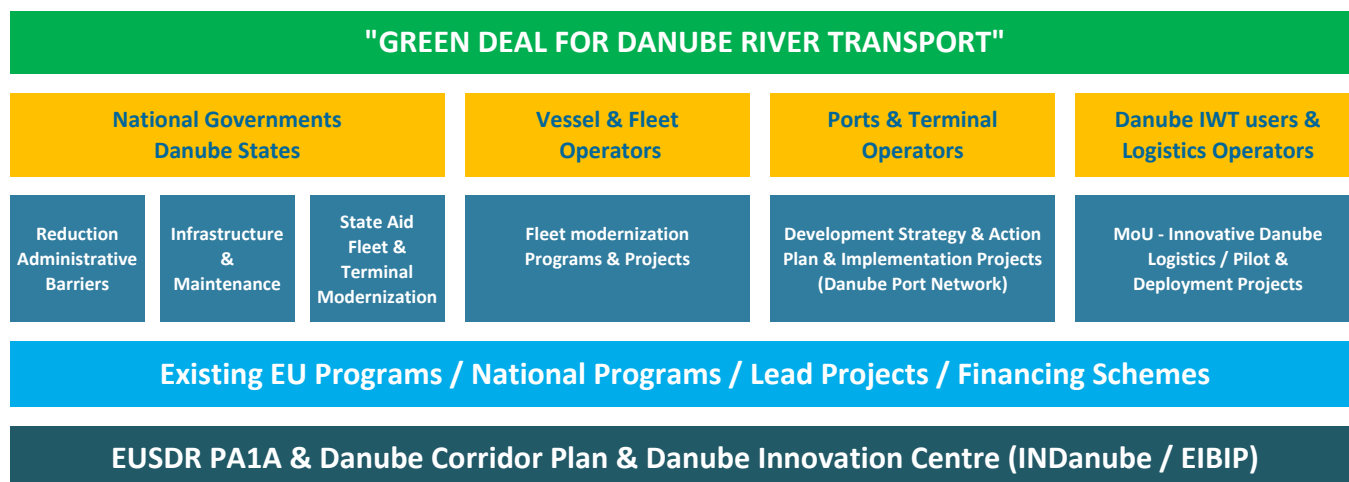


<http://www.prodanube.eu/administrativebarriers>

The way forward: “A Green deal for Danube river transport”

The Danube region needs smart, sustainable and inclusive growth based on an eco-efficient, reliable transport system. The Danube waterway can provide cost-effective logistics solutions to many industries to support their competitiveness and to ensure economic growth and the creation of jobs. The high economic potentials for turning the Danube into a core logistics axis are withheld by numerous shortcomings in infrastructure, unfavourable regulatory framework and structural problems of the IWT sector. A targeted, long-term cooperation of public and private sector with firm commitments is needed to break the vicious cycle of degradation of infrastructure and reduction of transport demand.

The “Green Deal for Danube river transport” shall form a new policy and business framework consisting of reliable commitments and intensive coordinated cooperation between public and private stakeholders to improve efficiency and environmental performance of Danube waterway transport system ensuring tangible results and supporting sustainable economic growth. The Green Deal will restore trust into the Danube as reliable and modern transport system in line with concrete improvements based on a coordinated activities and projects.



© Pro Danube, September 2016, simplified graphic

Useful links

- European Union Strategy for the Danube Region, www.danube-region.eu
- EUSDR Priority Area 1A, www.danube-navigation.eu
- Danube Logistics Portal, www.danube-logistics.info
- DG MOVE Rhine-Danube Core Network Corridor, http://ec.europa.eu/transport/themes/infrastructure/ten-t-guidelines/corridors/rhine-dan_en.htm
- ICPDR Joint Statement, www.icpdr.org/main/activities-projects/joint-statement-navigation-environment
- Pro Danube International, www.prodanube.eu
- LNG Masterplan for Rhine-Main-Danube, www.lngmasterplan.eu