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DAPhNE

O 6.2 Concept for the Danube Ports Network platform

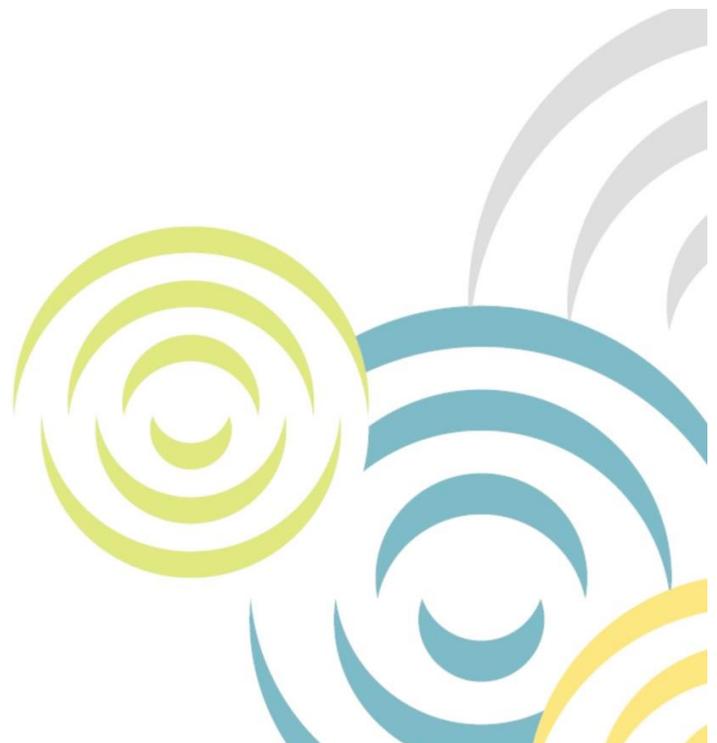
Work Package 6

Activity 6.2 Setup and enlarge the Danube Ports Network

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1 Introduction

In addition to the goal of ensuring a high level of accessibility, European and national transport policies are increasingly striving to create preconditions for sustainable and energy-efficient transport. Inland navigation can contribute substantially to this due to the fact that it is environmentally friendly, safe and offers spare capacity.

In order to strengthen the share of inland navigation in an integrated transport system, the European Union has published an Action Programme for the Promotion of Inland Waterway Transport – “NAIADES” (European Commission 2006). In the Danube region, the Strategy for the Danube Region of the European Union provides an important framework for development activities until 2020.

The White Paper of March 2011 presented the Commission’s vision for a competitive and resource-efficient transport system by 2050. It also outlined a ten-year programme articulated in 40 points aimed at meeting those goals.

The current transport policy is being developed on the basis of the programme of the 2011 White Paper "Roadmap to a Single European Transport Area – Towards a competitive and resource efficient transport system" (revised). This strategy aims to create a Single European Transport Area which fosters the integration of the various transport modes (multimodality), further develops innovation and transport infrastructure, as well as ensures the future sustainability of the transport system.

For waterborne transport, the Commission presented a Ports policy review. The proposal aims at integrating ports into the TEN-T network and reviewing services and financial transparency (discussions ongoing). However, inland ports are not covered by the Commission Communication on Ports (COM (2013)295 final) and by the Proposal for a Regulation on market access to port services and financial transparency of ports.

2 The nature and extent of the problem

In an era of intense stakeholder cooperation and integration of ports within logistics and multi-modal supply chains, a range of challenges related to the Danube Region’s ports increasingly impact upon its governance system, such as: scarce funding resources, sub-optimal performance and competitiveness vis-à-vis ports in other EU transport Corridors.

Moreover, the reality has shown that in addition to the overlapping policy frameworks, at time ineffective political dialogue, and limited involvement of the current port authorities’ actors at regional and EU level, the competitiveness of the Danube Region ports has also suffered in the absence of a wide-ranging (cross-sectoral), transnational, structured port cooperation mechanism. Should the current discontinued, ad-hoc, one-off cooperation activities, institutional settings and actors at national Danube Region continue Danube Region ports competitiveness will stay rather limited.

Last but not least, the appropriate system of institutional actors and more important the full involvement and active participation of all stakeholders at Danube Region level is equally detrimental to Danube Region

ports competitiveness rather than setting a more wide-ranging (cross-sectoral), transnational, structured port cooperation mechanism benefiting the Danube Region Port Governance System more effectively. In addition, the global challenges (climate change and adaptation, environmental protection, digitalization of logistics chains, decarbonisation of the entire transport system, etc.) call for more coordinated and ambitious collective action at Regional level.

3 The proposed solution

So far, Danube Region’s river and seaports have not sufficiently exploited the potentials offered by stronger cooperation at regional level. A full engagement of all port stakeholders at regional level is required to address all the previously identified challenges. Unfortunately, the lack of cooperation contribution in fostering more inclusive processes across Danube Region countries has been also considered inadequate.

The current DAPhNE Project provides a comprehensive framework to assess the key drivers and challenges to a significantly improved and sustainable regional port governance system. To this end, it proposed a conceptual framework which looked into key aspects of regional port performance that could be clustered as follows:

1. PILLAR I - The enabling environment

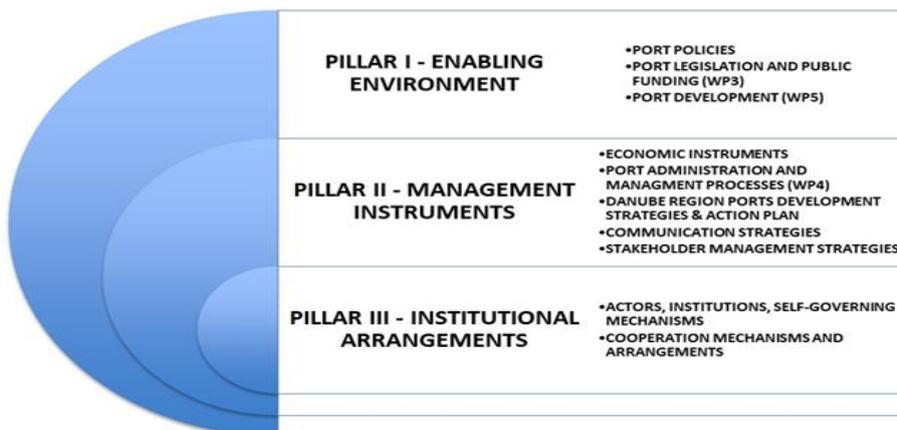
- Port legislation and public funding (WP3)
- Port development (WP5)

2. PILLAR II - Management instruments

- Port administration and management processes (WP4)
- Danube Port development strategy & Action Plan
- Stakeholder man

3. PILLAR III – Actors, Institutional arrangement

- Actors, co-operation mechanisms and arrangements (self-governing/self-regulating mechanisms);



All these key elements are interrelated and complementary and should be seen as prerequisites for a sustainable Danube Region port governance system. Indeed, any institutional arrangement would rely on the enabling environment to be sustainable and effective. Likewise, any management tool could not be fully realized without the appropriate system of institutional actors performing their roles and responsibilities, and more important no cooperation arrangement would work without the full involvement and active participation of stakeholders at different tiers of the port governance. In the absence of any of these key components, no regional governance model could really benefit the development of the Danube Region port sector. Nevertheless, when considering the intention to set-up a structure cooperation of the Danube ports, the policy landscape has to be analysed in order to validate the need for a new structure – in whatever form it might be implemented. This analysis was carried out in a joint workshop of the DAPhNE partners and resulted into the common understanding that there is a need and an empty place to be filled. Below figure illustrates the current landscape and the level and directions of interactions.

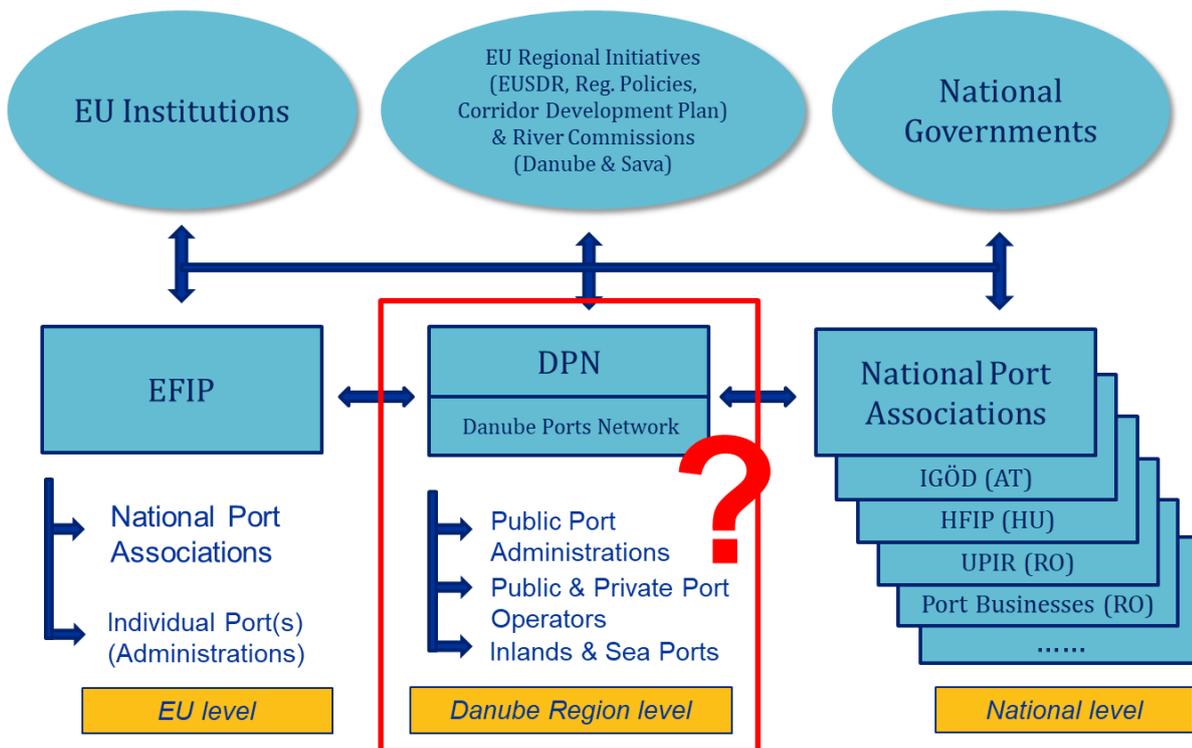


Figure 1: Placing a Danube Ports Network into the political landscape

Against this background the following policy options called scenarios” have been formulated and described:

- 1. Option A** – Enhanced regional port cooperation through a formal cooperation framework - setting-up a Danube Ports Association – Scenario “Association of Danube Ports”
- 2. Option B** – Enhanced regional port cooperation through the setting-up and deployment of the Danube Ports Network (DPN) – Scenario “DAPhNE Network”
- 3. Option C** – No institutionalized/formal port cooperation framework at Danube Region level (No voluntary port cooperation at Danube Region) – Scenario “BAU – Business as usual”

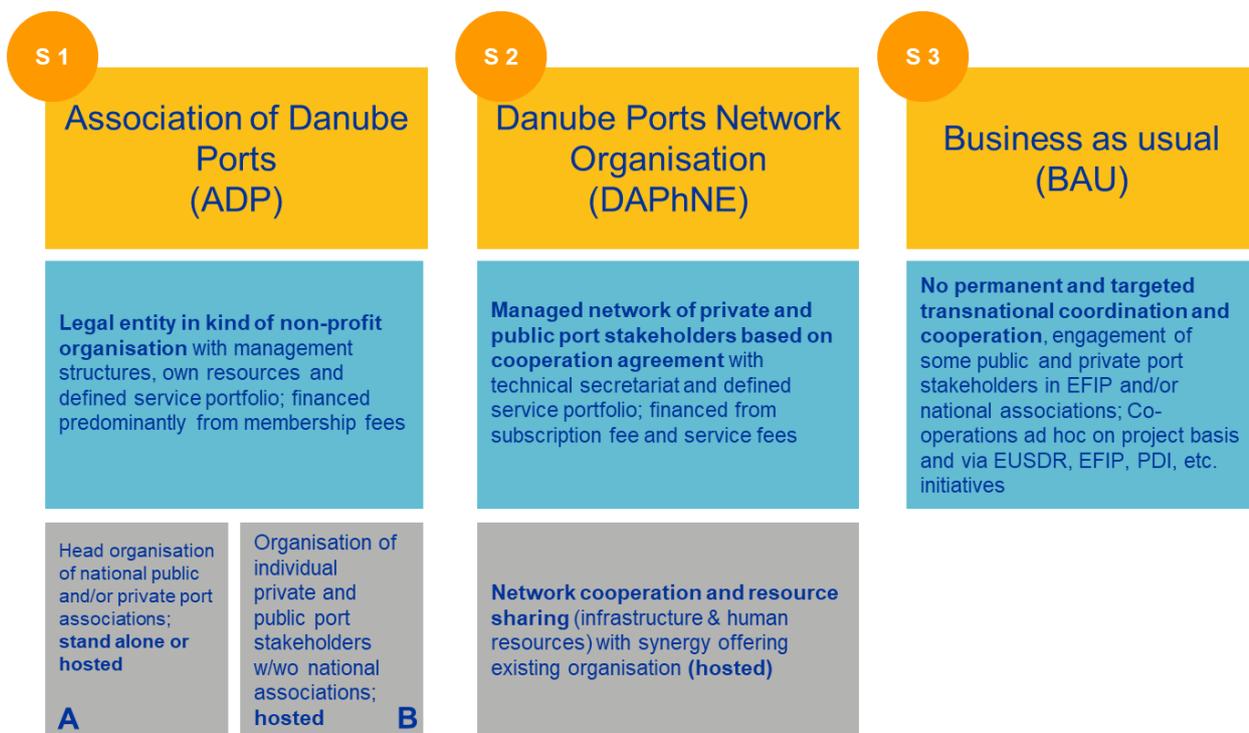


Figure 2: Overview on policy options for cooperation of sea and river ports in the Danube region

The two scenarios which in principle let fulfil the objectives of a stronger cooperation of the Danube ports have been analysed towards its pros and cons. The below figure provides a short summary into the main elements.

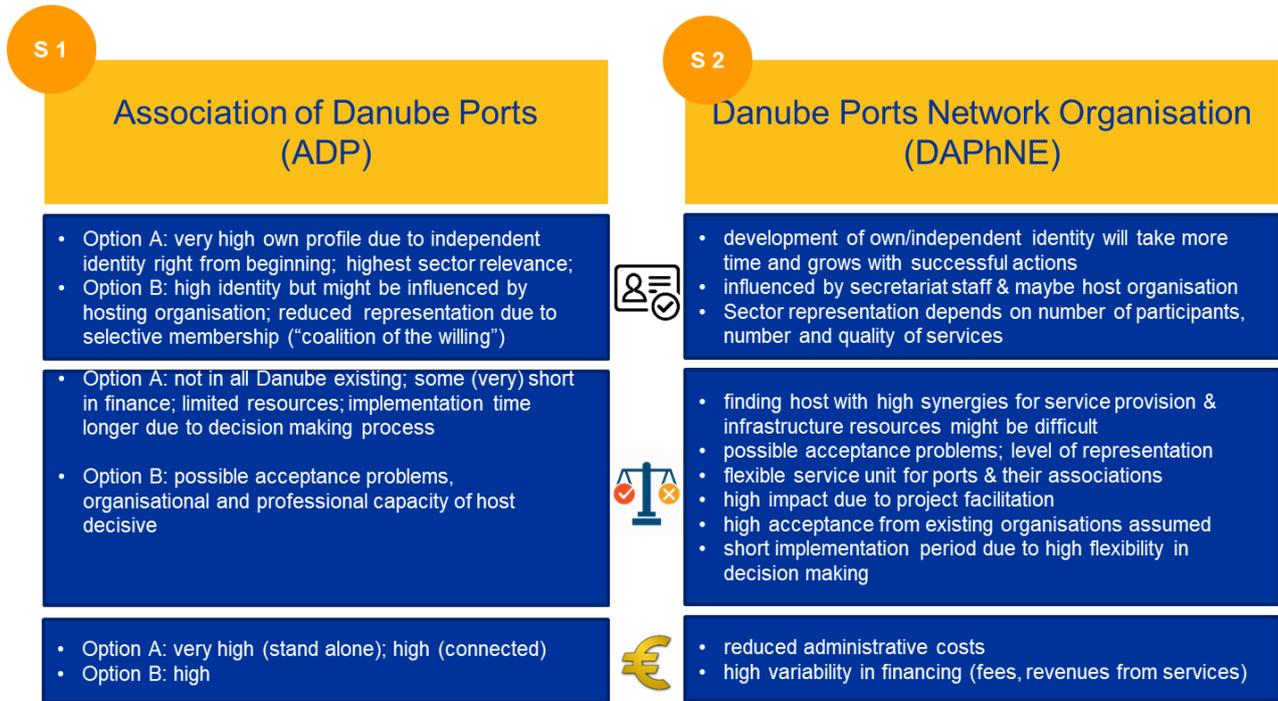


Figure 3: Overview on pros and cons for key scenarios

One key requirement for the Danube Ports Network is to maximise the synergies between the partnering organisations as well as with those organisations which have similar objectives. This intention also relates to the need of a very efficient resource allocation based on making use of resources of existing organisational structures which allow a hooking onto these resources from the viewpoint of office locations and in particular flexible human resources. As part of the concept elaboration, a short analysis regarding synergies with some potential organisation was executed. The results are shown in the figure below.

International / transnational organisations			National associations / port organisations / educational institutions		
EFIP	highly accepted sector representative on EU level; strong links to EU institutions	focused on Western European port interests; limited financial & human resources; not able to share resources	Port Association River Port / Constanta Port	Own identity & responsibilities	Possible acceptance problems; limited synergy potentials
Danube Commission	International organisation	no official mandate for port issues	Educational institutes	Own identity & responsibilities	Possible conflict of interest; synergy potentials, additional finance opportunities
EUSDR Technical Secretariat	dedicated service unit	limited with EUSDR timeframe; financed by DG Regio, AT (via donau) & RO (MoT);			
PDI	international business association	project management capacity & experienced info services; limited resources, Austrian cost structure			

Figure 4: Analysis of synergy options

In the process of discussing the setting-up and enlargement of the envisioned Danube Ports Network as defined on the Project’s Application Form, the **option B** was deemed most appropriate with Pro Danube International as host for the initial phase.

Enhanced regional cooperation through a formal network linking private and public port stakeholders (based on a cooperation agreement), centralized management (technical secretariat taken on by one partner organisation) and defined service portfolio.

However, a most effective broad-based network typically begins with:

- a select group of pioneering companies rather than an all-encompassing sector group, as to avoid laggard companies holding up the ambitions of the leaders, and
- a certain number of defined tasks which reflect the priority interests of the partners;

Furthermore, it could start informally (during the pilot phase) and become increasingly formalized over time as its programme of work becomes more complex and more resource intensive (permanent structure phase).

The detailed description of the proposed alternative options is structured as follows:

Option B. - Enhanced regional port cooperation through the Setting-up and deployment of the Danube Ports Network (DPN)		
What		<ul style="list-style-type: none"> - A stronger voice and a greater capacity to contribute to and influence the EU Inland Waterways Transport and ports policy agenda; - A dynamic inclusive network offering partner organisations better channels of engagement with EU institutions and relevant port stakeholders at national, regional and EU level (ports associations, funding institutions etc.,). - Better access to financial support through increased use of European and national support programs for infrastructure development, environmental improvements, human resource strengthening, improved business processes and successful market activities.
Who	Partners	<ul style="list-style-type: none"> - Public Port Administrations and - Public and Private Port/Terminal Operators <ul style="list-style-type: none"> • <i>Seaports of the maritime Danube & Black Sea Coast</i> • <i>Inland Ports situated on the Danube River as well as on its navigable tributaries</i>
	Stakeholders	<ul style="list-style-type: none"> - Institutions operating at strategic and policy level (e.g., European Commission's departments, political parties in the European Parliament and national and regional level, international organisations, the EU Council Presidencies, the EU SDR Presidencies etc., national administrations); - Organisations at operational level (e.g. waterborne transport companies, port services providers, port operators, port users, public sector agencies and civil society organisations); - Donors (resource providers external to the Danube Ports Network).
How	Management	<ul style="list-style-type: none"> - Centralised management (<i>i.e.</i>, management of the network taken on by one partner organisation on behalf of the network) - Technical Secretariat
	Architecture	<ul style="list-style-type: none"> - Network of ports governed by a Cooperation Agreement. - The difference between an agreement and Bylaws is that an agreement is usually: <ul style="list-style-type: none"> • <i>Not legally binding</i> • <i>Entered into voluntarily</i> • <i>Developed and agreed between the partners as equals</i> • <i>Readily re-negotiable</i> • <i>Open-ended (though sometimes a series of short-term agreements is more appropriate than an open-ended one)</i>

4 Procedural aspects for setting up the Danube Ports Network

The network will follow its own unique development pathway. The important thing is to be aware of the networking 'phases' outlined in below figure is important and should not be neglected if the network is to remain balanced and on course to achieve its goals.



Figure: Schematic overview on network development stages

5 Proposed cooperation model

Launched in the course of the DAPhNE project which started January 2017, the Danube Ports Network is a very young initiative which has emerged in response of a real need to address and reduce the development and innovation gap between the Western and South – Eastern European Danube ports. Danube Ports Network is to become a long-term structure contributing to the Danube Region good port governance.

Despite some isolated cases of port cooperation e.g. ports to engage with ESPO (i.e. the port of Constanta), EFIP on a range of areas of mutual interest, an update of the existing cooperation and ways of working would be necessary to effectively tackle global challenges and represent the interest of the Danube Region ports at EU level (with and within the EU Institutions activities as well as those of the professional organisations ESPO and EFIP).

This situation suggests not only that the current discontinued cooperation method/ process one-of, ad-hoc would not be appropriate to tackle the challenges. Furthermore, the SWOT Analysis carried out within DAPhNE Project has pointed to a number of weaknesses which would require stakeholder involvement and targeted port cooperation.

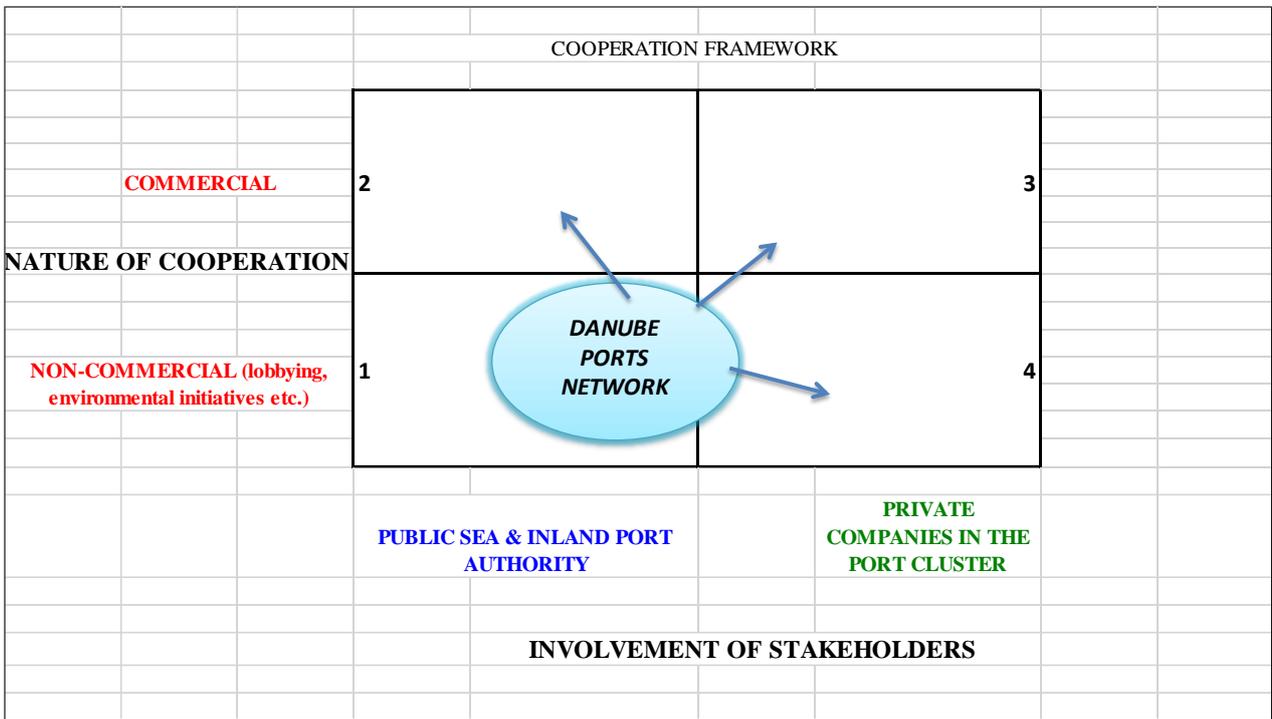


Figure: Embedding the Danube Ports Network

6 Where to head – a common understanding of key elements of the Danube Ports Network

In the process of elaboration of the outlay of the Danube Ports Network, a vision and a mission for the Danube Ports Network was formulated and agreed as follows:

Vision for the Danube Ports Network

“To be the recognised and coordinating voice of the Danube River and seaport community in Europe and beyond as well as a competent service provider for the partnering port and their stakeholders”

Mission of the Danube Ports Network

“To create and operate a sustainable, state-of-the art network of river and seaports in the Danube Region which represents the interest of its partnering organisations and which contributes to the economic, social and sustainable development of the Danube region and the entire Europe”.

Main objectives of the Danube Ports Network

As main objectives of the network have been defined jointly:

- To strengthen the Danube Region good port governance structure;
- To facilitate a more coherent transnational and cross-border cooperation among partner organisations at policy, technical and operational level;
- To facilitate capacity building at port authorities’ level.
- To facilitate a business – oriented culture and structural dialogue among the Port Danube Community stakeholders;
- To advocate for highly qualified personnel; quality infrastructure, handling facilities and port services that meet all customers’ needs; efficient logistics and hinterland connection in the Danube Region.
- To develop and implement a stable Work Programme at Danube Ports Network level.

Potential service portfolio

As a starting point for the elaboration of a detailed work program, the experts of the DAPhNE network elaborated a matrix of potential services. In the expert meeting it was stressed that this potential service portfolio must be narrowed by setting priorities and must be matched with the financial and human resources which can be made available in the various development stages of the network.

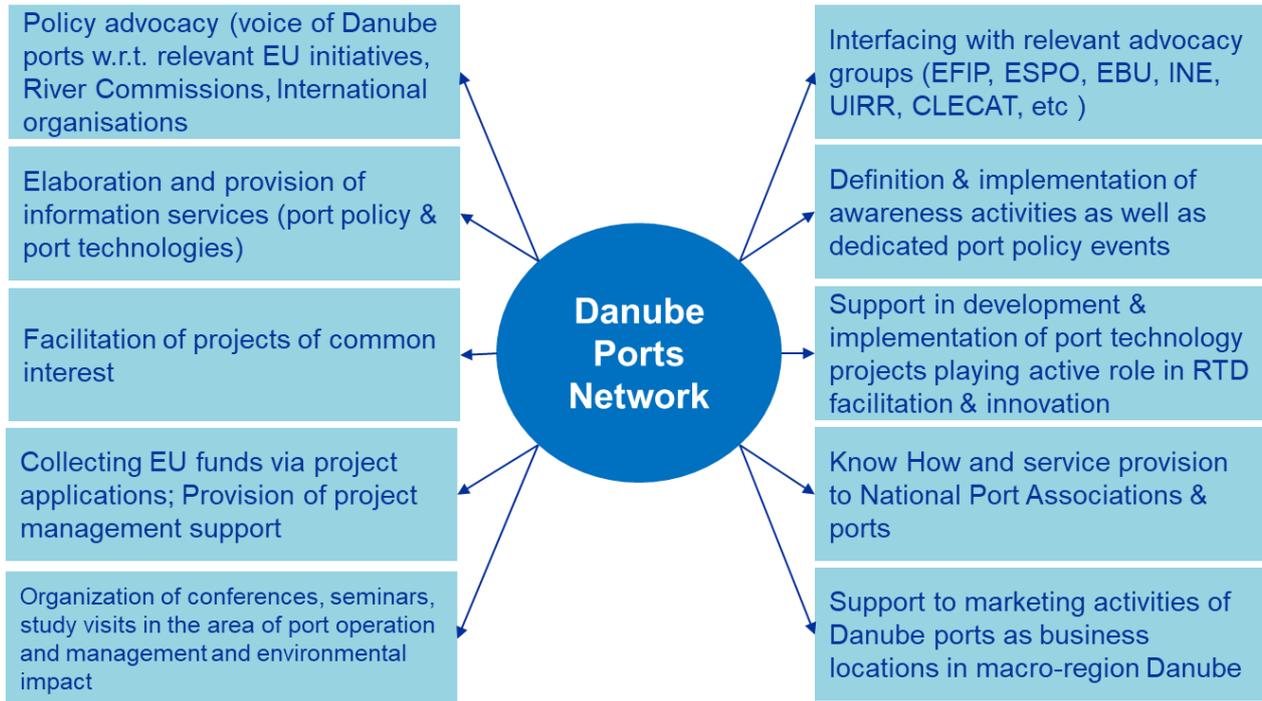


Figure 5: Potential service portfolio of the network and its Technical Secretariat