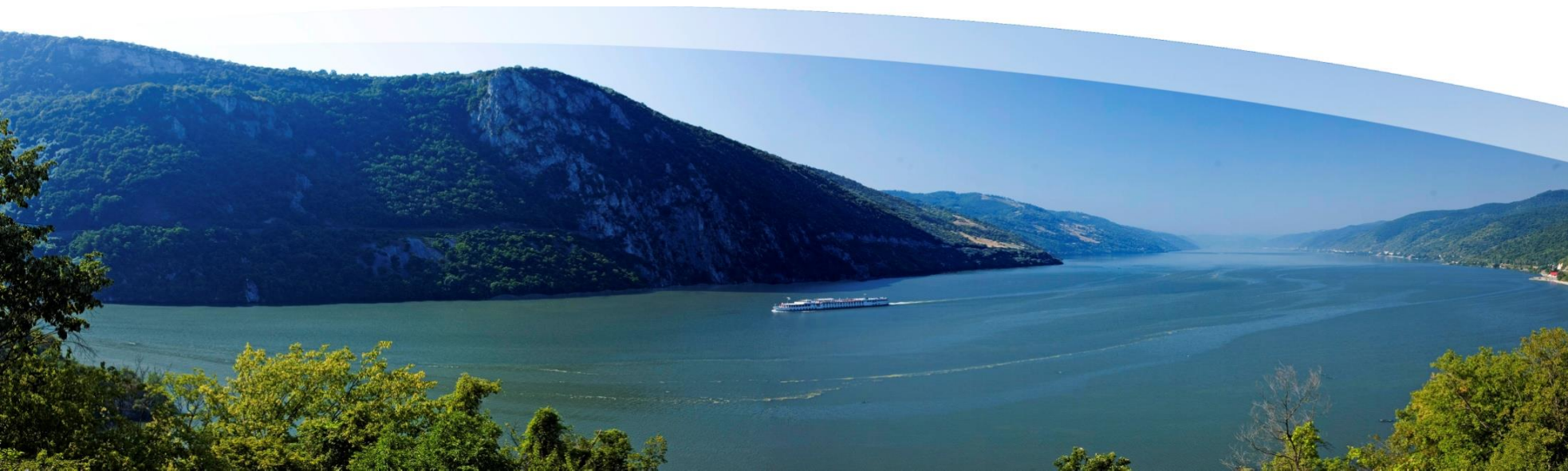


# GRENDEL final event

Vera Hofbauer | online meeting | 29<sup>th</sup> October 2020



# Main action areas of Priority Area 1a

## Six thematic areas – six actions – six Working Groups



**Action 1: Contribute to improve waterway and port infrastructure & management**



**Action 2: Foster business development**



**Action 3: Facilitate fleet modernisation**



**Action 4: Support the further roll-out and enhancement of River Information Services**



**Action 5: Contribute to the enhanced quality of education and jobs**

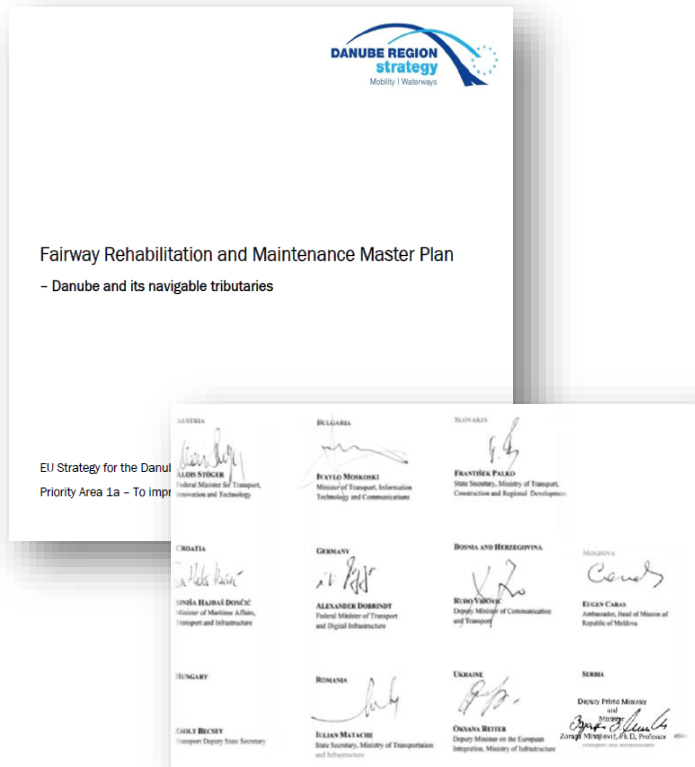


**Action 6: Contribute to the simplification, harmonisation and digitalisation of administrative processes**

# The best measure to boost fleet modernization is to improve infrastructure quality

- In order for inland waterway entrepreneurs to be able to invest in modern and green technology, the main basis for their business and their investment capacity - a reliable and stable waterway infrastructure, should be improved.
- The main priority of Priority Area 1a therefore is to improve Good Navigation Status of the Danube river

# Fairway Rehabilitation and Maintenance Master Plan (FRMMP)



- Main objective: establish stable fairway conditions along the entire Danube
- Initiated in April 2014 by Danube Region Strategy (Priority Area 1a)
- Prepared in close cooperation with PA1a, the European Commission and the Danube waterway administrations
- Endorsed in June 2020 by the majority of Danube Transport Ministers
- Implemented in large parts through the FAIRway Danube project (Connecting Europe Facility)

## Six thematic areas – six actions – six Working Groups



**Action 1: Contribute to improve waterway and port infrastructure & management**



**Action 2: Foster business development**



**Action 3: Facilitate fleet modernisation**



**Action 4: Support the further roll-out and enhancement of River Information Services**



**Action 5: Contribute to the enhanced quality of education and jobs**

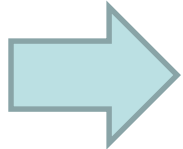


**Action 6: Contribute to the simplification, harmonisation and digitalisation of administrative processes**



# Working Group on Fleet Modernisation

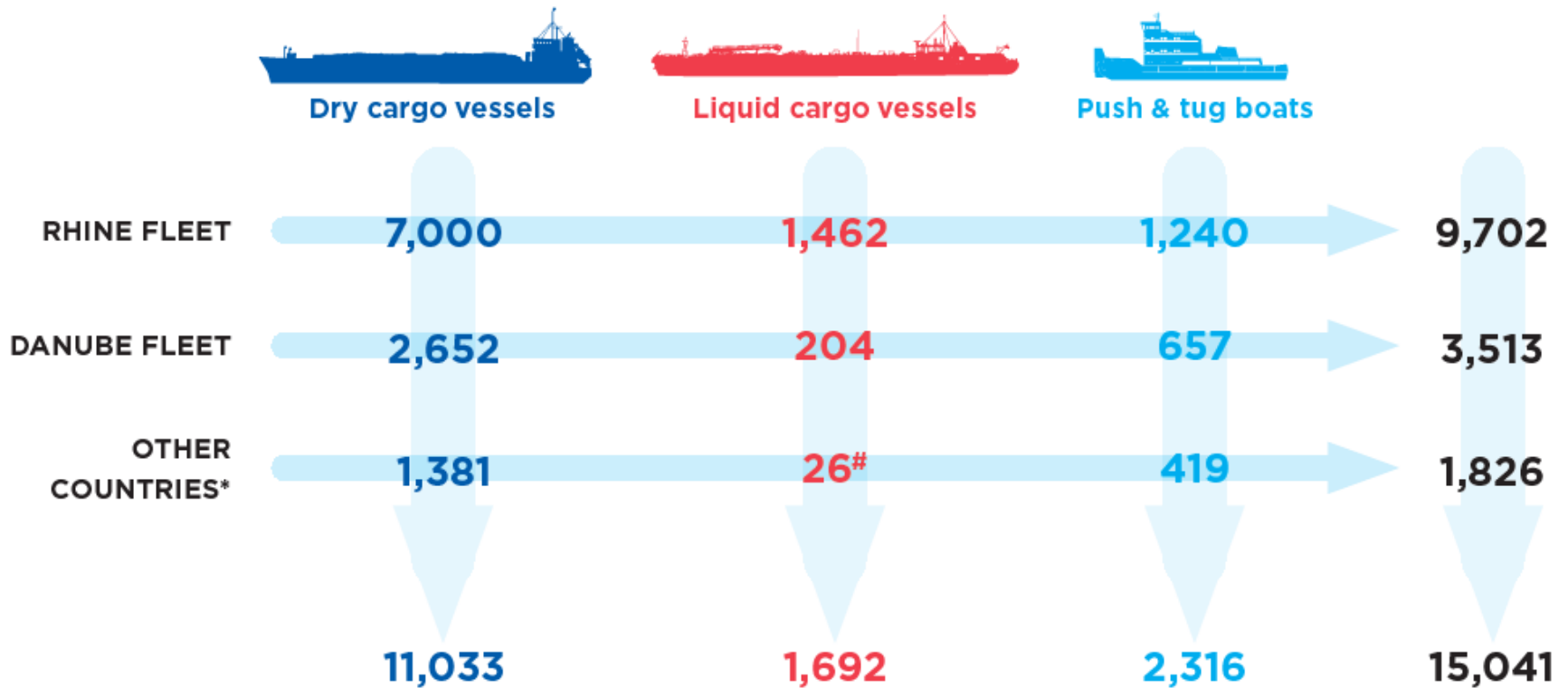
- **OBJECTIVE:** to develop the Danube fleet in order to become more fuel-efficient and to reduce emissions of greenhouse gas and pollutants.
- PA1a monitors ongoing innovations in greening and fleet modernization technologies and contributes to the development of a roll out strategy to support the uptake and practical implementation of innovation and modernization measures in the Danube fleet.
- **TARGET:** Promote the inclusion of fleet modernisation in funding schemes of the EU and contribute to the set-up of national funding schemes.



GRENDEL is fully in line with the PA1a strategy

# Status of Danube fleet





Source: CCNR (2019), data on Danube fleet from Danube Commission

# Key issues causing a slow fleet modernisation rate in the Danube region

- Long economic life-time of inland vessels and engines
- High investment costs and a lack of business cases
- Small and specific market for inland vessels and engines
- Lack of investment capital
- Emission regulations are not affecting legacy fleet
- Incomplete alternative fuelling infrastructure

# Instruments for the modernisation of the inland fleet - Policy and regulatory instruments

- Clear and ambitious emission target setting
- Regulations and rules that keep pace with technological development
- Environmental zones
- Internalisation of external costs
- Voluntary covenants between public and private parties

# Instruments for the modernisation of the inland fleet – Financial instruments

- National grant schemes
- National grant schemes supported by Cohesion Fund
- InvestEU
- Loans by private banks
- Green Shipping Guarantee programme of European Investment Bank (EIB)
- Fiscal incentives
- Innovation Fund of DG CLIMA

# Recommendations for measures to counter lack of business cases and investment capital

<b>Measure</b>	<b>Explanation</b>	<b>Main addressee(s)</b>
<i>Contribute to European solution for internalisation of external costs of transport</i>	The business case for many greening technologies is not positive as the reduction of external costs is not priced via markets. Introducing internalisation of external costs would reward greener entrepreneurs.	Member States European Union
<i>Engage in programming for ESI Funds in favour of fleet modernisation and greening measures</i>	Strategic contents for European Structural and Investment funds in the period 2021-2027 are in the process of being defined during the course of 2020. Fleet modernisation should be included during this time window.	Member States

# Recommendations for measures to counter lack of business cases and investment capital

<b>Measure</b>	<b>Explanation</b>	<b>Main addressee(s)</b>
<i>Engage in investigations for a European Innovation and Greening Fund</i>	Analogous to the proposal of maritime fleet operators, an innovation and greening fund could be set up and financed by means of surcharges on fossil fuel consumption (polluters pay for greening). Member States and the IWT industry should get involved in relevant studies initiated by The Netherlands and the CCNR in 2019-2020.	Member States IWT industry
<i>Consider public guarantee instruments to raise bankability of SME investment projects</i>	State support can also take the form of creating more favourable conditions for bank loans, by providing guarantees for entrepreneurs.	Member States

# Recommendations for measures to counter lack of business cases and investment capital

<b>Measure</b>	<b>Explanation</b>	<b>Main addressee(s)</b>
<i>Engage in Innovation Fund Expert Groups (DG CLIMA) to promote greening measures</i>	DG CLIMA announced first calls for projects for the Innovation Fund in 2020. Innovation Fund Expert Group will prepare call topics. Both the IWT industry and Member States should engage in preparations of these calls, in order to anchor IWT-specific topics in future calls.	IWT industry Member States
<i>Support discounts for cleaner vessels in environmental zones</i>	A possibly effective regulatory measure to reduce further exploitation of polluting vessels could be the creation of environmental zones (especially in urban areas) that can only be accessed by vessels meeting certain emission standards.	Port authorities Member States



# Recommendations for measures to counter lack of business cases and investment capital

Measure	Explanation	Main addressee(s)
<p><i>Set up coordinated national grant schemes aimed at tangible modernisation measures</i></p>	<p>Taking into account the lessons learned from previous national fleet modernisation schemes, national grant schemes should be developed in close coordination with other member states.</p> <p><b>The project GRENDEL provides an opportunity to coordinate national contents of funding programmes, avoiding undesired side-effects (e.g. selective subsidy applications).</b></p>	<p>Member States</p>

# PA1a coordinators



## Austria

 Federal Ministry  
Republic of Austria  
Climate Action, Environment,  
Energy, Mobility,  
Innovation and Technology

**viadonau**

Vera Hofbauer

[vera.hofbauer@bmk.gv.at](mailto:vera.hofbauer@bmk.gv.at)

Gert-Jan Muilerman

[gert-jan.muilerman@viadonau.org](mailto:gert-jan.muilerman@viadonau.org)

Viktoria Weissenburger

[viktoria.weissenburger@viadonau.org](mailto:viktoria.weissenburger@viadonau.org)



## Romania



MINISTRY OF TRANSPORT,  
INFRASTRUCTURE AND COMMUNICATIONS

Mihaela Mocanu

[mihaela.mocanu@mt.ro](mailto:mihaela.mocanu@mt.ro)

Cristina Cuc

[cristina.cuc@mt.ro](mailto:cristina.cuc@mt.ro)

Monica Patrichi

[monica.patrichi@mt.ro](mailto:monica.patrichi@mt.ro)