



Report
WP3-Act. 3.2
Results from Regional Workshop

Vukovar, Croatia

Document Control Sheet

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List of national stakeholders invited to participate in the Regional Workshop.

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Results of the Regional Workshop:

Executive summary

National Workshop organized by the Port Authority of Vukovar was held on July 11, 2017 in Vukovar. The workshop was attended by a total of 20 participants from representatives of local and regional government, the public and state sector, regional development agency, port operators and the Croatian Chamber of Commerce. A representative of a shipping company has sent his responses to the questions from the questionnaire by mail, but not a single end user of water transport participated in the workshop and questionnaire.

In the first part of the workshop, the DBS Gateway Region project presentation as well as presentation of the Potential Analysis Part I were held. The second part of the workshop put the emphasis on an active open discussion based on all questions from the questionnaire during which participants also filled out the submitted questionnaire. Conclusions from the discussion as well as some general conclusions are provided in the responses to the questions that follow in the report.

Instructions:

In the following section, please provide summarized information for each topic/question discussed with the stakeholders during the Regional Workshop.

I. Transport logistics requirements and regional value added services in the Danube – Black Sea Region

- i. Major challenges that companies face when transporting goods on the Danube River;

Users who are already using water freight transport often point out the problem of transport deadlines that are often broken due to adverse weather conditions or low water levels.

Users who are not using water freight transport point out the high final price of transport due to a large number of manipulations during the transport. In addition, they also point out the insufficient quantity of goods for transport with regard to the barges capacity.

- ii. How low should be the price of the cargo transportation and handling on the Danube River in comparison to the road and rail, in order to choose this transport mode over the others?

According to the opinion of all the stakeholders of the workshop the price plays the major role in the choice of the transport modes. In the end, the price has to be lower than the price of road and rail transport in order for them to choose it. The exact price information was not provided.

- iii. How do you perceive the landlord ownership structure of the Danube ports in your country?

The state does not invest in the construction of new port infrastructure, and financial funds provided from the State Budget for state-owned ports are sufficient only for regular maintenance of ports without the possibility to invest in modernization and capacity expansion.

State –owned ports should urgently be privatized in order for them to be more efficiently and rationally managed.

- iv. In what time frame do you expect some significant changes in the Danube logistics?

In 10-20 years.

II. Potential of shifting transport modes

- v. Do you expect the cargo flows on the Danube to increase in the next 10-20 years?

Taking in consideration the declining trend of water transport it is unlikely to expect for cargo flow on Danube to increase in the next 10 years. Depending on the direction and stand of the European transport policy this negative trend could change by introducing new measurements and incentive for water transport as well as with the promotion of IWT.

- vi. If yes, what type of cargo you expect to increase and how much (in percent)?

The cargo flow could eventually be increased in goods trade between Far East and Western Europe if the water transport shows its ability to compete with rail and road transport routes.

- vii. What origin and destination of the increased cargo flows do you foresee?

Exports of food products and imports of consumer goods, container transport.

III. Barriers for the business, forecasts and recommendations

- viii. Measures necessary to increase the attractiveness of the IWT in the DBS region;
- Regular maintenance of the waterway
 - Reduction of manipulations within ITW that will contribute to lower transport prices
 - State incentive for water transportation of goods
 - Programmes designed to finance building of new ships that drive to environmentally friendly and cheaper fuel types
 - IWT promotion
- ix. What are main reasons for the underdeveloped IWT on the Danube River;
- No competitiveness in relation to road and rail traffic
 - Lack of hinterland industry
 - Lack of land-based support in the form of waste management, water supply, adequate landing places
 - Water level, lack of staff in the form of shipowners and in the form of professional land-based support, insufficient information level of potential users on the benefits of water transport

IV. Other issues

In the part that follows we are providing you with an overview of the most common answers and conclusions from the key questions in the questionnaire, which will help in the analysis

- Lack of open and closed storage areas
- Adequate capacity of hinterland infrastructure between port and hinterland infrastructure and good road and rail connection

- Most frequent barriers the business faces in terms of the waterway transport?
(by quote)
 - Local/national policy
 - Administrative
 - Time related
 - Hinterland connections
 - Lack of regular service
- The current transshipment port capacities are adequate considering that the infrastructure can handle 2 million tones of goods, but transships only 0,5 million tones annually. Therefore there is no need for further investments in this type of infrastructure.
- The cargo flow (predominant freight flow) Croatia- Germany/ Hungary, Croatia-Romania/ Bulgaria/ Serbia
- Advantages of ITW: environmental-friendly mode of transport, possibility of transport of constructions and oversized cargo which is not suitable for road and train transport
- Most common goods: cereal crops, oilseeds, fertilizer, iron ore

The average stakeholders' rating on following questions:

5. How good upon your opinion is the coordination within the transport chain?

1 2 **3** 4 5

6. How would you rate the services (in comparison price/quality) of the service providers in the transport chain (terminal operators, carriers, etc.)?

1 2 **3** 4 5

8. How would you rate your overall experience by using water transport?

1 2 3 **4** 5