



**STABILITY PACT**  
FOR SOUTH EASTERN EUROPE



Working Table II: Economy

***DRAFT***

***PROPOSAL ON***  
***“HOW TO ENHANCE CO-ORDINATION AND THE***  
***EFFICIENCY WITHIN THE***  
***DANUBE CO-OPERATION PROCESS”***

***18 January 2008***

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## 0. Executive summary

The Danube is a key artery where EU priorities converge, external priorities such as the EU enlargement process as well as the Stabilization and Association Process and internal priorities such as sustainable regional development. The recent enlargements of the EU, as well as the participation of some Danube Co-operation Process (hereinafter referred to as "DCP") member countries in the Stabilisation and Association Process, bring the Danube region as a whole closer to the European integration process and mean that it will progressively become a largely EU River. The socio-economic and political environment across the Danube region is a vibrant one. In some DCP members, rapid economic growth and social change is impacting on the Danube Basin, EU strategies in areas such as transport or regional development must be implemented and the potential impact of climate change is increasingly being addressed. This is the dynamic context within which the DCP operates.

The role of the DCP is to broaden and deepen current Danube co-operation and give it clear political and economic dimensions, as well as to develop further the various initiatives launched in different fields with a view to bringing greater coherence, pragmatism and added value to these.

While the DCP successfully identified a range of issues that impede co-operation in the various dimensions addressed under the process, it has had limited success in addressing these. This is due in part to the institutional structure of the DCP, which is not suited to ensuring progress on specific projects or programmes and in part to the lack of co-ordination within and across the different dimensions.

In the course of the Third Ministerial Conference of the DCP (Belgrade, 18<sup>th</sup> of April 2007, ref. Annex 1) and subsequently at the Senior Official meeting (Vienna, 14<sup>th</sup> of June 2007)<sup>1</sup>, the Stability Pact for South Eastern Europe as one of the founding member of the DCP, received the mandate to further elaborate its proposal "to enhance the co-ordination and the effectiveness within and across the dimensions of the DCP" (see Annex 2). This proposal was submitted in the belief that the DCP with its broad membership could, if properly structured, have a significant impact on the development of the Danube basin across the six dimensions that it addresses.

In the specific areas of activities of the DCP, a variety of institutions and organisations – national and international – undertake a broad range of operations regarding the Danube and Danube basin including transport, ecology, tourism, economy and cultural activities. All of these organisations have demonstrated their dedication to their specific area of activity. However two attributes are common to each, namely the lack of a political umbrella beyond national boundaries and the need for improved co-ordination within their specific area of activity, as well as the coordination with adjacent field of activities or sectors.

The proposal calls for two levels of enhanced co-ordination (i) within the individual dimensions and (ii) horizontal – across the six dimensions.

In order to obtain illustrate the proposal and to provide a certain degree of pragmatism and visibility for the DCP, concrete projects are proposed for each of the "dimensions" of the DCP as follows:

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<sup>1</sup> See [www.stabilitypact.org/Working Table II/Danube](http://www.stabilitypact.org/Working_Table II/Danube)

<b>Environment</b>	
Project 1	Agreement on a Network of Protected Areas
Project 2	Develop Best Practice Guiding Principles for a Hydro Electric Power Station
<b>Navigation</b>	
Project 1	Develop agreement to implement a minimum floating depth of 2.7m
<b>Tourism</b>	
Project 1	Marketing Concept for the Proposed Network of Protected Areas
Project 2	Elaboration of a compatible and universal Hotel Rating for the Danube Basin
<b>Culture</b>	
Project	Identification and Application for 3 World Heritage Sites
<b>Sub-regional</b>	
Project 1	Development of Rural Space Concept for 5 pilot sites
<b>Economic</b>	
Project 1	Develop Master Plan for a chain of container terminals along the Danube

Details of the individual projects proposed are contained in chapters 5 to 9. Projects are outlined under a series of common headings including overall objective, description of the specific co-ordination activities; proposed co-ordination organisation(s) as well as the resource implications for the specific project. Each project proposed is the result of consultations with the prospective co-ordinating body and aims to demonstrate that tangible and measurable results can be derived from the DCP. However the list is neither final nor exhaustive. In addition, this proposal does not contain a recommendation for a horizontal coordination entity. Such an organisation should be identified following the agreement on the concept of co-ordination within the six individual dimensions of the DCP.

It is envisaged that following discussion and review in Senior Officials Meetings, the biennial Ministerial Conference would formally launch specific projects, which would have a two-year realization period i.e. until the next Ministerial Conference of the DCP. Progress would be monitored as part of the Senior Officials Meetings that take place between Ministerial Conferences. Hence, co-ordinating organisations may change from project to project.

While clear results are outlined for the individual projects, it must be emphasized that many are interlinked e.g. the development of protected areas under the environment dimension is complemented by the development of a marketing plan in the tourism dimension. This adds credence to the proposal for horizontal co-ordination that would ensure potential synergies are exploited and duplication and contraction avoided.

Each project proposed also includes a section on the likely costs involved. These have been discussed with the partner organization involved and should be considered as best estimates. All costs are foreseen on a cost recovery basis. The respective organization would have to demonstrate adequate financial management and if necessary financial reports could be accompanied by an independent audit.

## 1. INTRODUCTION

The Danube is a key artery where EU priorities converge, external priorities such as the EU enlargement process as well as the Stabilization and Association Process and internal priorities such as sustainable regional development.

The recent enlargements of the EU, as well as the participation of some Danube Co-operation Process (DCP) member countries in the Stabilisation and Association Process or the European Neighbourhood Policy, bring the Danube region as a whole closer to the European integration process. A large stretch of the Danube River is located within the European Union, an important attribute which is complementing its existing role as a European and an international river.

The introduction of the New Neighbourhood Policy concept through the Commission communications on Wider Europe (March 2003), "Paving the way to a New Neighbourhood Instrument" (July 2003) and "European Neighbourhood Policy - Strategy Paper" (May 2004) has also opened up possibilities to address a number of issues of relevance for the Danube. The New Neighbourhood Initiative aims at addressing the new challenges on the EU external borders following enlargement, through promotion of sustainable economic and social development, working together to address common challenges, border issues and people to people actions.

As stated in the founding Declaration (see Annex 3), the role of the Danube Co-operation Process is to broaden and deepen present Danube co-operation and give it clear political and economic dimensions, as well as highlighting issues related to Europe and the European integration process, which are important to the Danube countries. It should develop further the various initiatives already launched in different fields with a view to bringing greater coherence, pragmatism and added value to these.

The Danube Co-operation process was always understood to be a process with a multi-dimensional character, focused on six basic areas (economic development, navigation, environmental protection, tourism, culture and sub-regional co-operation). Its main feature is its political aspect, which is to establish priorities for action within the Process, in accordance with the specific objectives and concerns of the Danube countries and which provides the necessary impetus to effective implementation of various concrete forms of co-operation, as well as to improving the security of the region. The DCP works through its rolling "*indicative work programme*"<sup>2</sup> which is the starting point for each Ministerial Conference. A key role of these Ministerial conferences is to identify and list priority objectives of common interest under each dimension, to monitor the degree of fulfilment of the objectives, and to update the indicative work programme, including corresponding illustrative tasks and deadlines where appropriate. Prioritisation implies an agreement on a limited number of priority objectives of common interest, ideally 2 to 3 for each dimension of the DCP.

In addition to the DCP, a variety of institutions and organizations including many EU bodies undertake a diverse range of activities regarding the Danube and its river basin. On the one hand, there are organizations that have a specific mandate in a particular field of activities such as the Danube Commission, the International Commission for the Protection of the Danube River (ICPDR), the Steering Committee of the Pan-European Transport Corridor VII, and the Danube Region Working Community (ARGE Donauländer). On the

<sup>2</sup> See [www.stabilitypact.org/Working\\_Table\\_II/Danube](http://www.stabilitypact.org/Working_Table_II/Danube)

other hand, there are organizations whose activities have an impact on the Danube region in a broader sense – the South East European Co-operation initiative (SECI), the Central European Free Trade Agreement (CEFTA) and the Central European Initiative (CEI) – to mention just a few examples.

The DCP through its six dimensions (economic development, navigation, environmental protection, tourism, culture and sub-regional co-operation) provides a political umbrella for many of the activities by these organisations. While progress has been made in several areas, the overall impact of the DCP “on the ground” is not very tangible. Hence a key challenge for the DCP is to enhance co-ordination and channel the resources and energy devoted to the Danube in all these organizations and institutions, and to do so in a manner that achieves maximum output without creating new institutions and/or organizations.

Recent developments provide even greater motivation to enhance co-ordination. These include:

- The forthcoming implementation of the findings of the report of the High Level Group, which was led by the former EC Vice-President Loyola de Palacio on the “Extension of the major trans-European axes to the neighbouring countries and regions” (November 2005), which foresees a South Eastern axis to link the centre of the EU to South East Europe and the Black Sea through an inland waterway connection<sup>3</sup>). This South Eastern axis will link the EU through the Balkans and Turkey to the Caucasus and the Caspian Sea as well as to Egypt and the Red Sea. Access links to the Balkan countries as well connections to Russia, Iran and Iraq and the Persian Gulf are also foreseen as well as a connection from Egypt to the South towards other African countries. A detailed description of the alignment of the South Eastern axis is at Annex 1.
- The “High Level Group II Loyola De Palacio Report” highlights the important role that inland waterway transport plays in the transport of goods. However, it also notes that there is substantial surplus capacity, and that the river could absorb a large proportion of the growth in goods traffic forecast within the European Union. Therefore more importance should be attached to complementary issues such as the removal of bottlenecks in the inland waterway network, the improvement of logistics processes, the introduction of traffic management and information services as well as soft measures such as the harmonization of the rules on the entire EU waterway network, including the Rhine and Danube.
- Another key driver is the fact that Inland Waterway Transport (IWT) is particularly energy efficient; its energy consumption per ton-kilometre of transported goods corresponds to one sixth of the consumption on the road and to half of that of rail transport, depending of course of the nature of goods transported. Low rate of external negative effects and high safety standards and finally - in comparison to other transport modes low emission rates of IWT - are additional arguments for promoting this mode of transport.
- A final but increasingly urgent driver is the environmental dimension. The increasing awareness of environmental issues and their impact combined with the increasing willingness of governments to tackle these issues will have implications for activities in the Danube Basin, including disaster preparedness and prevention. The latter

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See [http://ec.europa.eu/ten/transport/projects/doc/2005\\_ten\\_t\\_en.pdf](http://ec.europa.eu/ten/transport/projects/doc/2005_ten_t_en.pdf) and [http://ec.europa.eu/ten/infrastructure/doc/tren\\_se\\_en.pdf](http://ec.europa.eu/ten/infrastructure/doc/tren_se_en.pdf)



assuming particular importance following the severe floods of 2002 and 2005<sup>4</sup>, as well as the location of infrastructure and other economic activities.

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<sup>4</sup> according to the IEA, CO<sub>2</sub> emissions from energy sources may grow by up to 90% by 2030 unless governments act rapidly (World Energy Outlook 2006, BAU scenario)

## 2. BACKGROUND TO THIS REPORT

The Final Document of the Third DCP Ministerial Conference (Belgrade, 18 April 2007 – Annex 2) included a reference to further discussion by DCP Senior Officials of “relevant proposals including the proposal to enhance co-ordination and the effectiveness of the DCP put forward by the Stability Pact”, whereby due account should be given to the founding documents of the DCP, i.e. the Declaration on the Establishment of the Danube Co-operation Process (Annex 3) as well as the agreed Principles and working methods for the functioning of the Process (Annex 4). The point of origin is the generally accepted view of the participants to the Third Ministerial Conference that “a strategic vision on the future development of the DCP, including mechanisms for an enhanced co-ordination within each sub-dimension as well as across sub-dimensions, is needed in order to give more effectiveness to the Process”.

The Stability Pact for South Eastern Europe distributed to the members of the DCP a first draft concept paper (18<sup>th</sup> of April 2007 - “Danube Co-operation Process: a proposal to enhance co-ordination and effectiveness” - Annex 5) and following the discussions at the Senior Official meeting held in Vienna on the 14<sup>th</sup> of June 2007, the Stability Pact was asked to further elaborate its proposal.

This report contains this elaborated proposal to enhance co-ordination within and across the six dimensions of the Danube Co-operation Process and thereby improve the capacity of this important Process to better exploit the socio-economic potential of the Danube River.

The Stability Pact believes that this proposal provides a framework for the development of the Danube region in several sectors of the economy as well as in other relevant sectors such as environment, culture and education, tourism and sub-regional development (the six dimensions of the DCP) through enhanced co-ordination of the multiple activities already in place or planned in future. The proposal is the result of extensive discussion with key stakeholders within the different dimensions.

Besides enhanced co-ordination and efficiency, the proposal foresees increased added value to and visibility for the DCP in general and in particular to the various Ministries and stakeholders in the region who are involved in the development of these sectors (“dimensions”) in the Danube basin.

A description of the methodology chosen and the specific activities suggested are set out in the chapter 4.

### 3. APPROACH

In summary as already proposed by the SP (see Annex 5), enhanced co-ordination consists of establishing co-ordination points at two levels of the Process. The first level refers to the co-ordination of activities within each of the six dimensions and the second is a horizontal co-ordination across the 6 dimensions.

The co-ordination role within each dimension of the DCP is envisaged as the process of systematically analysing the situation in the respective dimension, gathering relevant information, and informing the appropriate decision-taking authorities of viable alternative courses of action based on the most effective combination of available resources to meet a very specific objective. In broader terms it can also mean to elaborate policy(ies) in the respective field of activity, especially across countries, so that policies of different governments can reinforce each other and the risk of duplication or worse, contradiction is reduced.

Specific projects have been suggested in order to illustrate the overall proposal more clearly. As outlined below, many of the projects are inter-related and their success will be influenced by activities in other dimensions, highlighting the need for some form of horizontal co-ordination. In consultation with relevant stakeholders, we have identified possible projects (at least one per dimension) for five of the six dimensions of the DCP. An outline project proposal is made for the economic dimension, which is a highly complex dimension with a large number of actors and a number of regional activities. If this outline is accepted the project can be elaborated further.

The function of the second level of co-ordination - the horizontal level - would be to ensure compatibility between interrelated projects in different dimensions, to ensure an adequate exchange of information and to provide a forum whereby approaches could be synchronised, synergies could be exploited and disagreements resolved.

The meetings of the DCP Senior Officials should provide the forum where the proposals for cross dimensional co-operation are discussed and where appropriate, approved but more dedicated and regular co-ordination will be required on an ongoing basis to ensure that such proposals are adequately prepared and monitored. Such horizontal co-ordination also provides for greater efficiency and transparency in terms of gathering and circulating project or thematic information, which would be provided on a regular basis (say quarterly) to the DCP Senior Officials.

However, this proposal does not contain a recommendation for a horizontal coordination entity. Such an organisation should be identified following the agreement on the concept of co-ordination within the six individual dimensions of the DCP.

The proposal for enhanced co-ordination on two levels complies with § 14 of the DCP declaration: "The Process is to broaden and deepen present Danube Co-operation and give to it a clear political and economic dimensions, without creating new institutions, but taking stock of and using existing structures and, where necessary, harmonizing their objectives and efforts, providing a focus, where appropriate, for their efforts within the Danube region".

#### 4. METHODOLOGY

Co-ordination in the context of this proposal should be understood as the pooling of resources between organizations, institutions and associations under the leadership of an agreed organisation(s), to encourage more efficient use of resources and most importantly to expedite successful outcomes on concrete common issues. As mentioned earlier, specific projects are suggested to illustrate the approach. It is a bottom up approach, based on projects, which are chosen to produce concrete results and consequently better visibility for the DCP. Enhanced co-operation is the "tool" to achieve the realisation of the proposed projects.

It is envisaged that following discussion and review in the Senior Officials Meetings, the biennial Ministerial Conference would formally launch specific projects, which would have a two-year realisation period i.e. until the next Ministerial Conference of the DCP. It is recommended that the progress would be monitored as part of the Senior Officials Meetings that take place between Ministerial Conferences.

After the completion of the first cycle, new projects should be elaborated. Thus the whole process should start from the beginning including the appointment of the most appropriate co-ordinating organisations.

The proposed methodology has been used already in similar initiatives in SEE. However, it has been adapted to take into account the comments made at the DCP Ministerial Conference meeting in Belgrade in April 2007 as well as the requests made during the Senior Official meeting in Vienna in June, 14<sup>th</sup> 2007.

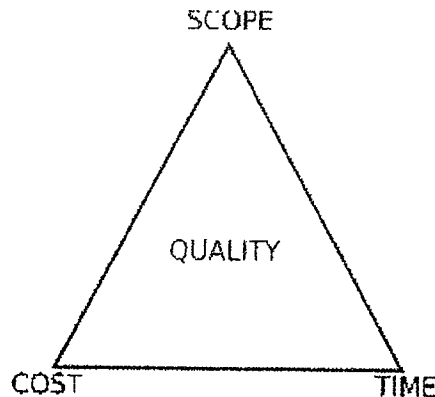
A common set of headings/sections has been used to describe each project as follows:

##### 4.1 *Proposed project*

The proposed project is the suggested undertaking that encompasses a set of tasks or activities having a definable starting point and a completion date. It sets out the rationale for, and well-defined objectives of, the project. However, it is the duty of the coordinating organization or institutions to elaborate further the specific value added envisaged for the project. In addition the co-ordinating organisation must organise and manage the resources in such a way that the project is completed within defined scope, quality, time and cost constraints.

Despite the fact that each project is unique, particular attention should be paid to potential for repeating the project or elements within it to generate an eventual greater impact.

The project needs to have appropriate project management, which has to perform under the three constraints: scope, time, cost – better known as Project Management Triangle. Each side of the triangle represents a constraint. One side of the triangle cannot be changed without impacting the others.



The Project Management Triangle

These three constraints are competing constraints:

- increased scope typically means increased time and increased cost,
- a tight time constraint could mean increased costs and reduced scope, and the co-ordinator of each dimension would have the difficult task to keep all constraints as small as possible

A short outline of expected benefits (or added value) of the project is also set out under this heading. It describes the additional value created by the project.

It is understood that the benefits or the added value of any project cannot always be expressed in monetary terms, but includes efficiencies in terms of time, cleaner environment, lower risk of disaster, better conservation of heritage and benefits, which in general improve quality of life.

Possible partner organisations for each project are listed under this heading (an exemplary list of potential partner organisation for each project is summarized in Annex 6). Such lists are merely suggestions and the final list of partners will be identified following approval of the project and will agree their respective roles and responsibilities with the co-ordinating organisation.

#### 4.2. Overall objective of Co-ordination

This section outlines the issues that the co-ordinating organisation would have to pay particular attention to in addition to any technical tasks related to the specific project. In addition the co-ordinating organisation must ensure:

- Assessment and dissolution of non-rational barriers
- Time management
- Frequent consistency checks
- Feasibility checks (still realistic)
- Adjusting milestones and main objective target (keep track)
- Concentration on objective relevant activities
- Constant commitment of all parties involved

4.3. *Specific Co-ordination Activities to be undertaken (gathering, compilation and analysis of data, meetings, circulation of information, workshops etc)*

This section describes the specific tasks related to the proposed project. A task is an activity that needs to be accomplished within a period of time. For reasons of simplification, the period of time (time target for the specific projects) is always 24 months from the last DCP Ministerial meeting. The tasks are often linked together and could be interdependent.

It is the role of the coordinating organizations or institutions to elaborate the appropriate management plan and time schedule – in other words what is to be done, by whom and by when.

4.4. *Proposed Co-ordinating Organisation*

This section outlines the rationale for the proposed co-ordinating organisation for the specific project including where relevant the legal status of that organisation.

4.5. *Resource Implications*

During the discussions of the Stability Pact's initial proposal to enhance co-ordination and effectiveness within each of the six dimensions and across all dimensions several delegations insisted that these efforts should not lead to additional costs and that no new organisational structures are to be created.

However, we believe that the benefits of enhanced co-ordination in terms of expediting and realising long-discussed concepts and projects outweigh the relatively small additional costs per dimension. These initial budgets estimates have been prepared by the proposed co-ordinating organisations on a cost recovery basis and it is envisaged the key parties involved will be responsible for their own costs e.g. attendance at meetings.

If the DCP decides to proceed with this proposal for enhanced co-ordination contributions should be sought from each member. The amount required would depend on the number and cost of each project approved. A variety of cost-sharing models have been used by the Stability Pact to allocate costs among parties to a programme or project and these can be provided to the DCP officials if requested.

The Senior Officials would also have to agree on appropriate financial management and reporting procedures – again the Stability Pact for South Eastern Europe could provide examples.

Each lead organisation would be responsible for appointing whatever staff it believes is necessary within the budget for the particular tasks at hand.

## 5. NAVIGATION DIMENSION

The navigation dimension is the most important dimension for the transport sector and is closely linked to the economic dimension. In general terms it deals with the science of conducting ships or vessels from one place to another place on the inland waterway system on the Danube and its tributary rivers – to the extent that these tributary rivers are navigable.

While in theory vessels and ships could navigate the Danube from 2,411 kilometres mark upstream all the way down to the Delta and could call in at 78 harbours located along the Danube between the town of Kelheim in Germany and the Black Sea, the reality is very different and navigation faces many problems. The total length of the artificial dredged channels in the Danube Delta is roughly the same as the total length of natural water courses (1,700 km), however there are many obstacles such as sunken vessels, bridge debris and, moving sand banks which hinder free navigation.

### 5.1. Proposed project

The proposed project consist of securing agreement to a comprehensive plan to implement a minimum floating water depth of 2.7 meters (equal to 2.5 meters draught) along the whole Danube stretch as the first part of a comprehensive Danube master plan. The minimum draught of 2.5 meters (as specified and agreed under the AGN – European Agreement on Main Inland Waterways of International Importance<sup>5</sup>, along the whole Danube is a basic precondition for the functioning of the Corridor VII as an inland waterway transport route. This should be in accordance with the “Joint Statement on Development of Inland Navigation and Environmental Protection in the Danube River Basin”<sup>6</sup>.

Assuming that all bottlenecks on the Danube will be removed (first steps have been undertaken in Austria, Serbia and in other Danube countries) and considering that the Rhine-Main-Danube channel provides a link from the North Sea to the Black Sea, it is estimated that a Danube with an minimum water depth of 2.7 meters could stimulate a 1% increase in GDP in the Danube countries.

An additional benefit would be to attract in the future at least the same percentage of traffic growth increase as the other transport modes.

A large number of organisations could potentially be involved in this project including several Directorate Generals of the European Commission, the Danube Commission, the respective Ministries of the Danube countries concerned, the Steering Committee of Corridor VII, the Working Community of the Danube Regions as well as transport organisations, association of freight forwarders, ICPDR, international financial institutions, international non-governmental organisations, and other organisations and institutions (Ref. Annex 6).

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<sup>5</sup> See [www.stabilitypact.org/Working Table II/Danube](http://www.stabilitypact.org/Working Table II/Danube)

<sup>6</sup> See [www.stabilitypact.org/Working Table II/Danube](http://www.stabilitypact.org/Working Table II/Danube)

## 5.2. Overall objective of co-ordination

Secure agreement to a comprehensive plan to implement a minimum floating depth along the Danube including activities to:

- harmonize national targets regarding the minimum depth according to national action plans and the EU NAIADES programme
- harmonize the objectives of international organizations such as EBU, EFIP, PIANC, ICPDR and other organisations
- identify bottlenecks to project implementation and raise awareness
- analyse different techniques to reach the target of 2.7 metres water depth
- propose specific techniques for different topography
- analyse the implications of a draught of 2.5 meters on the construction of self-propelled vessels and new type of barges including the respective feasibility capacities
- identify the costs involved
- demonstrate and analyse the economic added value (assuming a functioning Corridor VII)
- analyse the potential environmental impact

## 5.3. Specific activities to be undertaken include:

- elaborate technical and economic studies
- compile and analyse data
- draft memoranda of understanding, if necessary
- identify any legal agreements necessary
- consult widely with the key parties involved
- organise meetings, workshops and seminars

## 5.4. Proposed Co-ordinating Organisations

The proposed co-ordinators are the Chair of Steering Group of Corridor VII and the Danube Commission, both together. Both have the relevant experiences in this specific field of activities.

### 5.4.1 The Danube Commission

The Convention regarding the Regime of Navigation on the Danube signed in Belgrade on 18 August 1948 constitutes the international legal instrument governing the navigation on the Danube<sup>7</sup>. The so-called Belgrade Convention provides for free navigation on the Danube in accordance with the interests and sovereign rights of the Contracting Parties of the Convention aiming thereby to strengthen economic and cultural relations among themselves and with other nations.

According to the Convention, the 11 Member States, Austria, Bulgaria, Croatia, Germany, Hungary, Moldova, Slovakia, Romania, Russia, Ukraine and Serbia undertake to maintain their respective sections of the Danube in a navigable condition for river-going and, on the appropriate sections, for sea-going vessels and

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<sup>7</sup> see [www.danubecom-intern.org](http://www.danubecom-intern.org)



to carry out the works necessary for the maintenance and improvement of navigation conditions and not to obstruct or hinder navigation on the navigable channels of the Danube.

#### 5.4.2 *The Chair of the Steering Committee of Corridor VII*

The ten Pan-European transport corridors were defined at the second Pan-European transport Conference in Crete, March 1994, as routes in Central and Eastern Europe that required major investment over the next ten to fifteen years<sup>8</sup>.

Additions were made at the third conference in Helsinki in 1997. On the basis of the creation of Pan-European transport corridors, Steering Committees have been established in order to manage these corridors. The Steering Committee of Corridor VII has considerable tasks to fulfil, particularly with respect to transport policy questions. The assignment includes an effort to synchronise and co-ordinate a wide spectrum of tasks such as technical and operational co-operation in the fields of infrastructure as well as issues regarding the development of inland ports and the better efficiency of fleet management.

However, the first task of the assignment the elaboration and signing of the Memorandum of Understanding for the Corridor VII development has resulted in the establishment of three working parties (a Working Party for Infrastructure, chaired by Austria - a Working Party for Operations, chaired by Romania - a Working Party for the fleet, chaired by Hungary).

The chairman of the Steering Committee of Corridor VII was appointed by the European Commission in June 1998.

#### 5.5. *Resource implications*

The financial cost of co-ordinating this project is estimated by the two organisations concerned at € 75.000 per year. An approximate break down of this amount is shown below:

Personnel costs:	€ 35.000,--
Meeting and workshop costs:	€ 22.000,--
Data acquisition costs, if appropriate:	already included in personnel and workshop costs
Travelling costs:	€ 18.000,--
Total estimated costs per year:	€ 75.000,--

A timetable and a detailed final budget should be provided before the start of the specific project.

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<sup>8</sup> See [www.stabilitypact.org/Working Table II/Danube](http://www.stabilitypact.org/Working Table II/Danube)

## 6. ENVIRONMENTAL DIMENSION

The environmental dimension is one of the most important dimensions and increasingly underpins the other dimensions, which are dependent on the sustainability of the environment for their activities. As mentioned earlier governments are paying increasing attention to this most vulnerable sector and heightened awareness of the potential impact of environmental degradation is leading to a surge in activity.

While true wilderness is increasingly rare, *wild* nature (e.g., floodplain, wetlands, natural forests, uncultivated grasslands, high biodiversity hotspots) can be still found in many locations in the Danube Basin.

A major challenge for the Danube Basin (in line with many regions worldwide), is to reconcile on one hand the goal to preserve the environment and to create protected areas for fauna and flora, and on the other side to demonstrate that economic development can be pursued in harmony with the need for protection in general terms.

Thus two projects are proposed – one focused on the creation of protected areas and the other on demonstrating that economic development can be pursued in harmony with the need for protection. For this reason, it is implicit to choose two potential projects, each to be seen as agonist and antagonist for each other project.

### 6.1. First project: Development of a network of protected areas along the Danube

#### 6.1.1 *Proposed project*

The proposed project foresees the further development of a network of protected areas along the Danube as well as tributary rivers, and agreement to the establishment of two particular protected areas/national parks. This project covers the development of a master plan for joint activities such as marketing, tour operations, events and research programs. Further it should pay particular attention how best to establish and open national parks and other protected areas.

The creation of such national parks and the further development of a network of protected areas along the Danube would be a considerable contribution to securing biodiversity as well as protecting endangered and /or key species.

The creation of national parks and protected areas, together with activities such as tour operation and marketing could contribute to the regional economic development through enhanced tourism and consequently bring benefits to the local population.

A large number of organisations could potentially be involved in this project including relevant Directorate Generals of the European Commission, the respective Ministries of the Danube countries concerned as well as Protected Area Administrations, environmental organisations, association of land owners (indirectly), local authorities, universities, international financial institutions, international non-governmental organisations, and other organisations and institutions (ref. Annex 6).

### 6.1.2 Overall objective of co-ordination

To elaborate a master plan for a network of protected areas that will:

- harmonize national targets regarding protected areas
- secure support from international non-governmental organizations such as WWF, Greenpeace and other environmental organisations
- identify potential barriers and institutional bottlenecks
- raise awareness of the need for protected areas
- conserve biodiversity

### 6.1.3 Specific activities to be undertaken include

- analyse the added value for local population, assuming that the environmental added value is not questioned.
- identify any legal agreements necessary (e.g. compulsory purchase orders)???
- identify costs involved and potential sources of finance
- organize meetings, workshops and seminars (ensure wide consultation)
- elaboration of a master plan for approval

### 6.1.4 Proposed Co-ordinating Organisation

The proposed co-ordinator is the International Commission for the Protection of the Danube River (hereinafter called ICPDR<sup>9</sup>), which has the relevant experience and expertise in this specific field of activity. It is foreseen to designate specific work activities to national authorities and recently formed network of Danube protected areas is foreseen.

The International Commission for the Protection of the Danube River (ICPDR) is an international organization consisting of 14 contracting parties (Germany, Austria, Czech Republic, Slovakia, Slovenia, Hungary, Croatia, Bosnia and Herzegovina, Serbia, Bulgaria, Romania, Moldova, Ukraine and the European Union). Since its establishment in 1998, the ICPDR has grown into one of the largest and most active international bodies of river basin management experts in Europe. ICPDR deals not only with the Danube itself, but with the whole Danube River Basin, including its tributaries and ground water resources.

The ultimate goal of the ICPDR is to implement the Danube River Protection Convention, which forms the overall legal instrument for co-operation on transboundary water management in the Danube River Basin. The Convention was signed on June 29, 1994 in Sofia (Bulgaria) and came into force in 1998. It aims to ensure that surface waters and groundwater within the Danube River Basin are managed and used in a sustainable and equitable way. This involves:

- the conservation, improvement and rational use of surface waters and groundwater
- preventive measures to control hazards originating from accidents involving floods, ice or hazardous substances
- measures to reduce the pollution loads entering the Black Sea from sources in the Danube River Basin

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<sup>9</sup> See [www.icpdr.org](http://www.icpdr.org)

The ICPDR has also been nominated as the platform for the implementation of the EU Water Framework Directive. Its ambitious mission is to promote and coordinate sustainable and equitable water management, including conservation, improvement and rational use of waters for the benefit of the Danube River Basin countries and their people. The ICPDR pursues its mission by making recommendations for the improvement of water quality, developing mechanisms for flood and accident control, agreeing on standards for emissions, assuring that these are reflected in the Contracting Parties' national legislations and applied in their policies.

#### 6.1.5 *Resource implications*

The financial cost of co-ordinating this project is estimated by the ICPDR at € 75.000,-- per year. An approximate break down of this amount is shown below:

Personnel costs:	€ 30.000,--
Meeting and workshop costs:	€ 15.000,--
Data acquisition costs, if appropriate:	€ 15.000,--
Travelling costs:	€ 15.000,--
Total estimated costs per year:	€ 75.000,--

A time table and a detailed final budget should be provided before the start of the specific project.

### 6.2. **Second project**

The second project consists of providing guiding principles for the development of a hydro power station that meets best practice standards.

#### 6.2.1 *Proposed project*

The proposed project foresees the elaboration of guiding principles for planning and implementation of hydro-electric power station that meets best practice standards including particular consideration of environmental issues such as fish ladders and flood protection zones as well as neighbouring protected areas/national parks in order to facilitate the migration of animal species from the location of the hydro power station toward national parks or animal reserves. This project should be developed on the basis symbiosis between ecology and eco-efficiency – i.e. industrial ecology.

The project should explore the possibility of combining renewable energy with environmental protection and should demonstrate how and in what circumstances, development can proceed on industrial energy projects in a way that is in harmony with the EU Water Framework Directive and the goal of achieving a good ecological status of a river.

Specific guidelines and principles for operation and development of such facilities could be developed in addition to ensuring that these principles are applied in a specific example.

Hydro-energy generation has an immediate effect upon ecological systems. Interdisciplinary co-ordination among many fields of research and practise – technical, economic, social, political and ecological are needed to ensure that such development is done in a way that provides for sustainable development.

One of the central challenges of sustainable development in the energy sector is providing increasing quantities of energy to feed a growing industry and world population. This issue is compounded by constraints on energy generation that include limited resources (oil, gas, oil, uranium), the consequences of burning fossil fuels and in general the impact of global and regional climate change. The production of electricity from thermal power plants fed with fossil fuels has increased over the last years, but appears now to be running into ecological limits. Carbon dioxide certificates do not solve the problem in the long term but demonstrate what the real price for electricity could be if we consider ecological aspects. Thus, the calculation of the added value of an hydro-electric power plant based on industrial ecology is rather the anticipation of the negative CO<sup>2</sup> effects of an thermal power plant (such amount of equivalent CO<sup>2</sup> emission saved).

A large number of organisations could potentially be involved in this project including relevant Directorate Generals of the European Commission, the respective Ministries of the Danube countries concerned as well as Protected Area Administrations and in particular the Ministries of Energy/Economy, environmental organisations, association of land owners (indirectly), local authorities, universities, international financial institutions, international non-governmental organisations, and other organisations and institutions (ref. Annex 6).

#### 6.2.2 Overall objective of co-ordination

To elaborate guiding principles that:

- harmonize national targets regarding specific topics that are addressed by the establishment of a hydro plant
- harmonize the national objectives with the objectives of international organizations such as Energy Community, and UCTE.
- identify barriers and institutional bottlenecks
- raise awareness about clean energy
- identify the costs involved
- illustrate best practice in the design of a hydro power station

#### 6.2.3 Specific activities to be undertaken include

- compilation and circulation of information on best practice for a multidisciplinary design hydro power station from/among a range of sources including
  - a.) energy provider / hydro power station owner
  - b.) environmental authorities
  - c.) non –governmental environmental organisations
  - d.) relevant ministries such as Ministry of Energy, Agriculture, Water, Fishery, and Environment
- consultations with other environmental groups
- organisation of meetings, workshops and seminars

- drafting guiding of principles for approval
- consultations with relevant parties

#### 6.2.4 *Proposed Co-ordinating Organisation*

The proposed co-ordinator is the International Commission for the Protection of the Danube River (ICPDR) as outlined above in 6.1.5.

#### 6.2.5 *Resource implications*

The financial cost of co-ordinating this project is estimated by ICPDR at € 65.000 per year, An approximate break down of this amount is shown below:

Personnel costs:	€ 35.000,--
Meeting and workshop costs:	€ 15.000,--
Data acquisition costs, if appropriate:	€ 10.000,--
Travelling costs:	€ 15.000,--
Total estimated costs per year:	€ 75.000,--

A time table and a detailed final budget should be provided before the start of the specific project.

## **7. Tourism dimension**

In recent years, there has been distinct increase in the demand for up-market, quality tourism, especially in Europe where international travel for short breaks is common. Tourists have higher levels of disposable income and greater leisure time, and they are looking for higher quality and more specialized products (niche markets). Tourism in the countries of the Danube basin has been affected by this trend. In this context, it is important to note that ecological tourism (ecotourism) is gaining more importance in the Danube region. Local culture, wilderness adventures, learning new ways to live on the planet - typically involving travel to destinations where flora, fauna, and cultural heritage prevail - are now among primary attractions for tourists.

Ideally, ecotourism satisfies several general criteria, including the conservation of biological diversity and culture, diversity through ecosystem protection, promotion of sustainable use of biodiversity, sharing of socio-economic benefits with local communities, increase in environmental and cultural knowledge, affordability and reduced waste, and minimization of its own environmental impact. In such ways, it contributes to the long term benefits to both the environment and local communities.

However, the tourist industry and governments, tend to focus more on the product aspect, treating ecotourism as equivalent to any sort of tourism based in nature. This "greenwashing" is continuing to grow and tends to mislead tourists in their concerns on environment. Ecotourism in the narrow sense has certainly a very positive effect on the environment and on the preservation of nature and culture as well as on the economic development of the Danube region, but should deliver community-level benefits and not become the source of conflict of interest between economy and ecology.

The tourism dimension aims to develop the tourism potential in the Danube basin extending from the source of the Danube to its delta, with the provision for an appropriate role for agro-tourism and eco-tourism. The proposed projects are clearly defined to reach these ambitious targets.

### **7.1. First project**

The elaboration of a marketing concept for protected areas/national parks in the Danube region

#### *7.1.1 Proposed project*

The proposed project foresees the elaboration of a marketing concept for the proposed protected areas/natural parks along the Danube and in the Danube region. Ideally the marketing concept should go in the direction of ecotourism which could satisfy the needs and expectations of tourists but also would address ecological needs including the conservation of culture as well as the preservation of the ecosystem and of the biodiversity.

Particular attention should be paid to the prerequisite that the marketing concept should not be a simple commercialisation of green tourism, but rather a new approach combining tourist-centred activities and the call for environmental protection. As even ecotourism needs a minimum of additional infrastructure such as sanitation facilities, landing bridges, paths, water treatment facilities, electricity - to

name but a few – the concept should seek to minimise the impact of these on the environment.

The elaboration of a new marketing concept for protected areas is a complementary project to that outlined under b1- Environment that would ensure the success of the creation of these areas along the Danube and in the Danube basin (project under the proposed coordinating role of ICPDR). Precise economic benefits are rather difficult to assess despite the fact that areas of protection provide important ecological functions that enable the society to enjoy a proper environment.

Nevertheless, the protection of ecological important areas provides economic benefits to individuals and communities<sup>10</sup>. There is growing recognition that such natural benefits have real economic value and that these values need to be included in decision-making processes.

Benchmarking is certainly one method how to arrive at an approximately estimation of added value of a natural park only. Hereby an example:

A 1981 study of the large wetlands around Long Point, Lake Erie, Ontario used contingent valuation to measure the annual net recreational benefits received by Canadians who use these wetlands<sup>1</sup>. Contingent valuation measures what people are willing to pay over and above their current expenditures to receive the same benefits. The study also calculated the total expenditures made by recreational users of the wetlands.

The study found that recreational users spent \$119,000 (\$215,906 in 1999 Canadian dollars) in total to receive wetland benefits that were estimated to have a contingent value of \$213,000 (\$386,000 in 1999 Canadian dollars) per year. This implies that for every dollar users spent, they received \$1.79 in benefits, a return of 179 percent.

Other examples show that a good structure and marketing concept are the key criteria for an economic successful natural park (further see MPA Thesis Ganga Nakarmi as example and [www.icpdr.org/publications](http://www.icpdr.org/publications))

A large number of organisations could be involved in this project including the relevant Directorate Generals of the European Commission, the respective Ministries of the Danube countries concerned as well as tourism organizations, environmental non-governmental organisation, ICPDR, local authorities, international financial institutions, and other organisations and institutions.(ref. Annex 6).

### 7.1.2 Overall objective of co-ordination

To elaborate a comprehensive marketing plan that will:

<sup>10</sup> Remark for illustration purposes: an intact wetland slows floodwaters, filters contaminants, and recharges groundwater layer. These functions are often lost though soil compaction and wetland filling. Wetlands act as natural sponges, soaking up floodwaters and releasing them gradually. For instance, a single wetland acre, saturated to a depth of one foot, retains enough water to flood 13 average-size homes. Altered wetlands often provide property owners little or no flood protection.



- harmonize the national targets regarding specific topics that should be addressed as part of such a plan.
- harmonize the objectives with those international organizations dealing with tourism and ecology
- identify barriers and institutional bottlenecks
- elaborate a marketing concept for the protected areas/natural parks which not only includes the 4 P's of marketing <sup>11</sup> but adds a fifth one for "Protection" of environment in order to have a sustainable development
- raise awareness of a new marketing approach for natural parks
- identify costs involved and possible sources of finance
- analyse the added value for local population

#### 7.1.3 Specific activities to be undertaken include:

- identify the different components of the plan and the relevant partners for each component
- compile and analyse economic, environmental and financial data necessary for the plan
- instigate communications among relevant parties
- draft agreements, as necessary
- organize meetings, workshops and seminars
- consult widely with the relevant parties

#### 7.1.4 Proposed Co-ordinating Organisation

The proposed co-ordinator is the Danube Tourism Commission <sup>12</sup> which has extensive experience in this specific area of activity.

The Danube Tourism Commission is organised officially as an association. Member states are represented by their national tourism organizations. They are helped in their work by supporting members, currently Casinos Austria, the Serbian Chamber of Industry and Commerce and Bonaventura Cruises. The Commission is financed by membership dues.

The aim is to make the Danube region – defined as a seventy-kilometre (forty three-mile) wide band along both banks of the great river–better known internationally and

<sup>11</sup> Professor E. Jerome McCarthy, at the Harvard Business School, suggested in the early 1960s, that the Marketing Mix contained 4 elements: The "four P" are:

- **Product:** the product aspects of marketing deal with the specifications of the actual goods or services, and how it relates to the end-user's needs and wants.
- **Pricing:** this refers to the process of setting a price for a product, including discounts. The price need not be monetary - it can simply be what is exchanged for the product or services, e.g. time, energy, psychology or attention.
- **Promotion:** this refers to the various methods of promoting the product, brand, or company.
- **Placement (or distribution):** this refers to how the product gets to the customer; for example, point of sale placement or retailing.

<sup>12</sup> see [www.danube-river.org](http://www.danube-river.org)

to promote tourism in the area. In 1998 the Danube Tourism Commission extended its activities to include the Main-Danube Canal.

The Danube Tourism Commission established partnerships in 2004 with the Working Community of Danube Regions, (ARGE Donauländer <sup>13</sup>), the Institute for the Danube and Central Europe (IDM <sup>14</sup>) the International Commission for the Protection of the Danube River (ICPDR), the Tina Vienna Transport Strategies/Corridor VII Management <sup>15</sup>, and the Route of Emperors and Kings Marketing Association. The Commission is also a member of the Vienna UNESCO association.

#### 7.1.5 Resource implications

The financial cost of co-ordinating this project is estimated by the Danube Tourism Commission at € 75.000,-- per year. An approximate break down of this amount is shown below:

Personnel costs:	€ 25.000,--
Meeting and workshop costs:	€ 30.000,--
Data acquisition costs, if appropriate:	€ 10.000,--
Travelling costs:	€ 10.000,--
Total estimated costs per year:	€ 75.000,--

A time table and a detailed final budget should be provided before the start of the specific project.

#### 7.2. Second project:

The elaboration of a compatible Danube Basin hotel rating system.

##### 7.2.1 Proposed project

The proposed project foresees the elaboration of compatible and in the Danube basin universal hotel rating for consideration by the relevant bodies in the countries concerned.

In some countries of the Danube Basin, there is an official body with standard criteria for classifying hotels, but in many others there is none. There have been attempts at unifying the classification system so that it becomes an internationally recognized and reliable standard, but large differences exist in the quality of accommodation and food within one category of hotel, sometimes even in the same country.

The same applies to tourists or travellers who use the Internet to plan their journey, hotel ratings have become more and more difficult to assess. All major travel web sites offer ratings that help consumers find hotels, which will meet their requirements. Often, these ratings are geared towards selling hotel rooms, rather than providing the consumer with unbiased and trustworthy information.

<sup>13</sup> see [www.argedonau.at](http://www.argedonau.at)

<sup>14</sup> see [www.idm.at](http://www.idm.at)

<sup>15</sup> see [www.tinavienna.at](http://www.tinavienna.at)

Comparisons of web sites' ratings reveal wild fluctuations that can only be described as confusing (at best) or misleading (at worst).

Therefore, creating a universal hotel rating would help to develop the tourism in the Danube region and provide it with a comparative advantage over other tourist regions. The logical follow-up project in the next DCP cycle would be the implementation of this rating system.

A large number of organisations could potentially be involved in this project including relevant Directorate Generals of the European Commission, the respective Ministries of the Danube countries concerned as well as Tourism organisations, Hotel organisations, cities and other local authorities, international financial institutions, international non-governmental organisations, and other organisations and institutions (ref. Annex 6).

#### 7.2.2 Overall objective of co-ordination

To elaborate a proposal for a new rating structure that:

- harmonises national standards with the proposed rating standard
- harmonises the objectives with those of international organizations dealing with tourism
- identifies barriers and institutional bottlenecks to the implementation of such a rating system
- elaborates an implementation plan for the new hotel rating system
- provides a promotion plan for the new hotel rating system
- analyses the added value for local tourism in the Danube countries

#### 7.2.3 Specific activities to be undertaken include:

- consult widely with the relevant organisations
- compile and analyse information
- identify options for such rating systems
- secure agreement to best option
- organize meetings, workshops and seminars

#### 7.2.4 Proposed Co-ordinating Organisation

The proposed co-ordinator is the Danube Tourist Commission, already described in chapter 7.1.5.

#### 7.2.5 Resource implications

The financial cost of co-ordinating this project is estimated by the Danube Tourist Commission at € 75.000,-- per year, An approximate break down of this amount is shown below:

Personnel costs:	€ 25.000,--
Meeting and workshop costs:	€ 30.000,--
Data acquisition costs, if appropriate:	€ 10.000,--

Travelling costs: € 10.000,--

Total estimated costs per year: € 75.000,--

A time table and a detailed final budget should be provided before the start of the specific project.

### 7.3. Third project

A third and alternative project could be the promotion of co-operation among universities in the Danube region. This project would aim to raise awareness among youth and students of all aspects of the Danube – economy, transport, tourism, environment, culture, and sub-regional development), and to intensify the academic debate on issues which are of primary interest for the Danube region. The project would focus on identifying barriers and institutional bottlenecks on university level, and the specific activities of this proposed project could include an exchange program for students, a guest professorship scheme in the countries of the Danube Basin and the organisation of Danube related workshops and seminars on academic level.

The added value is the improving the educational levels of students in Danube related matters. Measuring the added value would be very difficult, but could be observed on one hand by measuring the increase of attendance to Danube related seminars and classes and on the other hand by the performance students will attain in their end-of-year tests.

## 8. CULTURAL DIMENSION

The cultural dimension is certainly one of the most complex dimension of the DCP since it covers the "the way of life for an entire society" in the Danube basin and includes intangible topics such as manners, dress, language, religion, rituals, norms of behaviour in a particular country and on the other hand to need to highlight the cultural commonality of the Danube region, stemming from its shared history and traditions.

### 8.1. Proposed project

The proposed project consists of in the identification and submission of applications for 3 (three) sites to be given the status of World Heritage sites – according to the selection criteria of UNESCO's World Heritage programme – as well as the elaboration of a management plan for restoration.

The direct added value is difficult to measure, but the World Heritage sites are traditionally attractive tourism targets. Therefore, the project should increase the tourist potential in the region with the side effect of greater awareness of history and culture among both tourists and local population.

To be included in the World Heritage list, the 3 objects must be of outstanding universal value and meet at least one of the 6 "Cultural Criteria" according to the Operational Guidelines of the World Heritage 2005 which are:

- to represent a masterpiece of human creative genius<sup>16</sup>
- to exhibit an important interchange of human values, over a span of time or within a cultural area of the world, on developments in architecture or technology, monumental arts, town-planning or landscape design;
- to bear a unique or at least exceptional testimony to a cultural tradition or to a civilization which is living or which has disappeared;
- to be an outstanding example of a type of building, architectural or technological ensemble or landscape which illustrates (a) significant stage(s) in human history;
- to be an outstanding example of a traditional human settlement, land-use, or sea-use which is representative of a culture (or cultures), or human interaction with the environment especially when it has become vulnerable under the impact of irreversible change;
- to be directly or tangibly associated with events or living traditions, with ideas, or with beliefs, with artistic and literary works of outstanding universal significance. (The Committee considers that this criterion should preferably be used in conjunction with other criteria);<sup>20</sup>

A large number of organisations could be potential partners for this project including the respective Directorate Generals of the European Commission, the respective Ministries of the Danube countries concerned as well as UNESCO, cultural organizations, local authorities, universities, international financial institutions,

<sup>16</sup> United Nations - 1992-2007 UNESCO World Heritage Centre, Terms / Policies | v3.0

<sup>17</sup> Idem (see footnote no. 16)

<sup>18</sup> Idem (see footnote no. 16)

<sup>19</sup> Idem (see footnote no. 16)

<sup>20</sup> Idem (see footnote no. 16)

international non-governmental organisations, and other organisations and institutions (ref. Annex 6).

## 8.2 Overall objective of co-ordination

To identify 3 potential World Heritage Sites and to assist the relevant authorities to apply for official recognition as such including:

- securing agreement of national authorities to the potential candidate sites
- identify of barriers and institutional bottlenecks
- identify of international expertise in the relevant areas
- Analysis of the added value for local tourism in the Danube countries

## 8.3. Specific activities to be undertaken include:

- identify potential objects
- secure agreement with the relevant national authorities and ensure they have signed the World Heritage Convention
- elaborate the management plan for restoration
- assist in the elaboration of submission file
- liaise with the key parties involved
- organize meetings, workshops, conferences and seminars
- consult widely with relevant parties

## 8.4. Proposed Co-ordinating Organisations

The proposed co-ordinator is the Working Community of the Danube Regions (ARGE Donauländer<sup>21</sup>). Where feasible, the chair of the Rectors Conference may contribute valuable assistance.

The Working Community of the Danube regions is based on a Joint Declaration as attached in Annex 3. The objective of this Working Community is to promote the co-operation of its members so as to ensure the all-round development of the Danube region in the interests of its inhabitants, and of peaceful co-operation in Europe (as per article 1 of the declaration).

The legal background of the Danube Rectors Conference is an association. The Rectors from the universities of Ulm, Linz, Vienna and Budapest established the Danube Rectors' Conference at a meeting in Vienna in 1983. The founding countries Austria, Germany and Hungary were joined by Bosnia and Herzegovina, Bulgaria, Croatia, the Czech Republic, Poland, Romania, Serbia and Montenegro, Slovakia, Slovenia and Ukraine. Presently, 49 higher education institutions from 13 countries are active members in this regional network.

The general aim of the Conference is the improvement of higher education in teaching and research in the region, and in particular the advancement of member universities, by establishing and facilitating bilateral and multilateral contacts between the universities.

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<sup>21</sup> See [www.argedonau.at](http://www.argedonau.at)

### 8.5. Resource implications

The financial cost of co-ordinating this project is estimated the Working Community of the Danube Regions at € 60,000,-- per year. An approximate break down of this amount is shown below:

Personnel costs:	€ 24.000,--
Meeting and workshop costs:	€ 21.000,--
Data acquisition costs, if appropriate:	already included in the personnel and workshop costs
Travelling costs:	€ 15.000,--
Total estimated costs per year:	€ 60.000,--

A time table and a detailed final budget should be provided before the start of the specific project.

## 9. SUB-REGIONAL DIMENSION

The sub-regional dimension aims to promote sub-regional initiatives and projects within the context of the DCP such as developing the potential of Euro-regions of the Danube (which are already established) and paving the way for any form of cross-border and interregional co-operation.

### 9.1. *Proposed project*

The proposed project foresees the development of rural spaces as pilot projects (5 agricultural units in 3 different countries) to demonstrate different ways to cope with the impact of globalization on the agricultural sector. An agricultural unit can be defined across a wide range of items – small farms under a certain hectare size up to agricultural processing plants. It is the declared aim to choose agricultural units which operations could be replicated in other countries of the Danube basin.

An example for illustration purposes: the average farm size is rather small in South East Europe due mainly to the economic systems installed after World War II. Farmers are often forced to have a full time job in the industrial sector and farm on a part-time basis. Small numbers of domestic animals and a small number of fields do not provide sufficient revenues to continue to preserve the agricultural landscape. However, in some instances by turning to specialized, high value niches such as plants for the pharmaceutical industry or plants for the textile industry (coloring products), these rather small units can generate enough revenues to avoid migration. However, these transformation processes are complex and require professional assistance.

The eventual impact of the project is to reduce migration of rural population and as a side effect preserve agricultural and cultural heritage.

A large number of organisations are potential partners for this project including the relevant Directorate Generals of the European Commission, the respective Ministries of the Danube countries concerned – in particular the Ministries of Agriculture – as well as regional governments, local authorities, international financial institutions, and other organisations and institutions (ref. Annex 6).

### 9.2. *Overall objective of co-ordination*

To identify five potential agricultural units and devise programme for diversification or specialisation so as to provide a better economic and social return. The proposal could address:

- harmonisation of relevant national targets and standards
- harmonisation with relevant international standards
- identification of barriers and institutional bottlenecks
- identification of potential sources of funding and guidelines on how to access these
- analysis of the economic, agricultural and environmental implications of diversification and/or specification
- analysis of economic added value



9.3. *Specific activities to be undertaken include*

- identify five (5) pilot agricultural units (in consultation with national and local authorities, where necessary)
- identify options for specialisation/diversification
- identify legal and financial requirements
- elaborate individual transition plans
- organize meetings, workshops and seminars
- consult widely with relevant parties

9.4. *Proposed Co-ordinating Organisation*

The proposed co-ordinator is the Working Community of the Danube Regions (ARGE Donauländer) as outlined in 8.4 above.

9.5. *Resource implications*

The financial cost of co-ordinating this project is estimated by the Working Community of the Danube Regions at € 60.000 per year. An approximate break down of this amount is shown below:

Personnel costs:	€ 24.000,--
Meeting and workshop costs:	€ 21.000,--
Data acquisition costs, if appropriate:	already included in the personnel and workshop costs
Travelling costs:	€ 15.000,--
Total estimated costs per year:	€ 60.000,--

A time table and a final detailed budget should be provided before the start of the specific project.

## 10. ECONOMIC DIMENSION

As highlighted at the Second Ministerial Conference of the DCP (Final Document of the Second Ministerial Conference of the DCP in Bucharest, 14<sup>th</sup> of July 2004 <sup>22</sup>). "The Danube region offers considerable potential for economic co-operation within the region. It is essential that such co-operation is based on sustainable development to ensure a long-term prosperity including a high level of social and environmental protection. Sustainable transport solutions will be pivotal for the economic development of the region and the well being of its population. The development of new traffic concepts, improved and combined transport systems and the better use of the Danube as a transport mode will contribute considerably to the alleviation of traffic problems brought about by the growing economic integration of the European Union and the countries of the region and will encourage the flow of investment and the transfer of capitals in the region. The DCP Participants welcome the initiative of addressing the development of sustainable transport in the Danube Region with a view to establishing an integrated approach and coherent policies of all Danubian States in this field, and are by considering holding a meeting of ministers of transport of Danubian States ( an excerpt from the Final Document; see footnote 22).

In the spirit of this Final Document, a potential project for this dimension would be the development of a logistical chain of container terminals on the Danube river.

Some Danube countries are finalising their respective Danube master plans and this outline project would make a welcome contribution to the coordination of activities regarding ports and port infrastructure.

However, the project would need further in-depth discussion with potential partners including relevant Directorate Generals of the European Commission, the respective Ministries of the Danube countries concerned as well as the chambers of Commerce, regional governments, local authorities, international financial institutions, and other organisations and institutions.

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<sup>22</sup> See [www.stabilitypact.org/Working Table II/Danube](http://www.stabilitypact.org/Working%20Table%20II/Danube)

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## ANNEX 1

### Extension of the major trans-European axes to the neighbouring countries and regions - alignment of axis

#### The South Eastern Axis

Source: Extension of the major trans-European transport axes to the neighbouring countries and regions, Report from the High Level Group chaired by Loyola de Palacio, November 2005, European Commission

1. Multimodal connection Salzburg – Ljubljana – Zagreb/Budapest – Belgrade – Nis, including the following connections:
2. Sofia – Istanbul – Ankara – Georgia/Armenia – Azerbaijan (Traceca)
3. Skopje – Thessaloniki
4. Multimodal connection Budapest – Sarajevo – Ploce
5. Multimodal connections Bari/Brindisi – Durres/Vlora – Tirana – Skopje – Sofia – Burgas/Varna
6. Inland waterways Danube and Sava
7. Multimodal connection Ankara – Mersin – Syria – Jordan – Suez – Alexandria/East Port Said, including the following connections:
8. Sivas – Malatya – Mersin
9. Turkey towards Iran and Iraq
10. Tartus – Homs towards Iraq
11. Beirut – Damascus towards Iraq and Saudi Arabia
12. Haifa – Israel border
13. Jordan border – Amman towards Iraq and Saudi Arabia
14. Multimodal connections Damietta – Cairo and beyond including the Nile river
15. Multimodal connections from Armenia, Azerbaijan and Georgia towards North and South

## ANNEX 2

### FINAL DOCUMENT of the Third Ministerial Conference of the Danube Co-operation Process (Belgrade, 18 April 2007)

The Ministers of Foreign Affairs of the Republic of Austria, Bosnia and Herzegovina, the Republic of Bulgaria, the Czech Republic, the Republic of Croatia, the Federal Republic of Germany, the Republic of Hungary, the Republic of Moldova, Romania, the Republic of Serbia, the Slovak Republic, the Republic of Slovenia and Ukraine, the European Commission and the Special Coordinator of the Stability Pact for South Eastern Europe convened in Belgrade, on the 18 April 2007, the Third Ministerial Conference of the Danube Co-operation Process (DCP). During the meeting, the participants reviewed activities and projects carried out under the Process as a political and economic forum aimed at initiating and encouraging the realization of projects of regional and pan-European importance in coordination and complementarity with other regional organizations and initiatives. Following this review, the Ministers noted that the Process has shown itself to be a flexible and productive platform for cooperation and long term sustainable development.

The DCP participants strongly support the sustainable development of the Danube region as a functional community with a recognizable identity. Notwithstanding differences in internal social and economic situation, especially in the countries in transition, this region's responsibility for Europe's future is increasingly becoming the common denominator of the DCP. The DCP will continue to provide political support to Danube-related cooperation initiatives in the region, in particular within the existing frameworks of the International Commission for the Protection of the Danube River (ICPDR) and other established institutions. At the same time, the DCP will try to facilitate Danube - Black Sea cooperation projects and synergies, strengthening cooperation with the Black Sea Economic Cooperation Organization (BSEC).

Furthermore, closer cooperation and coordination is needed within the DCP as well as with other regional processes and initiatives which promote regional cooperation and regional ownership, such as the South-East European Cooperation Process (SEECP) and the Stability Pact for South Eastern Europe. The DCP participants support the enhanced role of SEECP and the establishment of the Regional Cooperation Council, as well as the other objectives defined at the Regional Table meetings of the Stability Pact held in Belgrade on 30 May 2006 and in Bucharest on 16 November 2006.

The DCP participants welcome the increasing role of the European Union in the Danube region, in particular through the past and ongoing enlargement process of the EU, that will bring the Danube region as a whole closer to the EU. This is a strategic course for the development of the DCP and will encourage the economic development of the region and the implementation of the highest regulatory and ecological standards of protection and sustainable usage of the Danube resources set by the EU, which are of common interest for all DCP participants. In this regard, the DCP participants welcome the increased funding available for the Danube region in particular under the EU's Cohesion Policy and Instrument for Pre-Accession assistance and undertake to ensure a closer co-ordination between the implementation of the Dimensions of the DCP and projects proposed for funding through the EU financial instruments.

The participants consider that the documents adopted at the two previous DCP ministerial conferences held in Vienna (2002) and Bucharest (2004) defined the mission of the Process and its specific political objectives. These objectives constitute a durable foundation for its future work. In line with these basic documents, the participants stress the need for sustainable development of the region. Existing process and structures should continue their successful work and should be strengthened. Considerable efforts are also needed to achieve sustainable flood protection. Therefore, the participants underline the following:

- **Economic Dimension.** The Danube River has an unequalled potential to promote the sustainable development of transport, energy, trade, tourism and services, as well to attract investments in all sectors of the economy. Private and public investment in the Danube region will bring economic development, increase competition and create new jobs. This will provide an optimal solution to the social, environmental and economic challenges facing the region. In this regard new opportunities in innovation, environmental technologies and sustainable tourism show significant potential. The main advantage lies in the possibility of integrating investment in the region through traffic connections, better management of the relevant infrastructure and development of a system of combined transport. Small and medium-sized enterprises could play a crucial role in the economic development of the region in view of their flexibility and their potential for creating new jobs.

In this context, DCP participants welcome the adoption of the Regional Framework for Investment by countries from South East Europe at the 2006 Ministerial Conference of the OECD Investment Compact for South East Europe (Vienna, 27 June 2006). This framework provides a set of principles in ten policy areas to aid SEE countries shaping the investment environment so as to attract foreign direct investment.

The DCP participants welcome the results of the Fifth Danube Region Business Conference (Belgrade, 9-10 November 2005) and underline its contribution to the creation of the Danube business community and regional cooperation. The participants welcome efforts to organize the Sixth Danube Region Business Conference.

- **Navigation Dimension.** Joint efforts should be made to better manage and further develop the potential of the Danube as a European waterway and a high-level transport axis. The DCP participants support the Declaration drawn up at the Pan European Conference on inland waterway transport (Bucharest, 13-14 September 2006) and express their readiness to support the development of the European inland waterways network where the Danube, as Corridor VII, will play an increasing role. It is necessary to promote sustainable inland waterway transport as a commercially attractive and environmentally compatible mode of transport through coordinated action. This action should be based upon the enlargement of the EU internal market as well as the international regimes of free navigation, taking into consideration the possibility of eventual future free access to the markets of inland navigation in Europe. In this regard, inland waterway transport should contribute to the modal shift and to the development of combined transport. The ministers encourage the drafting of country level action plans for transport on inland waterways which are in line with the NAIADES action programme of the European Union. These action plans should address various fields, namely market, fleet, crew, image, infrastructure. Particular attention should be paid to their coordinated implementation along the Danube.

The DCP participants support the process for achieving a Common Understanding and Joint Statement on Development of Inland Navigation and Environmental Protection on the Danube River carried out by the ICPDR, Danube Commission and Sava Commission together with other interested parties.

The revision of the Belgrade Convention regarding the navigation regime on the Danube remains an important issue for the DCP. The DCP participants will continue to follow attentively the activity of the Preparatory Committee aimed at revising the Belgrade Convention and support the efforts made by the Member States to the Belgrade Convention. The DCP participants agree that all pending issues should be overcome and that a common understanding on the provisions of the new Convention reflecting the harmonized European goals with regard to the development of the navigation on the Danube should be achieved. This would encourage investment and increase the interest of business communities in inland navigation as a trustful perspective for meeting transport needs in the future. In this regard the DCP participants emphasize the need to ensure the sustainable development of international trade through increased use of inland waterway transport as the most environment-friendly means of long-range trade.

• **Environmental Dimension.** The participants to the Process emphasize the importance of the preservation of the environment as an horizontal element of all other dimensions. They support the efforts of international organizations, including the International Commission for the Protection of the Danube River (ICPDR), to preserve and protect the Danube's ecosystems and establish sustainable management of the water resources on which all sectors depend. They support the Declaration of the Ministerial Meeting "Danube-Black Sea: Towards a sustainable partnership for integrated water management" (Bucharest, 23 February 2007). Legislative approximation and practical implementation of the relevant European Directives is of particular importance in this respect. This applies in particular to the Water Framework Directive and the upcoming Flood Risk Management Directive including in those Danube countries where it is not legally binding already, as well as the development of the integrated Danube River Basin Management Plan. In this context particular attention should be paid to the fragile ecosystems of the Danube Delta, Europe's youngest territory and its important transboundary Natural Biosphere Reserve, in particular by respecting of the absorption capacity of the vulnerable biodiversity. This is a prerequisite for economic development. It is only through the protection of the environment that the crucial goal of reducing the impact of extreme natural phenomena and accidents will be achieved. The ministers appeal for facilitation of the process of policy development and implementation of measures, in the context of the ICPDR in particular, to prevent the occurrence of such disasters and mitigate their consequences. The ministers acknowledge the leading role of international organizations and national water management authorities in this process and encourage the wider involvement of scientists and other stakeholders. In this context, the participants to the Process are committed to the Action Program for Sustainable Flood Prevention in the Danube River Basin, agreed at the ICPDR Ministerial Meeting on 13-14 December 2004 in Vienna and will lend their political and institutional assistance to ensuring the successful finalization of Danube-wide Flood Risk Management Plans by 2009.

The participants to the Process recognize the need for an appropriate level of investment in water infrastructure and reduction of diffuse pollution sources and will consider sufficient resources for co-financing. In this respect the work of the Danube-Black Sea Task Force to facilitate investments and coordinate efforts by donors and IFIs in the Danube and Black Sea region will be supported. As from 2009 the Integrated River Basin Management Plans will be finalized and will provide the strategic basis for future prioritization of investments in the region. Such investments need to concentrate in particular on the floodplains that have been significantly reduced over the past century and on establishing access for migratory fish.

• **Tourism Dimension.** With all its modern features tourism has a great potential for the countries of the Danube region. Tourism is a growth industry in most of the Danube area and it should be further encouraged through simplified border crossing procedures, investment in infrastructure and worldwide promotion of this region. The efforts of the Danube Tourism Commission are welcomed. Sustainable tourism should also be promoted strategically as an engine of regional development especially in economically disadvantaged areas, where tourism can bring prosperity while preserving natural and cultural sites. There is an urgent need for projects linking the Danube River valley with the numerous tourist sites in its vicinity. Such projects have a great potential for the development of the countries and promotion of links between the peoples of the region. The implementation of the project "Cycling Path along the Danube" implies, in both a specific and a symbolic way, the cooperation between the local communities that should benefit most from the development of tourism.

• **Cultural Dimension.** The members of the Process emphasize their commitment to the preservation of the Danube as a common cultural heritage and their readiness to undertake further steps to promote common cultural values. This is to be achieved by establishing common cultural and educational projects. Culture plays an exceptional role in bringing people together and is a way of overcoming the divisions that characterized the region in the past. It is also a means to create a Danubian community. The members of the Process support the activity of the Danube Rectors' Conference and the close cooperation between the universities from the Danubian countries. They emphasize the benefits of learning the languages of the Danubian peoples. Furthermore, the DCP invites everybody to join the festivities organized on "Danube Day" on 29 June 2007 where the theme is "Celebrating the Danube cultures".

• **Sub-regional Dimension.** In view of the fact that sub-regional cooperation is a vital part of uniting Europe and an important aspect of the development of local communities, the DCP participants especially support all forms of sub regional cooperation. The Framework Agreement on the Sava River Basin, which was the basis for the founding of the International Sava River Basin Commission, is an example of good practice in the Danube River Basin. In this regard the Foreign Ministers strongly support the projects for reconstruction and development of the Sava river waterway. The Participants welcome the entry into force on 4 October 2006 of the Agreement for the Creation and Management of a Cross-Border Protected Area between the Republic of Moldova, Romania and Ukraine in the Danube Delta and the Lower River Prut Nature Protected Areas, done on 5 June 2000 under the aegis of the Council of Europe, and express their hope that this would contribute to the sustainable development of that area. Sub-regional cooperation should contribute in particular to strengthening political, economic and cultural ties between peoples, regions and neighbors. In that context, the Working Community of the Danube Regions is a suitable framework for promoting regional cooperation.

The participants agree that a strategic vision on the future development of the DCP, including mechanisms for an enhanced coordination within each sub-dimension as well as across sub-dimensions, is needed in order to give more effectiveness to the Process. The participants note that the Senior Officials will further discuss relevant proposals including the "Proposal to enhance coordination and effectiveness of the DCP" put forward by the Stability Pact.

The Foreign Ministers express their gratitude to the Republic of Serbia, for organizing and hosting this Conference. They strongly believe that this moment, more than 150 years since the Treaty of Paris marked the internationalization of the legal regime of the Danube River will be remembered for creating the starting points for major cooperation projects.



The Fourth Conference of Foreign Ministers of the Danube Co-operation Process will be held in 2008, in Ukraine.

## ANNEX 3

### DECLARATION On the Establishment of the Danube Co-operation Process

1. The Republic of Austria, Bosnia and Herzegovina, the Republic of Bulgaria, the Republic of Croatia, the Czech Republic, the Federal Republic of Germany, the Republic of Hungary, the Republic of Moldova, Romania, the Slovak Republic, the Republic of Slovenia, Ukraine and the Federal Republic of Yugoslavia, as the States from the hydrological basin of Danube (hereinafter referred to as Danubian countries), the European Commission and the Stability Pact for South Eastern Europe,
2. *Considering* that, for the first time in history, these countries share the same democratic principles and values,
3. *Recognising* that all the Danubian countries, EU member States, candidates for accession to the Union, countries taking part at various stages in the Stabilisation and Association process and countries anchored to the EU through other specific ties, wish to co-operate to help bring stability, prosperity and better economic and social cohesion to the entire region,
4. *Noting* that building prosperous societies in all these countries will in part depend on good bilateral and regional co-operation,
5. *Noting* that the natural flow of the Danube, from its origin in the very heart of Europe to the Black Sea, clearly shows this European waterway's potential as a force for integration and observing that it has always been inextricably part of Europe's history, evolution, and that it will continue to be so in the future.

6. *Taking into account* the existing momentum, in favour of broadening co-operation in the Danube region, and noting recent various initiatives as well as the results already achieved in this field.
7. *Considering* that the new political conditions in the Danube region are conducive to better co-operation among the countries of the area, as an additional contribution to the process of building the European identity.
8. *Aware of the fact that*, through common action, these can contribute to the development and the prosperity of Europe, as well as to overall European security.
9. *Noting* with satisfaction the decisive steps taken to reach the full reestablishment of free navigation at Novi Sad, which will be a valuable contribution to the development of the potential of the Danube and the Danube region.
10. *Recognising* the important and continuing role of the European Commission and the Stability Pact for South Eastern Europe in enhancing cooperation among the countries from the Danube region.
11. *Acknowledging* also the responsibilities and the work of the Danube Commission and the International Commission for the Protection of the Danube River in their respective fields of activities.
12. *Welcoming* the initiatives of various organisations aiming at promoting sustainable development in the area, like, for instance, the Council of Europe initiative for the quinculateral co-operation in the Tisa river basin or the Stability Pact for South Eastern Europe initiative on the Sava river basin.
13. *Stressing* that the regional character of co-operation in the Danube region is a vital tool for the development of the whole region.

AGREE TO

14. *broaden and deepen* present Danube co-operation and give to it clear political and economic dimensions, without creating new institutions, but taking stock of and using the existing structures and, where necessary, harmonising their objectives and efforts, providing a focus, where appropriate, for their efforts within the Danube region;
15. *address* common concerns, interests and objectives of all the Danubian countries;
16. *highlight* issues related to Europe and the European integration process, which are of great importance to the Danubian countries;
17. *develop* further the various initiatives already launched in different fields of present Danube co-operation, taking particular account of the regional objectives being pursued by the European Union and the Stability Pact for South Eastern Europe in the region and with a view to bringing greater coherence, pragmatism and added value to these;
18. *give* the Danube Co-operation Process (the Process) a multi-dimensional character, whose main feature shall be its *political dimension* which will establish priorities for action within the Process, in accordance with the specific objectives and concerns of the Danubian countries and which will provide the necessary impetus to effective implementation of various concrete forms of co-operation, as well as to improving the security of the region.

FURTHER AGREE THAT

19. *co-operation* among the Danubian countries under the aegis of the Process towards sustainable development, should be pursued in the following fields:
  - the "*economic dimension*", with appropriate attention given to transport issues in their various forms, taking into account existing co-operation in particular the work in the framework of the Pan-European transport Corridor VII. and of Corridors IV, V and X connected to it;

- the "*navigation dimension*", whose main core will be the activities developed under the responsibilities of the *Danube Commission* which should be supported in its efforts aiming at redrafting the 1948 Belgrade Convention;
- the "*environmental dimension*", which will contribute to enhanced co-operation between the Danubian countries in the field of environmental protection, thereby adding value to the effective activity of the *International Commission for the Protection of the River Danube* in Vienna;
- the "*tourism dimension*", which will develop the tourism potential of the region, from the source of the Danube to its Delta, including an appropriate role for agro-tourism and eco-tourism;
- the "*cultural dimension*", which will promote the expression of each Danubian countries' culture and help highlight the common cultural ties of the Danube region, stemming from our common history and different traditions;
- the "*sub-regional dimension*", by which the Process shall encourage sub-regional initiatives and projects, such as developing the potential of the already existing Euro-regions of the Danube and establishing new Euro-regions or different forms of cross-border and interregional co-operation.

#### ARE DETERMINED THAT

20. the Process should not lead to duplication with other existing forms of co-operation in the region and its initiatives where relevant should be devised and implemented within the framework of priorities that have already been developed for the South-East European region, notably by the European Commission and the Stability Pact for South Eastern Europe. The Process should add value to these existing efforts by providing a new channel for regional ideas and initiatives, thus focusing greater energies and resources at the Danube basin.

#### INVITE

21. all states which have genuine interests in the region and in activities initiated by the Process, as well as international organisations and financial institutions, to bring a valuable and practical contribution to the activities of the Process.

AGREE TO

22. establish a new framework for co-operation in the Danubian region, in the form of a constant process based on biennial conferences, at the level of ministers of foreign affairs of these countries.

DECIDE TO

23. convene the next high-level conference of the Danubian countries in Bucharest, in 2004.

Done in Vienna on May 27, 2002.

## ANNEX 4

May 23, 2002

### Danube Cooperation Process

*Principles and working methods for the functioning of the Process*

#### 1. Principles

The Danube Co-operation Process is characterized by its multi-dimensional and flexible structure. Its various dimensions should be co-ordinated in such a way so that they mutually reinforce one another's activity and results. Indeed it has been agreed to *give to the Process "a multi-dimensional character, whose main feature shall be its political dimension which will establish priorities for action within the Process, in accordance with the specific objectives and concerns of the Danubian countries and which will provide the necessary impetus to effective implementation of various concrete forms of co-operation, as well as to improving the security of the region."* (§ 18 of the Declaration)

As underlined by the Declaration on the Establishment of the Danube Co-operation process *"the Process should not lead to duplication with other existing forms of co-operation in the region and its initiatives where relevant should be devised and implemented within the framework of priorities that have already been developed for the South-East European region, notably by the European Commission and the Stability Pact for South-Eastern Europe. The Process should add value to these existing efforts by providing a new channel for regional ideas and initiatives, thus focusing greater energies and resources at the Danube basin"* (§ 20 of the Declaration).

Therefore it is understood by all participants that the Process, in order to convey renewed impetus to existing forms of cooperation in the region, shall serve primarily as a political framework of co-operation, developed through Ministerial Conferences, which shall take place every two years. (Declaration, § 22 : "Establish a new framework for co-operation in the Danubian region, in the form of a constant process based on biennial conferences, at the level of ministers of foreign affairs of these countries")

Since the Danube Cooperation process is no formal international agreement nor international organisation, no formal observer status has to be defined. Therefore participants agreed to the invitation as "guests" for the ministerial conferences of the Process of those interested states or international organisations that have "a genuine interest" and "the capacity to bring a valuable and practical contribution to the activities of the DCP" (See §21 of the Declaration).

#### 2. Working methods

The Process shall *"broaden and deepen present Danube co-operation and give to it clear political and economic dimensions, without creating new institutions, but taking stock of and using the existing structures and, where necessary, harmonising their objectives and efforts, providing a focus, where appropriate, for their efforts within the Danube region"* (§ 14 of the Declaration).

The Ministerial conferences shall agree in an *indicative work programme* on directions of co-operation, with reference to the six "dimensions" - economic dimension, navigation dimension, environmental dimension, tourism dimension, cultural dimension and sub-regional dimension. These will serve as guidelines to be followed till the next Conference.

One key task of the Ministerial conference is therefore to identify and list priority objectives of common interest under each dimension, to give the necessary impetus, to monitor the

degree of fulfillment of the objectives, and to update the document listing the concrete priority objectives:

ii Indicative work programme

The indicative work programme to be prepared in the framework of the Ministerial Conferences is a document listing the concrete priority objectives, with corresponding illustrative tasks, and whenever appropriate with orientative deadlines. Prioritization implies an agreement on a limited number of priority objectives of common interest (2 to 3) under each of the six dimensions of the Process. The document will deliberately not attempt to be exhaustive.

Key organisations and relevant institutions (eg. Danube Commission or SECD) to be involved or already in charge are to be mentioned, in reference to the priority objectives, under each dimension.

Those states which are interested to get particularly involved and perform some leading/coordinating tasks under one dimension of the process or on a specific priority objective should be mentioned. Austria has volunteered for coordinating an integrated approach to the transport problematic. Romania will pay special attention to business related activities. FR Yugoslavia accepted coordination for the tourism dimension.

The indicative work programme shall not be confused with a list of projects for pledging and financing purposes, since the Process is not a funding mechanism. Illustrative tasks included should primarily refer to ongoing initiatives or projects.

Annexed to this note is a table presentation of the Indicative work programme. It lists the priority objectives of common interest which were agreed among participants, with detailed reference to existing initiatives and active organisations and states. (See Annex 'Danube Cooperation Process - Indicative work programme')

iii Work in between the Ministerial Conferences

Meetings at the level of high officials of the ministries of foreign affairs of all member states shall be organized in between the Ministerial Conferences, in order to take note of the degree of fulfillment of the objectives set out by the previous Ministerial Conference and to identify the necessary impetus to be given as well as possible new directions of interest. The indicative work programme listing the priority objectives of common interest shall be updated in order to be presented for analysis and endorsement at the next Ministerial Conference.

Within each dimension the concrete work programme will rely on those key organizations in charge and on the States that will take some leading/coordinating responsibilities, together with all other states which have expressed interest to get involved in a particular area of common interest. Progress reports on the above-mentioned priority objectives shall be drafted

Specific working procedures are left up to the designated organisations and leading country. As an example, if the modernisation of the 1948 Belgrade Convention on Navigation on the Danube River is a goal shared by the Danube Cooperation process, the actual implementation of that goal is left to the existing procedural arrangements of the Danube Commission, eg. the decision taken in April 2002 by the 60<sup>th</sup> Annual session of the Danube Commission to relaunch the committee for the preparation of a diplomatic conference. Similarly, Austria will take initiatives as leading/coordinating state to address, together with other key partners (i.e. Steering committee of Corridor VII, EC), the issues identified in the Document "Danube Cooperation Process - Ideas for an Integrated Transport Approach: Improving quality of transports by ship and railway for the countries of the Danube Region"



#### General co-ordination.

In the process of launching of the Danube Co-operation Process, special responsibility was taken by Romania and Austria, together with the European Commission and the Stability Pact for South-East Europe. To the extent that the work to be undertaken within each dimension will rely on specific co-ordination, Austria and Romania, as well as EC and SP have expressed their readiness to continue to assume some degree of general co-ordination in the Danube Cooperation process in the future.

### 3. Supporting tools

**Danube Region Business Conferences:** Three Danube Region Business Conferences were previously organised in Vienna, in 1998, 1999 and 2001, aiming at enhancing the development of trade in the Danubian region, by formulating recommendations of businesspeople and scholars to the authorities of the Danubian countries. After the launching of the Danube Co-operation Process, the inclusion of these Business Conferences under the aegis of the Process, comes naturally. The fourth edition of the Business Conference shall be organised in Bucharest, in the first semester of 2003.

**Danube Co-operation Baseline "DACOBASE"** (Austrian project idea): In line with the objectives and the working methods of DCP, an electronic database would be needed to systematically take stock of all the different initiatives, programmes and projects in the region. Such an internet portal would constitute the virtual extension of the Danube Co-operation Process. It should pursue the functions of *systematic stock taking* of all institutions, facilities, and projects relevant for the Danube region; *supporting* the efforts of interested bodies and individuals to find the right partners within the region for the promotion of their ideas and initiatives that are in line with DCP objectives; *documenting and disseminating* the results and experiences of Danubian Co-operation; *informing the interested public* on a regular basis about the recent developments of the Danube Co-operation Process.

## ANNEX 5

### First draft concept paper "how to enhance the co-operation and the efficiency within each of these six dimensions and across all dimensions of the DCP"

#### Danube Co-operation Process: A proposal to enhance coordination and effectiveness

##### 1. Preamble

The Stability Pact for South Eastern Europe (SP) has been established in 1999 as a temporary instrument for conflict prevention and confidence building in the region, to promote regional cooperation and to support SEE countries on the road to accession to EU. Having achieved many of its objectives, the SP started in 2006 accelerating the transfer of responsibility for the initiatives it supported to organizations or entities located in the region and to hand over the overall task of monitoring progress in regional cooperation to a regionally owned Regional Co-operation Council. In view of the ongoing transition process, this paper outlines some of the Stability Pact for South Eastern Europe's views on this particular initiative and presents a proposal for the consideration of DCP Parties on how to enhance in future the efficiency of the Danube Cooperation Process without changing substantially its well-proven structure.

##### 2. Introduction

On May 2002, the 1<sup>st</sup> Foreign Ministers Conference of the Countries of the Danube River Basin in Vienna, Austria, formally launched the Danube Co-operation Process, hereinafter called "DCP"<sup>23</sup>. The DCP was formally established by the adoption of the "Declaration on the Establishment of the Danube Co-operation Process" which represents a kind of "constitution" of the Process. As stated in the declaration, the DCP takes the form of a "standing process founded on bi-yearly conferences at the level of the Foreign Ministers". Furthermore it foresees on-going meetings at the level of political directors in Foreign Affairs between the two Ministerial Conferences in order to review accomplishments and to stimulate further activities where necessary, to supplement lists of priority objectives of common interest and to prepare for the next Ministerial Conference,

Participants of the DCP are the 13 Danube countries for which the criteria of belonging to the Danube Hydrological Basin (Annex 1) applied in 2002. In 2002, the participants of the DCP were the following countries (in alphabetic order): Austria, Bosnia and Herzegovina, Bulgaria, Croatia, Czech Republic, Germany, Hungary, Moldova, Romania, Slovakia, Slovenia, Ukraine and the Federal Republic of Yugoslavia (<sup>24</sup>).

<sup>23</sup> The initiators of the DCP were Austria, Romania, the European Commission and the Stability Pact for South Eastern Europe.

<sup>24</sup> - In 2004, the Federal Republic of Yugoslavia changed the name into Serbia/Montenegro. In May 2006, Serbia -Montenegro split into two countries following a referendum in Montenegro. Serbia was recognised by the international community as successor State of Serbia/Montenegro. Therefore, Montenegro should apply for membership in the DCP. Montenegro fulfills the technical criteria of membership in the DCP, which foresee that at least 2000 km<sup>2</sup> of his territory is part of hydrological Danube basin.

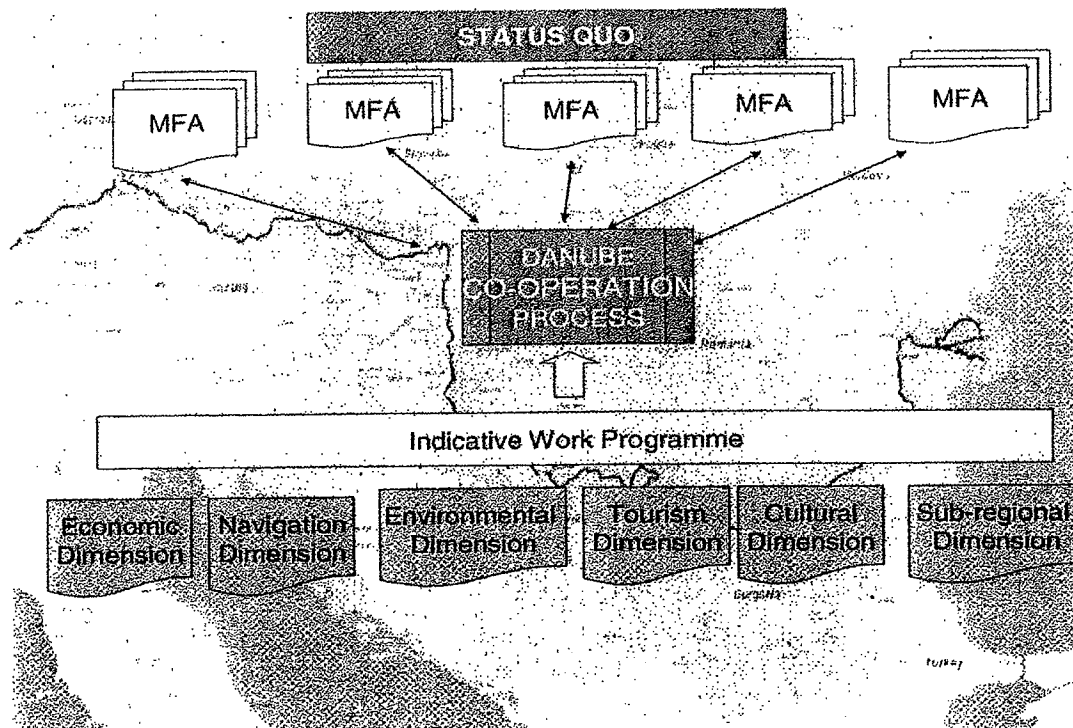
Organizations participating in the DCP are the Danube Commission, the International Commission for Protection of the Danube River, the Working Community of the Danube Regions, the Steering Committee of Corridor VII, the Central European Initiative, the Adriatic Ionian Initiative, SECI (Southeast Europe Co-operative Initiative), SEECP (South East European Co-operation Process) and BSEC (Black Sea Economic Co-operation).

In spite of their different historic experiences, the different stages of economic development and varying positions in the European integration process, these countries share the same democratic principles, values and objectives. The DCP, as a political process, offers an instrument to develop understanding and solidarity between them in the process of forging a European identity and promoting European integration in the whole region.

### **3. The overall role of the DCP**

As stated in the Declaration, the role of the Danube Co-operation Process is to

- "broaden and deepen present Danube co-operation and give to it clear political and economic dimensions, without creating new institutions, but taking stock of and using the existing structures and, where necessary, harmonizing their objectives and efforts"
- highlight issues "related to Europe and the European integration process, which are of great importance to the Danube countries",
- develop further the various initiatives already launched in different fields of present Danube Co-operation, taking particular account of regional objectives being pursued by the European Union and the Stability Pact for South Eastern Europe in the region with a view to bringing greater coherence, pragmatism and added value to these" (§ 17 of the Declaration).
- give the Process a multi-dimensional character, whose main feature shall be its political dimension, which will establish priorities for action within the Process, in accordance with the specific objectives and concerns of the Danube countries and which will provide the necessary impetus to effective implementation of various concrete forms of co-operation, as well as to improving the security of the region (§ 18 of the Declaration)".
- to focus co-operation in six basic areas, which are:
  - economic development,
  - navigation,
  - environmental protection,
  - tourism,
  - culture and
  - sub-regional co-operation.



Graphic No. 1: Current structure of DCP

At the first conference, the participants agreed also on a working document, entitled "*Principles and working methods for the functioning of the Process*". This document describes the main points included within the Declaration, and lists the concrete agreements reached so far at the level of political directors/Deputy Foreign Ministers.

In particular, this document stressed that the Process is not a "funding mechanism", but, the issue of funding concrete activities and projects will be resolved through existing forms of co-operation which serve that purpose. It also outlines that concrete programs should rely on those key organizations and leading countries which expressed interest in sponsoring or participating in a certain dimension of the Process.

It has been agreed by the participants that the Ministerial conferences shall agree on the "*indicative work programme*" and on the directions of co-operation, with reference to the six "dimensions" - *economic dimension, navigation dimension, environmental dimension, tourism dimension, cultural dimension and sub-regional dimension*. These will serve as guidelines to be followed till the next Conference. One key role of the Ministerial conference is therefore to identify and list priority objectives of common interest under each dimension, to give the necessary impetus, to monitor the degree of fulfilment of the objectives, and to update the document listing the concrete priority objectives ("*indicative work programme*"), including corresponding illustrative tasks and deadlines where appropriate. Prioritization implies an agreement on a limited number of priority objectives of common interest, ideally 2 to 3 for each dimension of the DCP.

It was intended that Meetings at the level of high officials of the Ministries of Foreign Affairs of all member states should be organized in between the Ministerial Conferences, in order to take note of the degree of fulfilment of the objectives set out by the previous Ministerial Conference and to identify the necessary impetus to be given as well as possible new directions of interest.

The indicative work program listing the priority objectives of common should be updated in order to be presented for analysis and endorsement at the next Ministerial Conference. Within each dimension the concrete work program will rely on those key organizations in charge and on the States that will take some leading/coordinating responsibilities, together with all other states which have expressed interest to get involved in a particular area of common interest.

Furthermore, the four initiators of the DCP expressed their readiness to assume some degree of general co-ordination within the Process. The Danube Commission committed to organize the Diplomatic Conference to redraft the Belgrade Convention on Danube Transport (from 1948). Austria volunteered to take the coordinator role together with the Steering Committee of the Corridor VII and the European Commission, on topics outlined in the document "*Danube Co-operation Process – Ideas for an Integrated Transport Approach: Improving quality of transport by ship and railway for the countries of the Danube Region*".

#### **4. Assessment of achieved results and proposal for enhanced coordination for each dimension of the DCP**

##### **4.1 Assessment of achieved results**

South East Europe and specifically the Danube countries in South East Europe have come a long way in overcoming the consequences of war and underdevelopment in the past decade(s).

In accordance with the Declaration, the DCP focused its efforts on six basic dimensions such as economic development, navigation, environmental protection, tourism, culture and sub-regional co-operation. Following this structure, the co-initiator Austria was very proactive and launched a proposal for a transport project on how to improve freight inter-modal transportation between Danube region and the EU. Austria was declared as lead partner regarding the "Development of sustainable transport solutions in the Danube region", based within the economic dimension of the DCP. Tasks have been defined and workshops took place.

The results of these workshops have been numerous (see Annex 1), varying from general recommendations to harmonise legal and administrative frameworks as well as telematics application, to improve communication between DCP countries at expert level – to more concrete issues such as containerization, transborder use, railway requirements and financing via PPP.

Thus, given this promising beginning, expectations have been very high as to the potential of the DCP to deliver concrete benefits. There is no doubt that some very tangible results have been achieved such as:

- The introduction of RIS (river information services) in some Danube countries
- The removal of the pontoon bridge and the opening of the new bridge in Novi Sad,
- The decision to make a second bridge between Bulgaria and Romania,
- The removal of some bottlenecks on the Danube
- The establishment of the Sava river Commission,
- Some investments in water facilities and – more importantly -
- The start of the redrafting of the Belgrade convention.

The Danube tourism activities have restarted and experienced a remarkable increase of passenger and tourist numbers on and along the Danube. In a broader context, the signing of the CEFTA 2006 (Central European Free Trade Agreement) will further consolidate trade liberalization among the countries of the Danube region and enhance trade flows. However, the majority of issues identified at the outset for action are still outstanding. The economic development along the Danube is – with some exceptions – rather disappointing. Lack of coherent business plans, ignored master plans, alternative priorities in the transport sector, insufficient implementation capacity and lack of co-ordination seem to be the key issues. A lot remains to be done while environmental constraints such as CO<sup>2</sup> emissions and global warming highlight the positive effect that the development of inland waterway could bring to this region.

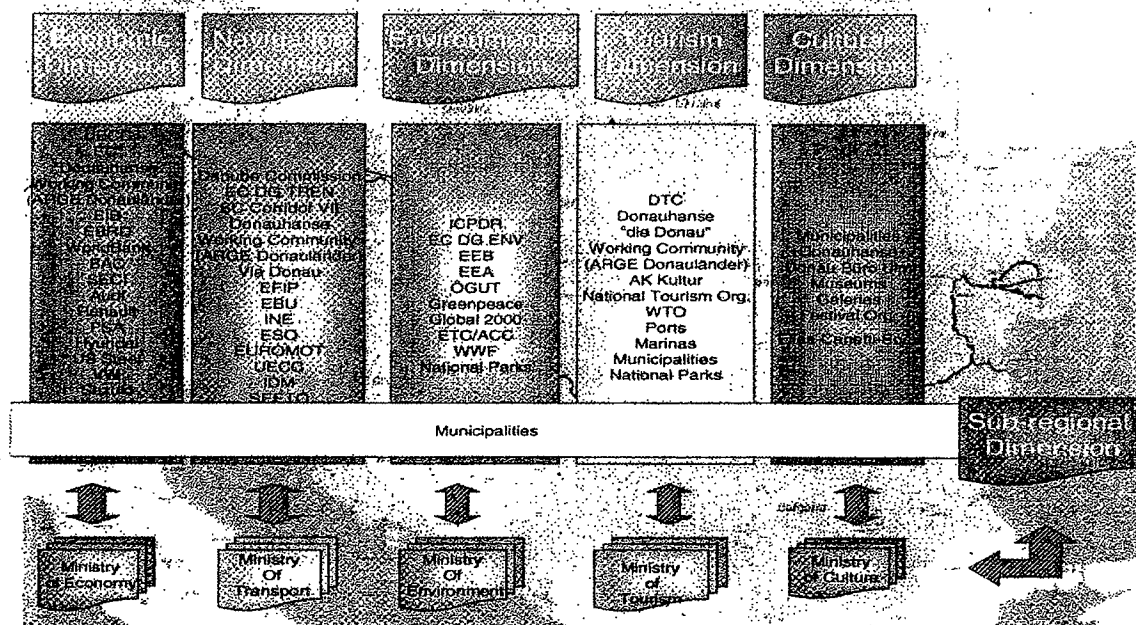
#### 4.2 Proposal for enhanced coordination of each dimension of the DCP

The Process has suffered from lack of ownership and initiative by many of the member States of the DCP. Most of the efforts are done by the founding countries and organizations rather than by the countries/organizations that should be the main beneficiaries of a better co-ordination and harmonization of the Process.

The Stability Pact believes that enhanced co-ordination both within and among the 6 DCP dimensions could dramatically improve the efficiency and effectiveness of the process. The SP proposal consists in implementing co-ordination point at two levels of the Process. (see graphic note 2) The first level refers to the co-ordination of activities within each of the six dimensions and the second is a horizontal co-ordination across the 6 dimensions (see graphic note 3)

Our proposal complies with § 14 of the DCP declaration: “The Process is to broaden and deepen present Danube Co-operation and give to it a clear political and economic dimensions, **without creating new institutions, but taking stock of and using existing structures and, where necessary, harmonizing their objectives and efforts**, providing a focus, where appropriate, for their efforts within the Danube region”.

Below we set out proposals for the objective of co-ordination within each dimension and a suggestion as to which existing institutions and/or organization could take the lead co-ordination role. The overall concept is illustrated in graphic No. 2



Graphic No 2: The co-ordination within each dimension

#### 4.2.1 Co-ordination within the economic dimension of the DCP

The last two rounds of enlargement of the European Union have increased not only the number of European Union member states, but also the number of European Union States belonging to the Danube basin. Through the accession of the Czech Republic, Slovakia, Slovenia, Hungary, Bulgaria and Romania, a large stretch of the Danube river and the majority of the Danube basin is now located within the European Union. In order to understand the economic relevance of the Danube basin, it should be noted that the hydrographical area of the Danube basin encompasses a land mass of more than 800 000 km<sup>2</sup> and a population of approximately 155 million people. Within this area, the increase in transport volumes to and from the East and South East in the next ten years will be probably more than twice the current average increase. Road and rail infrastructure will have major difficulties in absorbing this substantial growth. This lack of absorption capacity, along with the social, environmental and safety hazards caused by traffic congestion, represents an opportunity for the Danube river and its tributaries to contribute to the economic development of riparian countries while reducing road and rail congestions, greenhouse gas emissions as well as the costs of developing business. Availability of transportation and auxiliary infrastructure is a prerequisite for the economic development of the Danube basin countries, whereby it is the responsibility of these countries to adequately prioritize the respective investments in their national budget. Such decision requires a high degree of co-ordination among the concerned ministries. Mobility of goods and people is important not only for the economic development but also for the integration of Central and South Eastern economies into the European market.

National and international initiatives are addressing technical, operational, legal and commercial issues with the goal of integrating the South East Danube countries into Europe. It is also to be expected that the European Union will devote special attention to further liberalisation of traffic by evaluating the compatibility of existing bilateral regulations with European Union rules.

Considering the potential for economic co-operation, coordinating and harmonizing all these activities will be the main challenge within the economic dimension of the DCP. The Union of European Chambers of Commerce and Industry (UECC) could play the role of coordinator. The UECC currently promotes economic development in the broadest sense, whereby the area of interest is limited to the Rhine, the Rhone, the Danube and the Alps. It focuses its activities on European Transport Policy of the waterways, land and air as well as other related issues, such as the rules of the market, regulations, environment and telecommunications.

The UECC advocates free access to all ways of transport, the principle of free choice of the means of transportation and a market-oriented regulation of demand and supply of transport services.

It mainly deals with questions related to its area of interest or to strategically important parts of the European network by taking advantage of direct access to the expertise of regional and local chambers of commerce.

#### 4.2.2 Co-ordination within the "navigation dimension" of the DCP

Regarding **the navigation dimension**, the Danube Commission together with the Chair of Corridor VII could be the best candidate to assume the role of coordinator. Together, they could cover the whole of the navigation aspects, dealing with institutional as well as technical aspects of the navigation. The Danube Commission is based on the Belgrade Convention which represents the international legal instrument governing navigation on the Danube. The Belgrade Convention provides for the free navigation on the Danube in accordance with the interests and sovereign rights of the contracting parties aiming thereby at strengthening the economic and cultural relations among themselves and with other nations. The main tasks of the Danube Commission are, amongst others, the supervision of the implementation of the Convention's provisions, the preparation of a general "master plan" for navigation following the proposals and projects of the Member States and the Special River Administrations, the establishment of an uniform system of traffic regulations on the whole navigable portion of the Danube, the harmonization of regulations on inland navigation with the European Union and the Central Commission for the Navigation on the Rhine, and the unification of the regulations governing river, customs and sanitary inspection.

In addition to the Danube Commission, but in a complementary way, the Steering Committee of Pan-European Corridor VII has been for the last decade the main tool for the implementation of the Corridors concept which promotes sustainable and efficient transport system in Europe and hereby has played a crucial role in reducing regional disparities and enhancing Common Transport Policy in Europe. The Pan-European Transport Corridor VII refers to the Danube inland waterway, the Black Sea-Danube Canal, the Danube branches Kilia and Sulina, the inland waterway links between the Black Sea and the Danube, the Danube - Sava canal, the Danube - Thisa canal and the ancillary infrastructures situated on these inland waterways including their rehabilitation, maintenance and upgrading, as well as fleets and transshipment facilities, necessary for developing combined transport (inland waterways with other modes of transport),

The challenge within the navigation dimension of the DCP is to promote the sustainable development of the Danube and its tributary rivers as a European waterway and as an environmental friendly transport mode. Developing efforts within the navigation dimension would also contribute substantially to the economic development of the whole Danube region.

#### 4.2.3 Co-ordination within the "environmental dimension" of the DCP

Within **the environmental dimension**, the International Commission for the Protection of the Danube River (ICPDR), founded in 1998, could take the lead role in harmonizing and



coordinating the activities. ICPDR is a transnational body<sup>25</sup>, comprised of the Delegations of all countries to the Danube River Protection Convention. ICPDR is in particular managing the information system "Danubis", the monitoring system for water quality, and the information system "Danubis". Furthermore, ICPDR goals cover the thematic of damage-free floods, healthy and sustainable river systems and safeguarding the Danube's Water resources for future generation. The objective should be to co-ordinate all environment related activities and to ensure that the economic development in the Danube region will be done in accordance with the agreed consensus on protecting wildlife and nature.

#### 4.2.4 Co-ordination within the "tourism dimension" of the DCP

Within the **tourism dimension**, the Danube Tourist Commission would be an obvious choice to fulfil the role of coordinator, being the platform where representatives of shipping companies, cruise operators, and tourist industry professionals have the opportunity to exchange views. The activities of the Danube Tourist Commission range from the creation of a uniform corporate identity symbolized by the distinctive blue Danube wave logo to the production of brochures and media work. It also is the voice of the tourism shipping industry along the Danube.

The objective should be to increase the contribution of Danube tourism to the economic development of the cities and regions situated along the Danube by identifying new development potentials in the sphere of tourism, to develop a respective and mutually agreed strategy and finally to intensify co-operation among the Danube cities and regions.

#### 4.2.5 Co-ordination within the "cultural dimension" of the DCP

The **cultural dimension** refers to the accumulation of knowledge, experiences, religions, meanings, material possessions, beliefs, behaviours and values developed by the peoples that have lived in the Danube region over the centuries and find its expression through the different ways of life. As such, the objective of this dimension should be to preserve these values, to foster for attention and understanding and to facilitate the access to culture under all its manifestations.

The Danube is a symbol of the common history and culture of the Danube cities and regions from Central Europe to the Black Sea. The river forms a common basis for culture. In this context, the Donauhanse could be an ideal coordinator of such activities due to their previous experience in this specific field. Leading the Donauhanse project, German, Austrian, Hungarian, Bulgarian, Romanian, Serbian and Ukrainian cities situated along the Danube are already co-operating to create a joint benefit for all participating cities and regions.

#### 4.2.6 The co-ordination within the "sub-regional dimension" of the DCP

The **sub-regional dimension** is an important sub-process of the DCP fostering the development of local communities which, by their political, economic and cultural ties, contribute to the co-operation process in the Danube region. The sub-regional dimension is rather a cross-function of all other 5 dimensions of the DCP. In this context, the Working Community of the Danube regions could represent the ideal co-ordination body due to the fact that it is focusing already now on the promotion of regional co-operation which should be the main objective of this sub-dimension.

<sup>25</sup> The International Commission for the Protection of the Danube River (ICPDR) is a transnational body, which has been established to implement the Danube River Protection Convention. The ICPDR is formally comprised by the Delegations of all countries to the Danube River Protection Convention, but has also established a framework for other organizations to join.

4.3. Proposal for enhanced coordination across the six dimensions (second level of coordination)

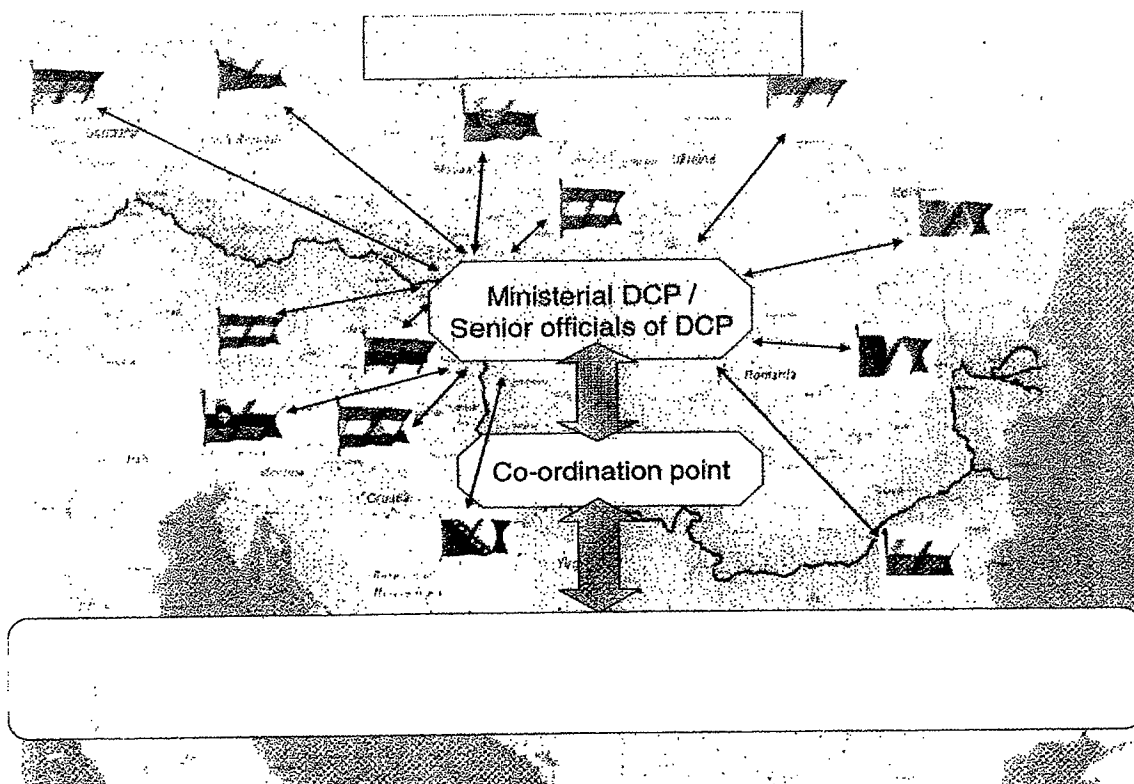
In the previous chapter, suggestions have been made regarding which organization or institution could take the lead in strengthening coordination within each of the six dimensions.

None of these organization or institution would be in a position to cover the totality of themes that the DCP is dealing with. Even the coordination within an individual dimension represents a considerable challenge.

However, the cross-interdependency of various topics has to be underscored. For example, shifting cargo from road to inland waterways depends on the availability of inter-modal nodes and on the correct type and number of barges, on the necessary regulatory framework, on the availability of sufficient water depth, on competitive prices, on easy border process, on sufficient loading/unloading capacities and port infrastructures). Insufficient use of the transport capacity on the Danube leads to less investments in transport related infrastructure, which leads to less industrial settlements, which leads to less employment, which leads to migration and underdeveloped regions; finally, migration leads to potential loss of cultural heritage. But such a negative spiral can be reversed and transformed into a positive trend.

The interdependency and the complexity of these issues call for a coordination mechanism across the six dimensions. The role of such a mechanism would be to manage the interlinkages / interdependencies amongst activities at sub-dimension level.

The institutions or organizations in charge of strengthening the coordination within each dimension would report to a coordination point which would then identify possible conflict of interests among dimensions, organize meetings across the dimensions in order to harmonize views for proposals and propose priorities. According to the principles of the DCP declaration quoted on page 7 of this document, this coordination function across dimensions should be entrusted to an already existing entity.



Graphic No. 3: The co-ordination of the six dimensions (second level)

## 5. Reporting

Within each dimension, the concrete work will rely on those key organizations in charge and on the States that will take some leading/coordinating responsibilities, together with all other states which have expressed interest to get involved in a particular area of common interest.

Reporting and constant information is a key element of success. The reporting should be a bottom-up structure: entities within a dimension of DCP will report to and interact with the coordination point within the dimension. In turn, the coordination point of each dimension will report to the coordination point of the six dimensions and to the respective relevant ministries of each DCP member country on a regular basis. Finally, the coordination point of the six dimensions will brief, report and make proposals to the regular meetings of senior officials of the DCP (Ministry of Foreign Affairs).

Bi-annual Ministerial conferences should consequently rather have the task of defining new goals or acting as mediator.

## 6. Financial requirements

Improving the efficiency of the DCP implies an increase of co-ordination activities as described in chapter 4 and 5. It would be unrealistic to believe that these efforts could be self-supporting. Additional financial resources will be required; DCP member countries as beneficiaries of such effort will be the main source of funding, although existing organizations or institutions in charge might provide in kind or financial support.

## 7. Next steps

Subject to a positive feedback to the above proposal at the next DCP Ministerial, the next step could be:

- draft proposal to be send to the four initiators of the DCP
- draft proposal to be send to all DCP member countries
- endorsement in principle by the DCP member States and organizations
- nomination of a Senior Official contact person in each Ministry of Foreign Affairs
- to liaise with concerned organization or institution on the proposed coordination mechanism
- meetings at Senior Official level in order:
  - ❖ to endorse the selection of coordination organizations for the six dimensions
  - ❖ to discuss the coordination point across the six dimensions
  - ❖ to elaborate a budget proposal and a funding plan
  - ❖ to refer the proposal to the Ministries for Foreign Affairs

## 8. Used documents

The documents used and /or quoted in this explanatory note are:

- a) Declaration on the establishment of the Danube Co-operation Process
- b) Danube Co-operation Process, Principles and working methods for the functioning of the Process
- c) DCP – Information Paper
- d) The Non-Paper of the second Ministerial Conference of the DCP, 2004 – “the Danube, a European lifeline”
- e) Resolution of the Working Community of the Danube Regions
- f) Technical Paper on River Transport on the Danube and Sava rivers, World Bank
- g) “Improving European Waterways Navigation “, Reinhard Pfliegl
- h) Eurostat – Euro-Indikatoren, 2007
- i) UNECE – Statistical Yearbook 2005
- j) CIA World Factbook , 2003
- k) consulted web-pages of
  - Arge Donauländer ([www.argedonau.at](http://www.argedonau.at))
  - Black Sea Economic Co-operation ([www.bsec-organisation.org](http://www.bsec-organisation.org))
  - Central Intelligence Agency ([www.cia.gov](http://www.cia.gov))
  - Council of Europe Development Bank ([www.coebank.org](http://www.coebank.org))
  - Danube Commission ([www.danubecom-intern.org](http://www.danubecom-intern.org))

- Danube Tourist Commission ([www.danube-river.org](http://www.danube-river.org))
- Donaubüro Ulm ([www.donaubuero.de](http://www.donaubuero.de))
- Donauhase ([www.donauhase.net](http://www.donauhase.net))
- European Bank for Reconstruction and Development ([www.ebrd.org](http://www.ebrd.org))
- European Barge Union ([www.ebu-uenf.org](http://www.ebu-uenf.org))
- European Environment Agency ([www.eea.europe.eu](http://www.eea.europe.eu))
- European Environment Bureau ([www.eeb.org](http://www.eeb.org))
- European Federation of Inland Ports ([www.inlandports.be](http://www.inlandports.be))
- European Investment Bank ([www.eib.org](http://www.eib.org))
- European Commission ([www.ec.europa.eu](http://www.ec.europa.eu))
- Global 2000 ([www.global200.at](http://www.global200.at))
- Greenpeace ([www.greenpeace.org](http://www.greenpeace.org))
- ICPDR ([www.icpdr.org](http://www.icpdr.org))
- Inland Navigation Europe ([www.inlandnavigation.org](http://www.inlandnavigation.org))
- Institut für den Donaauraum und Mitteleuropa ([www.idm.at](http://www.idm.at))
- Oesterreichische Gesellschaft für Umwelt und Technik ([www.oegut.at](http://www.oegut.at))
- South East Europe Reconstruction and Development ([www.seerecon.org](http://www.seerecon.org))
- South East Europe Transport Observatory ([www.seetoint.org](http://www.seetoint.org))
- South East Cooperative Initiative ([www.secicenter.org](http://www.secicenter.org))
- Steering Committee of Corridor VII ([www.corridor7.org](http://www.corridor7.org))
- Tina Vienna ([www.tinavienna.at](http://www.tinavienna.at))
- Via Donau ([www.via-donau.org](http://www.via-donau.org))
- Union of Chambers of Commerce and Industry ([www.uecc.org](http://www.uecc.org))
- World Bank ([www.worldbank.org](http://www.worldbank.org))
- World Trade Organisation ([www.wto.org](http://www.wto.org))
- World Wildlife Fund for Nature ([www.wwf.org](http://www.wwf.org))

## ANNEX 6

### Exemplary list of Parties involved in the respective dimension of the DCP

This annex describes which organizations, institutions, ministries, public and private companies, non-governmental organizations or stakeholders could play a key role for achieving the specific target. Key parties involved may change during the course of a project. This list does not lodge the claim to be exhaustive and represents a guidance only.

#### a) Navigation dimension

Exemplary list of Parties involved in the project described under chapter 5. of the proposal:

- European Commission, DG TREN
- European Commission, DG Regio
- Ministries of Transport of the Danube countries
- Ministries of environment of the Danube countries
- International Commission for the protection of the Danube River
- Sea ports of Odessa, Ismail, Constanta, Varna, Rotterdam, Amsterdam and Antwerpen
- Freight forwarders associations
- Ship owners
- EBU – European Barge Union
- ERSTU – European River Sea Transport Union
- EFIP - European Federation of Inland Ports
- PIANC – International Navigation Association (former Permanent International Association of Navigation Congresses)
- ARGE Donauländer – Working Community of the Danube Regions

#### b) Environment dimension

Exemplary list of Parties involved in the project described under chapter 6.1. of the proposal:

- European Commission, DG Environment
- European Commission, DG Regio
- Ministries of Environment of the Danube countries
- Ministries of Tourism of the Danube countries
- Ministries of Water And Fishery of the Danube countries
- Ministries of Interior of the Danube countries
- Protected Area Administrations
- Tourism organizations
- Association of Land Owners (indirectly)
- Local authorities

Exemplary list of Parties involved in the project described under chapter 6.2. of the proposal:

- European Commission, DG TREN
- European Commission, DG Environment
- Ministries of Environment of the Danube countries
- Ministries of Energy of the Danube countries
- Ministries of Water And Fishery of the Danube countries
- Ministries of Transport
- Ministries of Tourism
- South East Europe Transport observatory
- Energy grid operator and power station owner
- Environmental non-governmental organizations
- National Parks and Protected Area Administrations
- Transport organizations
- Universities
- International Financial Institutions
- Local authorities

c) Tourism dimension

Exemplary list of Parties involved in the project described under chapter 7.1. of the proposal:

- European Commission, DG Enterprise
- European Commission, DG Regional Policy
- European Commission, DG Internal Market and Services
- European Commission, DG TREN
- Ministries of Tourism of the Danube countries
- Ministries of Culture of the Danube countries
- Ministries of Environment of the Danube countries
- Ministries of Water And Fishery of the Danube countries
- Ministries of Interior of the Danube countries
- Protected Area Administrations
- Tourism organizations
- Local authorities

Exemplary list of Parties involved in the project described under chapter 7.2. of the proposal:

- Ministries of Tourism of the Danube countries
- Tourism organizations
- Local authorities

d) Cultural dimension

Exemplary list of Parties involved in the project described under chapter 8. of the proposal:

- UNESCO
- European Commission, DG Regio

- European Commission, DG Culture
- Ministries of Tourism of the Danube countries
- Ministries of Culture of the Danube countries
- Ministries of Interior of the Danube countries
- Ministries of Finance of the Danube countries
- Tourism organizations
- Local authorities

e) Sub-regional dimension

Exemplary list of Parties involved in the project described under chapter 9. of the proposal:

- European Commission, DG Agriculture and rural development
- European Commission, DG Regio
- European Commission, DG Enlargement
- European Commission, DG Trade
- Ministries of Agriculture of the Danube countries
- Ministries of Fishery of the Danube countries
- Ministries of Finance of the Danube countries
- Regional governments
- Regional agricultural organizations
- Local authorities
- Farmers

f) Economic dimension

Exemplary list of Parties involved in the project described under chapter 10. of the proposal:

- European Commission, DG Enterprise
- European Commission, DG Regional Policy
- European Commission, DG Internal Market and Services
- European Commission, DG TREN
- Ministries of Economy of the Danube countries
- Ministries of Finance of the Danube countries
- Ministries of Interior of the Danube countries
- Chamber of Commerce of the Danube countries
- Industries associations
- Trade organizations
- Local authorities