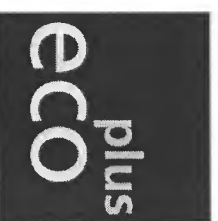


DANUBE – BLACK SEA REGION COOPERATION

Study on cooperation possibilities



ARBEITSGEMEINSCHAFT
DONAULÄNDER
РАДОВНИ СПОЛЧЕЊСТВО
ПОДУНАЈСКИХ ЗЕМЉИ
PRAČOVNÉ SPOLEČENSTVO
PODUNAJSKÝCH KRAJIN
DUNAVENTTÁRSALOMÁNYOK
МУЛІНАКОЗОССБЕ
RADNA ZAJEDNICA
PODUNAVSKIH REGIJA
RADNA ZAJEDNICA
PODUNAVSKEH ZEMALJA
COMUNITATEA DE LI CURU
A STATELOR DIN ARBANE
РАБОТНА ОБИШНОСТ
ДУНАЈСКИХ СТРАНИ
КОСОЈА СИБЕРЈУЖНОСТ
ПРИДНАЖАККАХ КРАИИ



Memorandum of Understanding - Objectives

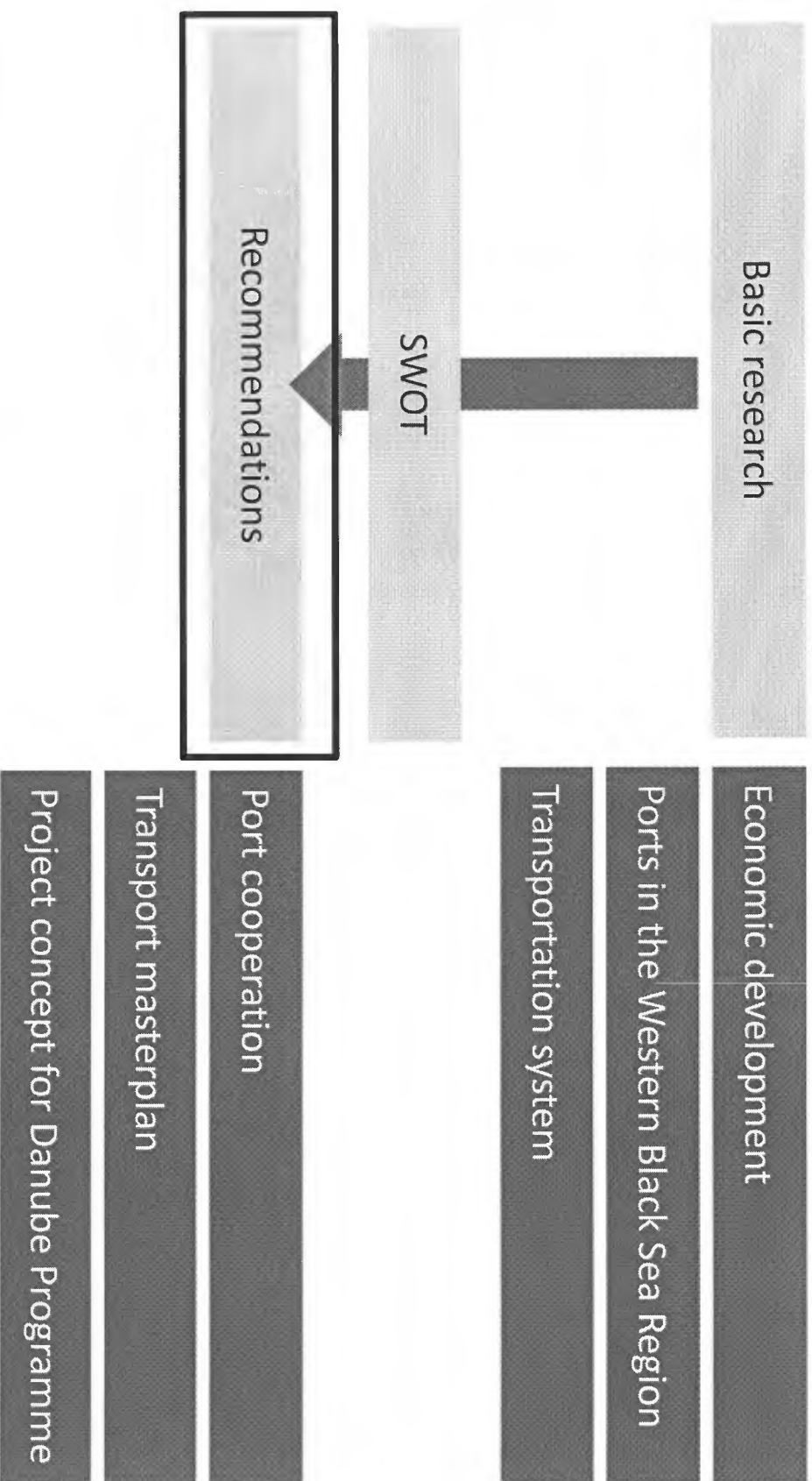
Objective

- | Establish Western Black Sea ports as main gateway for goods transported between Central Europe and Asia
- | Enhance cooperation and coordination among the partners towards
 - | deeper common economic development of the regions
 - | cooperation of the relevant river ports and sea ports
- | Cooperate in defining common projects and to develop a harmonized approach in financing these projects
 - | Financing instruments offered by international financing institutions (IFIs)
 - | Instruments of European co-financing

Objective of study

- | Identification of development and cooperation possibilities
- | Development of recommendations
- Identification of and joint application for existing funding possibilities (especially EUSDR and Danube region programme 2014-2020)

Work programme



Objectives of workshop

- | Presentation of recommendations from the baseline study
- | Discussion of project ideas
- | Define roadmap for joint funding application

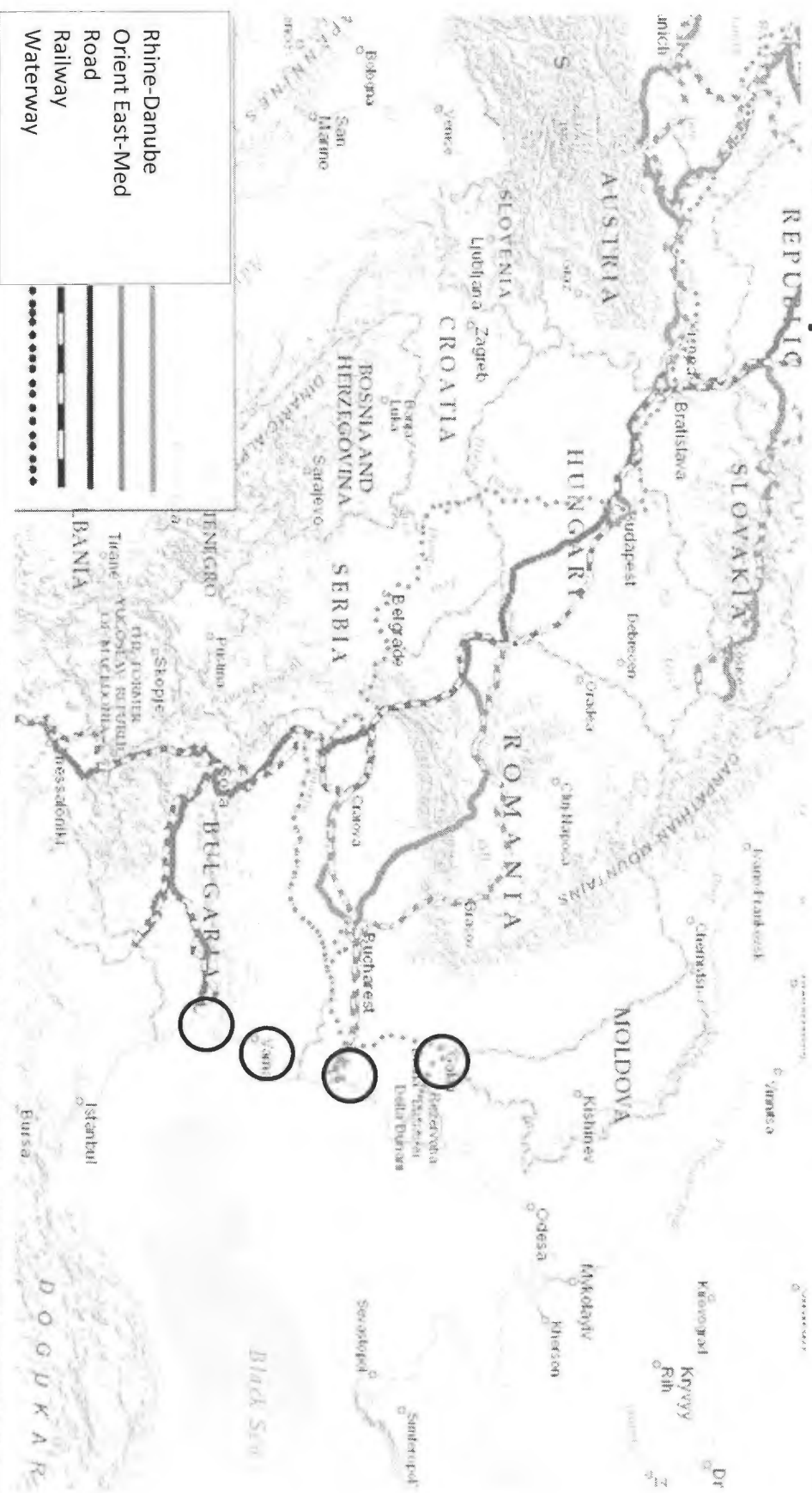
RECOMMENDATIONS

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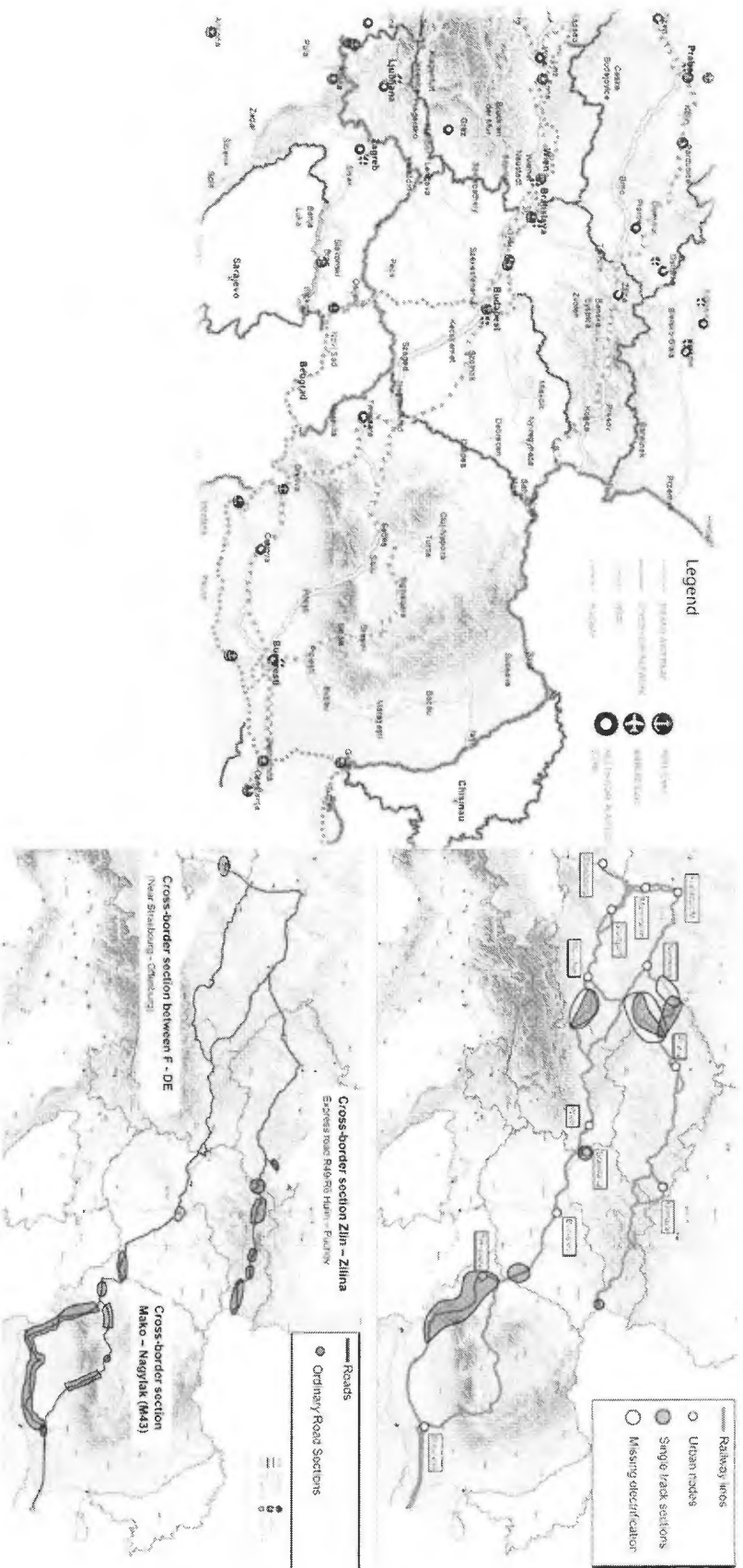
DANUBE BLACK SEA TRANSPORT SYSTEM

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Transport system in the Danube-Black Sea region – the international port hinterland



Transport system in the Danube-Black Sea region: Rhine Danube Core Network Corridor



Transport system in the Danube-Black Sea region: Rhine Danube Core Network Corridor

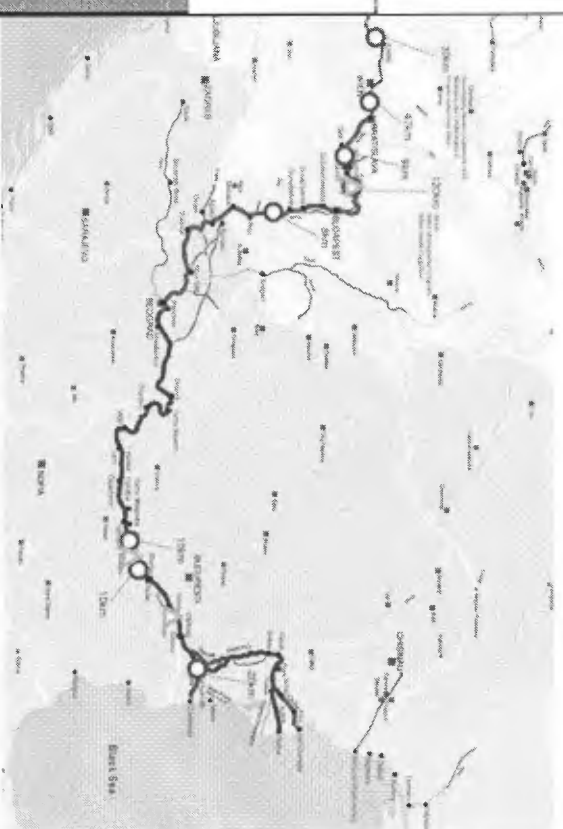
Danube Waterway Industry Declaration

Investing into the key transport axis of the region
for the benefit of its people

Abolish all unnecessary administrative barriers for waterway transportation

- Reducing administrative procedures and related dues to a minimum and thus relief industry from costs and time losses in logistics operations
- Harmonizing administrative procedures for transport and transshipment operations to its possible utmost following the Pro Danube concept of "Same River – Same Rules"

Organisation/Administration



Navigability

Rhine Danube

CEF-pre-identified projects

Area	Project description
Inland waterways	
Komárom – Komárno	Studies and works for cross-border bridge
Danube (Kehlheim - Constanta/Midia/Sulina)	Studies and works on several sections and bottle-necks; inland waterway ports: multimodal interconnections
Sava	Studies and works on several sections and bottle-necks (including cross-border bridge)
Bucharest – Danube Canal	Studies and works
Rail	
Strasbourg – Kehl – Appenweier	Works interconnection Appenweier
Karlsruhe - Stuttgart - München	Studies and works ongoing
Ostrava/Prerov – Žilina – Košice – UA border	Upgrading, multimodal platforms
Munich – Prague	Studies and works
Nuremberg – Prague	Studies and works
München - Mühldorf - Freilassing - Salzburg	Studies and works ongoing
Salzburg - Wels	Studies
Nürnberg - Regensburg - Passau - Wels	Studies and works
Rail connection Wels - Wien	Completion expected by 2017
Wien – Bratislava / Wien – Budapest / Bratislava – Budapest	Studies high speed rail (including the alignment of the connections between the three cities)
Budapest - Arad	Studies for high speed network between Budapest and Arad
Arad - Brasov - Bucuresti - Constanta	Upgrading of specific sections: studies high-speed
Craiova – Bucharest	Studies and works
Road	
Zlín – Žilina	Cross-border road section
Port	
Constanta	Port interconnections, MoS (including icebreaking services)
Giurgiu, Galati	Further development of multimodal platforms and connections with the hinterland: studies and works
Slavonski Brod	Studies and works

Source: EU (2013): Regulation (EU) No 1316/2013 of the European parliament and of the council

Transport system in the Danube-Black Sea region: Orient/East-Med Core Network Corridor

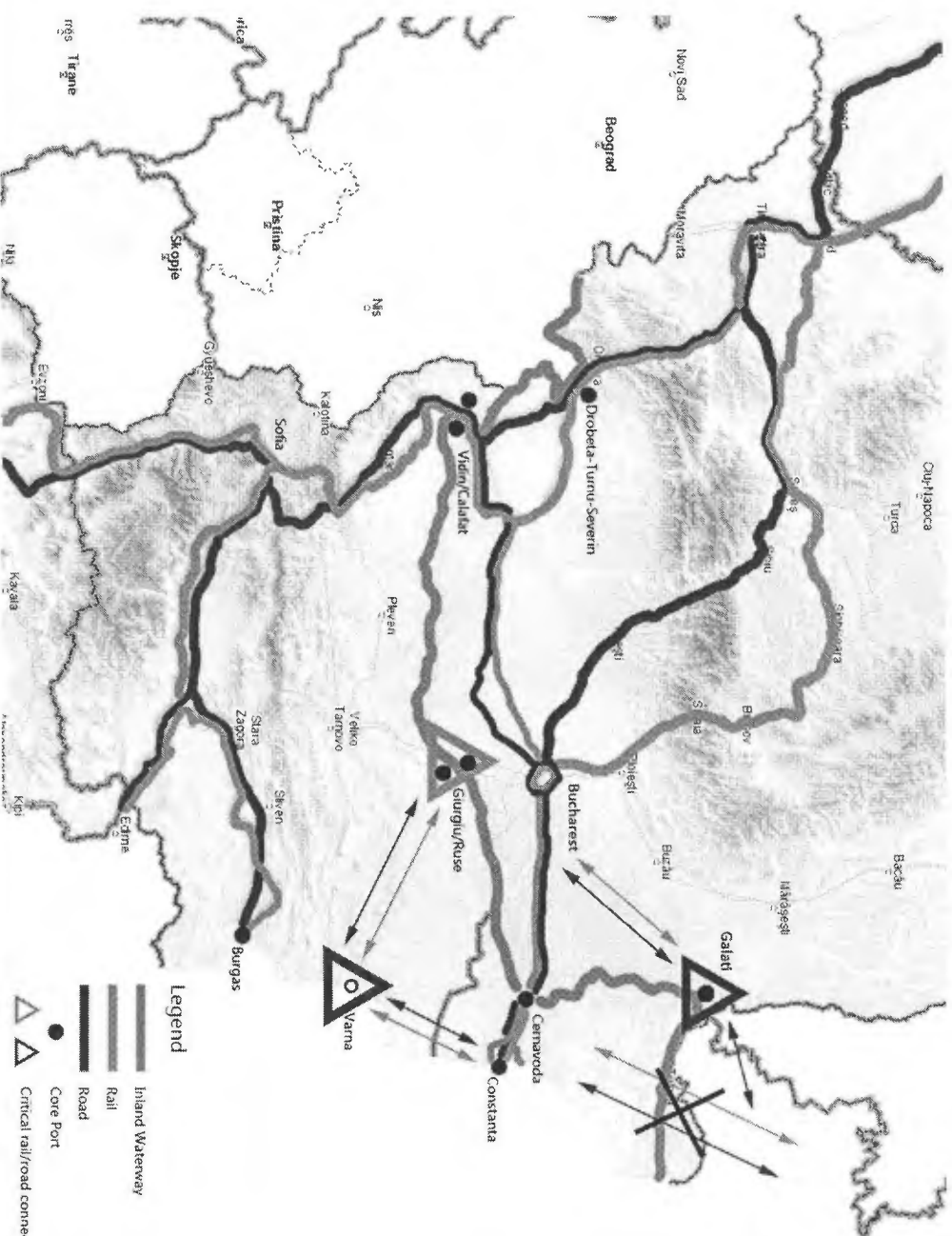


Orient/East-Med - CEF-pre-identified projects

<u>Area</u>	<u>Project description</u>
Rail	
Dresden - Prague	Studies for high-speed rail
Prague	Upgrading, freight bypass; rail connection airport
Prague – Breclav	Upgrading
Prague - Brno - Breclav	Upgrading, including rail node Brno and multimodal platform
Breclav – Bratislava	Cross-border, upgrading
Bratislava – Hegyeshalom	Cross-border, upgrading
Tata – Biatorbágy	Upgrading
Budapest – Arad – Timișoara – Calafat	Upgrading in HU nearly completed, ongoing in RO
Vidin – Sofia – Thessaloniki – Athens/Piraeus	Studies and works
Sofia – Burgas/TR border	Upgrading
Athens - Patras	studies and works, port interconnections
Road	
Mosonmagyaróvár – SK Border	Cross-border upgrading
Vidin – Craiova	Cross-border upgrading
Slavonski Brod	Studies and works

Source: EU (2013): Regulation (EU) No 1316/2013 of the European parliament and of the council

Transport system in the Black Sea region



Recommendations

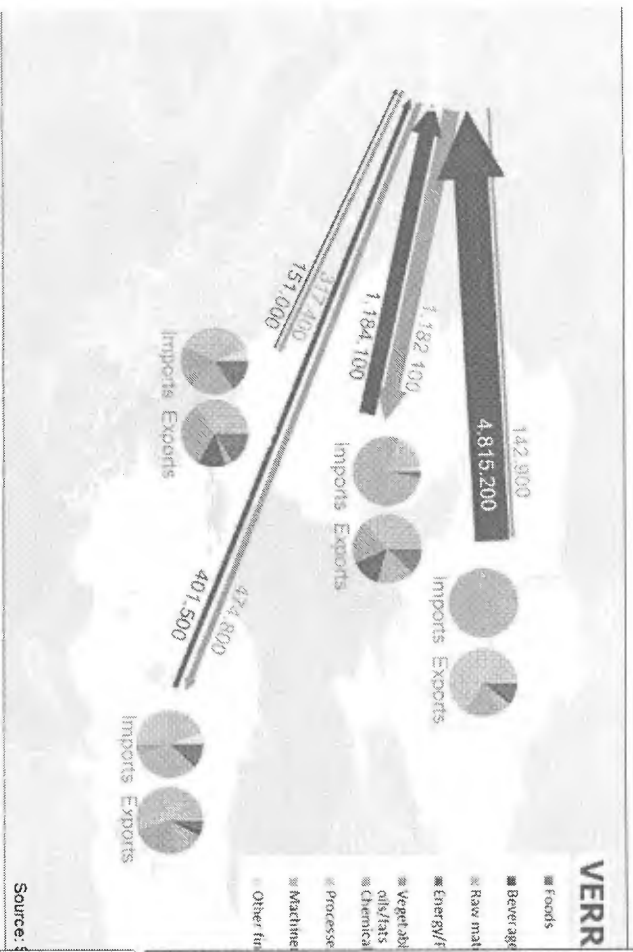
- | The **condition of infrastructure** (rail, road, inland waterways) connecting the ports with its hinterland is **poor**. The development plans of the European Commission and the responsible national authorities are mainly focusing on the improvement of infrastructure along the Core Network Corridors
- | Besides the bottlenecks in infrastructure, **organisational/functional bottlenecks** (procedures, information, etc.) on the Danube are a major constrain for efficient use of the river as an important hinterland connection
- **As the big European and national funds are mainly focusing on infrastructure investments along the defined CNC, solutions have to be identified to overcome the organisational/functional bottlenecks as well as to improve the most pressing bottlenecks on the existing infrastructure which is not included in the European core network.**

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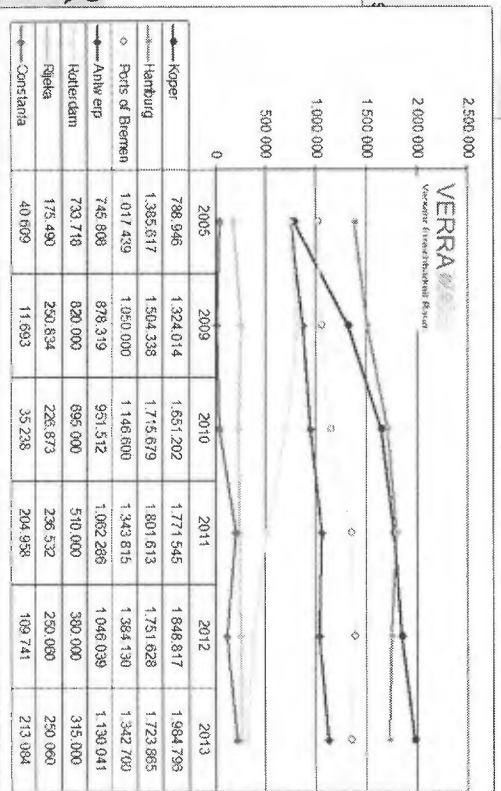
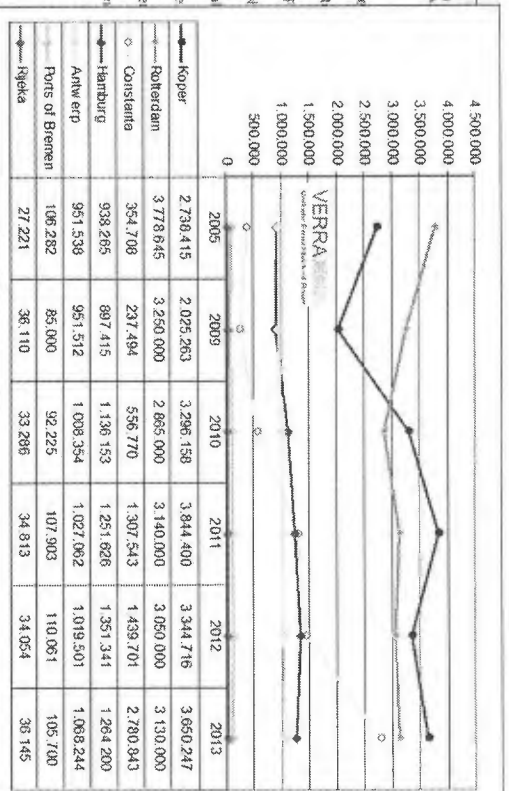
FUTURE COOPERATION

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Economic/business cooperation



Source: S

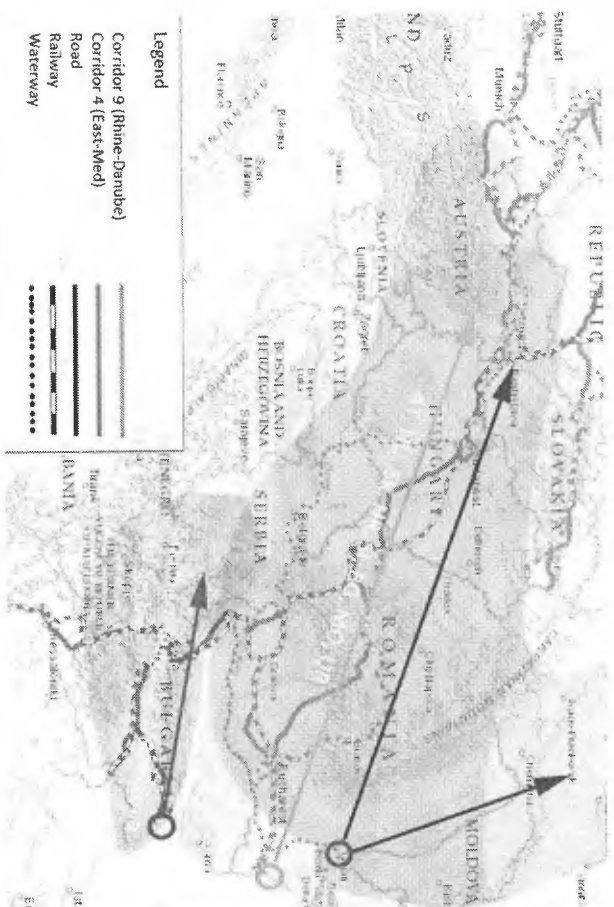


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Recommendations – Business cooperation

- | Black Sea region is of major importance for the Austrian economy. There is **high potential for cooperation** between Austria and Black sea region for shipping raw material and machines (heavy goods with accepted longer travel times)
- | **Limited knowledge about development possibilities and future trends** affecting cooperation and demand in the Danube-Black Sea region
 - | Business cooperation in the Danube-Black Sea region is still limited to specific sectors. Cooperation possibilities have scarcely been tapped.
- Detailed analysis of economic system in the region and beyond
- Analysis of potential industrial location along the river Danube
- Strengthen business cooperation networks

Port cooperation



Legend
 Corridor 9 (Rhine-Danube)
 Corridor 4 (East-Med)
 Road
 Railway
 Waterway

Black Sea ports are in the geographic position to act as on of the main gateways for goods from and to Europe – especially for the Danube countries

Cooperation between the Black Sea ports is still weak

	Odessa	Illichivsk	Galati	Constanza	Varna	Burgas
Motorway connection (nat. center)	direct (M-highway)	direct (M-highway)	-	5 km	5 km (not continuous to Sofia)	10 km
High-level rail connection (nat. center)	direct	10 km	Direct (normal & broad gauge)	direct	direct	direct
Connection IWW	Rail Road	-	YES YES	YES YES	YES YES	YES YES
Connection to Airport nearby	Rail Road	YES YES	-	YES YES	YES YES	YES YES

Entfernung	Odessa	Illichivsk	Galatz	Konstanza	Varna	Burgas
Nach Szilben	2171km	2146 km	2162 km	1894 km	1809 km	1771 km
Zum Suezkanal	2213km	2189 km	2209 km	1937 km	1852 km	1813 km
Zum Bosporus	642km	618 km	592 km	366 km	280 km	242 km
Liegeplätze	54	29	56	156	36	23
Kallänge	9.000m	6.000m	7.000m	30.000m	5.800m	3.900m
Tiefgang	12-13m	12m	7.3m	19m	11.5m	11m
Verkehrs-anbindung (x-modal)	4 (+airport)	3 (+air-port)	5	4 (+airport)	3 (+airport)	3 (+airport)
Hafenumschlag Messengüter	Kapazität: 25 Mio.t/	Kapazität: 30 Mio.t/	5.1 Mio.t (2011)	Kapazität: 120 Mio.t/	10.7 Mio.t (2013)	7 Mio.t/
Hafenumschlag Container	Kapazität: 900.000TEU/	1.15 Mio. TEU/	30.000 TEU/	1.5 Mio. TEU/	131.460 TEU (2013)	130.000 TEU
Lagerhäuser	>50.000m ²	28.000m ²	7.200m ²	5.000m ² für Container	77.500m ²	87.130m ²
Freie Lagerfläche	150.000m ² für Metallprodukte	575.000m ²	538.000m ²	4,7 Mio.t für Koks und Kohle, 850.000t für Getreide	273.000 m ²	307.500m ²
Containerlagerung	20.000 TEU im Trockenhafen	26.000 TEU Container	12.200m ² Stahlgut	33.340 TEU Container	7.600 TEU Container	4.000 TEU Container
Wichtigste Güter	Massengüter, Container	Container	Stahlwaren, Schüttgut	Getreide, Container	Getreide, Container	Massengüter, Contain-ner

Port cooperation – Learning from NAPA

For the WBSF and its development it is crucial to focus on the next steps:

- | Hinterland accessibility is crucial for long term development and port sustainability – the development of proper hinterland transport infrastructure leads toward development of traffic
- | Modal split in favor of rail is increasing success chances - development of adequate railway infrastructure must be a present and future long term priority
- | Being part of the TEN-T network (CEF) is very important for future development projects
- | Joint promotion of the region brings long term benefits

Port cooperation – Learning from NAPA

Creating an association of the WBSP could start with these steps:

- | Stress the importance of a higher hinterland railway inland waterway accessibility & connectivity
- | Define a roadmap for regional rail / inland waterway oriented infrastructural development
- | Enhance regional visibility on global level

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PROJECT IDEAS

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Project ideas

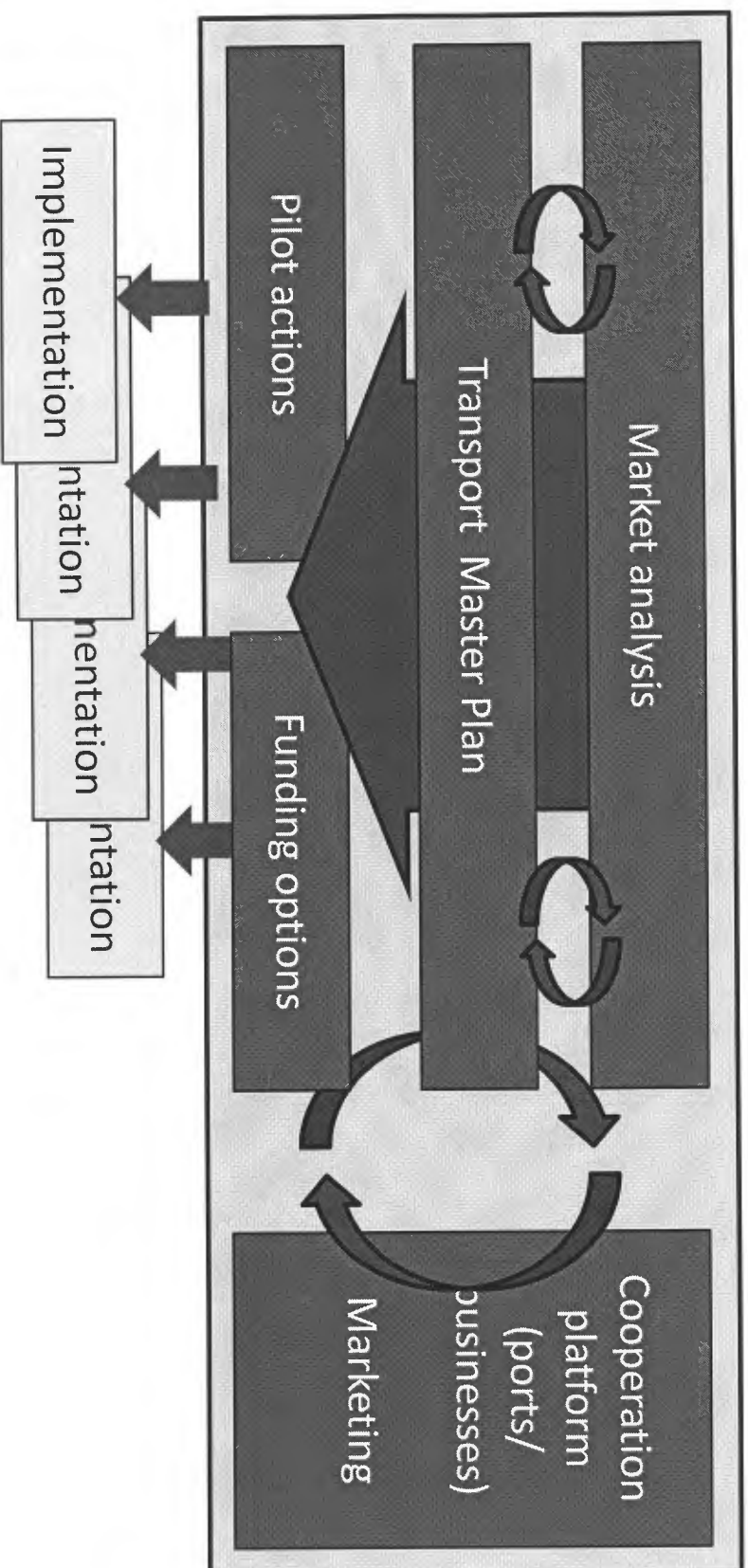
- | Danube-Black Sea Cooperation Network **DaBSCoN**
- | Other project ideas?!

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DANUBE-BLACK SEA COOPERATION NETWORK

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Project structure



WP3: Market analysis

Objective: Better understanding of current and potential future market

Actions:

- | **Analysis of global economic development influencing the Danube-Black Sea region**
 - | Analysis of economic system of the hinterland (transport intensive sectors, e.g. raw material and machines (heavy goods with accepted longer travel times), geographic distribution, current connection to intermodal transport and use of inland waterways
 - | Analysis of potential industrial location along the river Danube (special focus on industry with river transport related production)
 - | Develop scenarios for future economic development
- | **Develop recommendations for the Western Black Sea ports**
 - | Identify potentials for economic development in the Danube-Black Sea region
 - | Identify consequences resulting from the expected development for Danube-Black Sea region
 - | Identify the role of the Black Sea ports in relation to the NAPA / Northern Ports + the roles of the four Black Sea ports

Output: Market study for the Western Black Sea ports, study on potentials to increase industrial production along the Danube river

Taking into account the
existing studies and results! —

Main focus:

WP4: Transport Master Plan for the Danu **functional bottlenecks + inter-regional measures**

Objective: Coordinated transnational approach to support the implementation of necessary development measures in transport infrastructure, organisation and services within the Black Sea region and its hinterland

Actions:

- | Transport system analysis
 - | Infrastructure (Inland water ways, railways, roads, ports, terminals), organisational structure of transport service providers and their competence (port authorities, transport companies, regions or other public entities involved in the transport sector etc.), Legal and structural framework
- | Analysis of current and potential future freight flows (based on market analysis)
 - | Develop transport demand model taking into account the current and future economic system (scenarios) + calculate and analyze current and possible future trade flows
- | Development of a common vision for the transport system in the hinterland of the Black Sea region
- | Identification and evaluation of potential solutions to overcome bottlenecks (infrastructure, organisation, services)
- | Recommendations for implementation (→ Transport Master Plan)

Main outputs: Report on current status of the transport system in the Danube-Black Sea region, Transport demand model for the Danube-Black sea region, Transport Master Plan of the Danube-Black Sea region

WP5: Pilot actions

Objective: Highlight the realisability and benefits of identified development measures for the Danube-Black Sea region

Actions:

- | Pilot projects
 - | Business plans
 - | Selected (pre-)feasibility studies for infrastructure development
 - | Demonstration of e.g. optimized services
 - | Technical analysis and/or demonstration of selected infrastructural and organisational solutions as well as services

Main outputs: Studies and/or demonstrations, guidelines

WP6: Funding options

Objective: Create access to additional funding options

Actions:

- | Funding options
 - | Identification and continuous screening of suitable financing schemes
 - | Elaboration of funding guidelines and organisation of funding workshops
 - | Development of applications to get access to existing funding schemes

Main outputs: guidelines, funding workshops, applications for funds

WP7: Cooperation platform

Objective: Use joint voice to lobby for speeding-up of necessary improvements in the interest of the whole Black Sea region

Actions:

- | Development of port cooperation platform
 - | Identification of unique selling points for each port (use strengths of each port to establish a special function within the network)
 - | Identification of collective selling points in comparison to other ports
 - | Set-up of a platform for future cooperation
- | Development of business cooperation platform
 - | Identification of the possibility for business cooperation (within the region, but also with external business partners)
 - | Identification of good practices from the Danube regions for know-how transfer to Black Sea ports
 - | Set-up of a business platform for future cooperation
- | Marketing
 - | Joint promotion of the region to raise confidence in the market and awareness of importance of region

Main **outputs:** business/port cooperation platforms, joint secretariat for administration and lobbying, marketing strategy

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JOINT APPLICATION

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New ETC Danube programme 2014-2020



Type of projects: cooperation projects in Danube region

Size of projects: up to 3-4 Mio

Eligible costs: personal, overhead costs, small scale investments

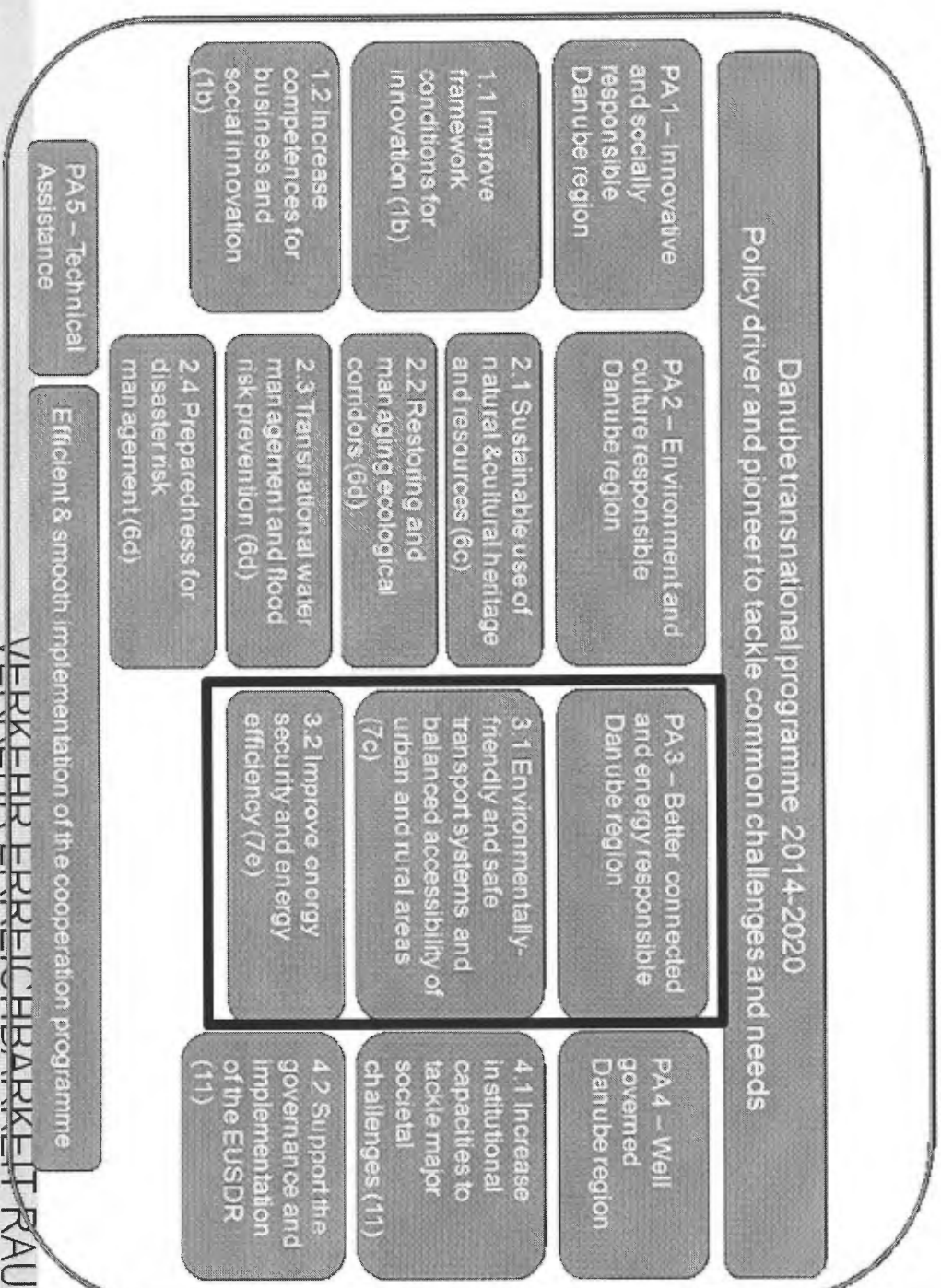
Beneficiaries: administrations, universities, (private organisations)

Max duration: 3 years

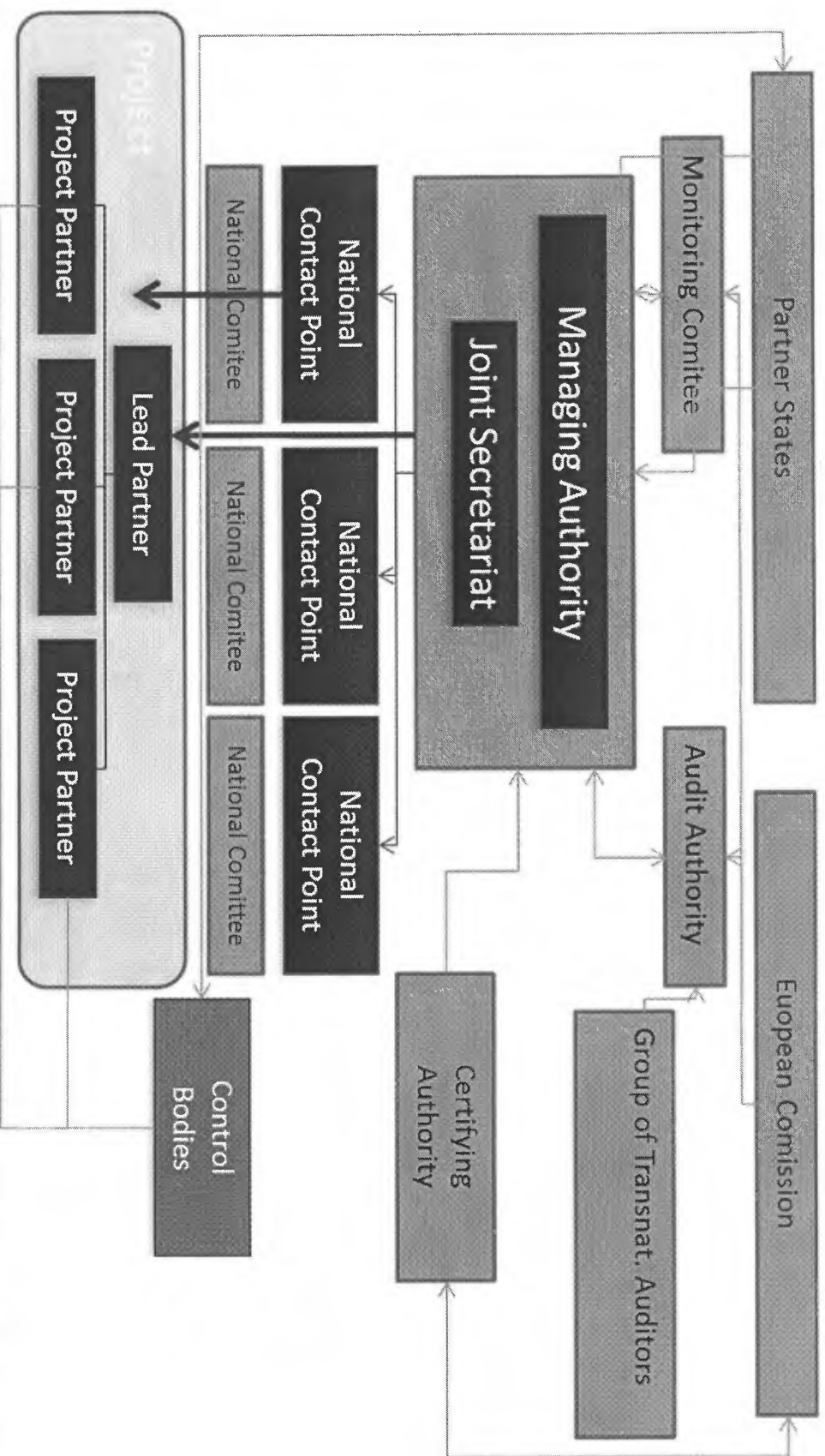
Thematic focus: Innovation, Environmental protection, transport, capacity building

Status: still in preparation – first calls expected second half of 2015

Priority axes and specific objectives



Programme organisation



Partnership

Lead Partner:

- | Responsible for the transnational Project Management and cash flow
- | Signatures:
 - | Subsidy contract (Management Authority)
 - | Partnership Agreement (Single Project Partner)
- | Responsible for reporting:
 - | Progress, Financial Reports + Final Report (contribution by Project Partner)

Project Partners (incl. 20% PP)

Strategic Partners / Observers

Partnership

Lead Partner

Project Partners

- | ERDF, ERDF 20%, IPA
- | Financing partners: get refundation of their activities
- | Sign the Partnership Agreement
- | Participate in common transnational activities

Strategic Partners / Observers

Partnership

Lead Partner

Project Partners (incl. 20% PP)

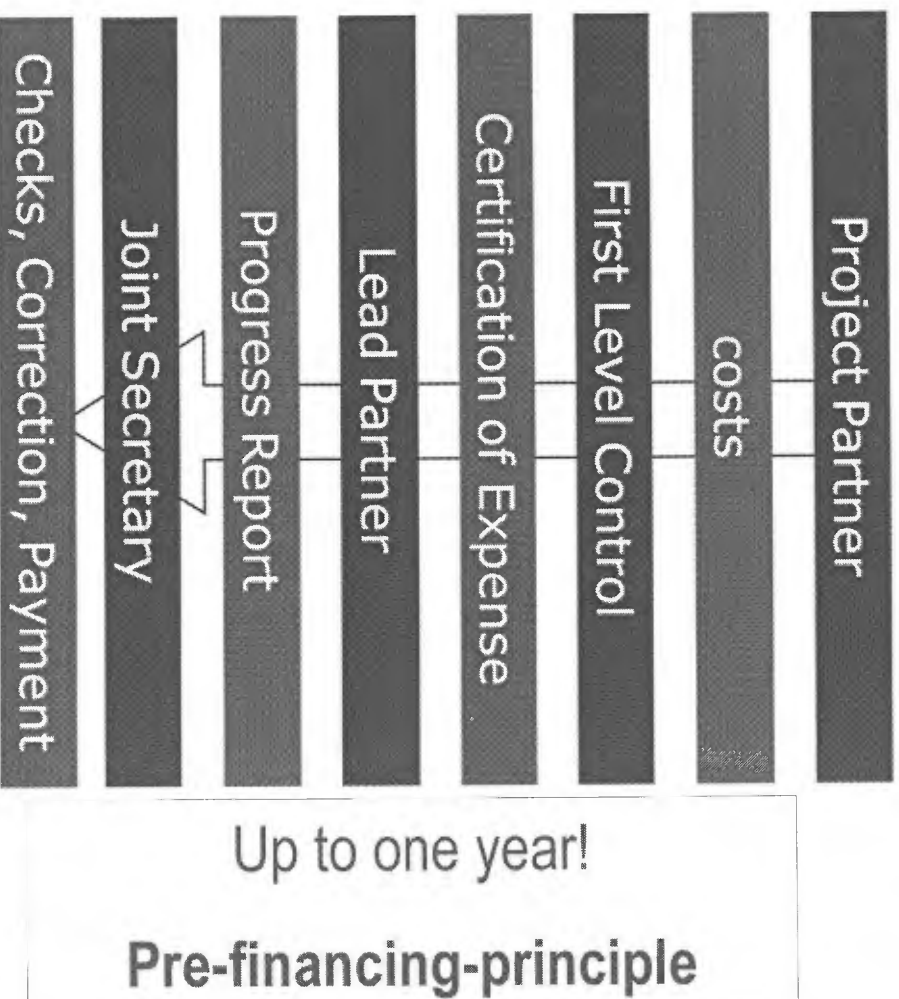
Strategic Partners (incl. Observers)

- | Strategic Partner
 - | travel/accommodation-costs get funded, are sponsored by financing partner („sponsoring PP“)
 - | Sign Partnership Agreement + Observer Declaration
- | Observer
 - | No refundation of costs
 - | Sign Observer Declaration

Budgets

- | Max. 85% EU-Funding rate
- | Recommended project budgets ~ 2-3 Mio
- | Different eligible budget lines
 - | Staff
 - | Overhead costs
 - | Travel and accommodation
 - | External experts
 - | Small scale investments
- | Pre-financing principle!

How to receive ERDF-Co-Funding



IPA-Funds

Instrument for Pre-Accession Assistance; for Non-EU-Member States

Available amount will be defined for each call → uncertain, if there will be enough for all projects

Last programming period: 10%-rule or other cofunding

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NEXT STEPS

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Roadmap to implementation

12.12.2014 Joint decision to develop project concept and apply for funds

Further improvement of project concept, consolidation of partnership

September 2015 *1st call for projects OPENS (Danube Programme)*

+ 6-8 weeks Deadline for submission of Application (STEP 1)

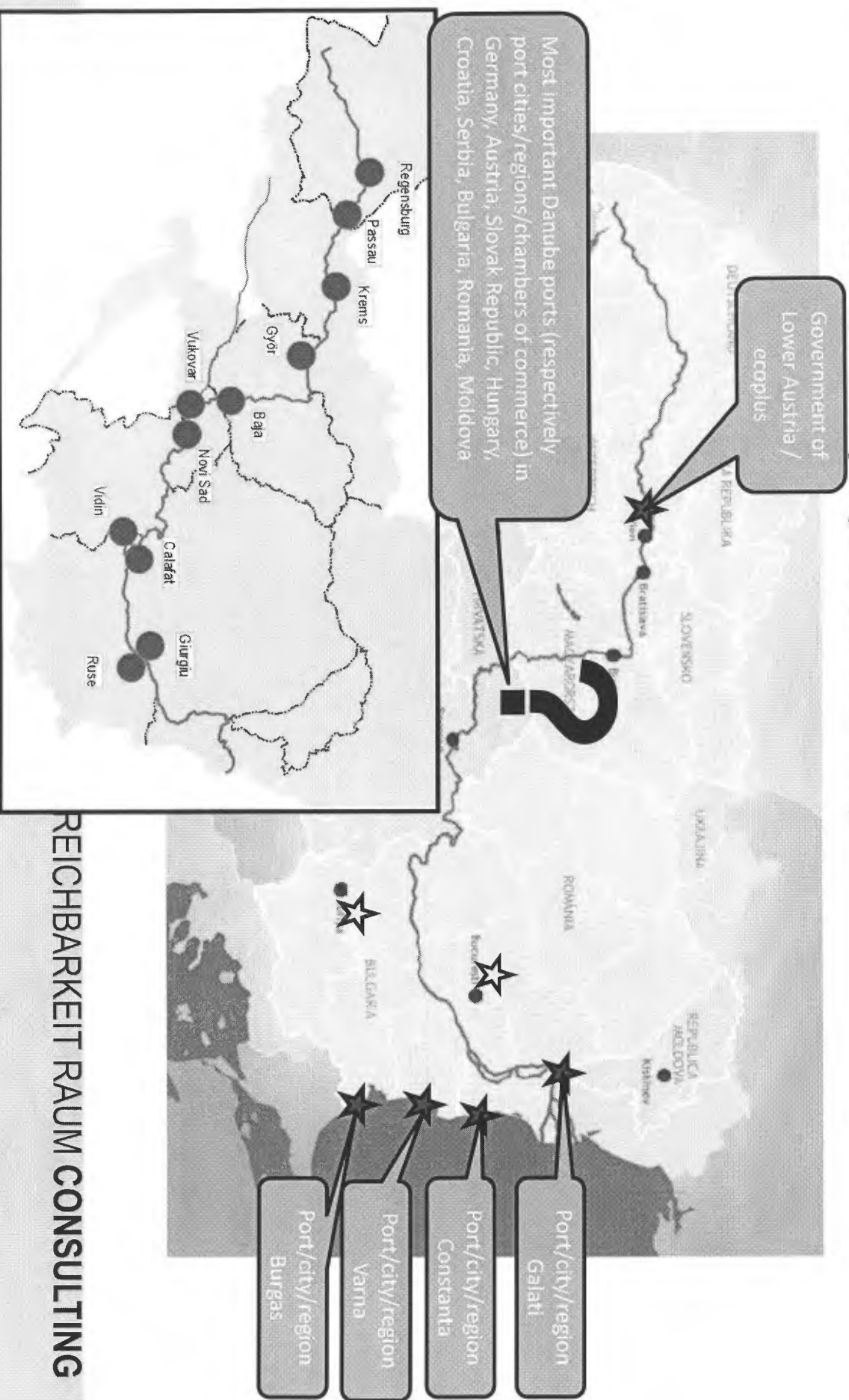
+ 4-8 weeks Evaluation of application and (hopefully) invitation for STEP 2

+ 4-6 weeks Deadline for submission of Application (STEP 2)

April/May 2016 *Start project implementation*

June 2019 *Project successfully implemented*

Consolidation of project partnership



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THANK YOU!

VERKEHR ERREICHBARKEIT RAUM CONSULTING