

Report
WP3-Act. 3.1
Results from Regional Workshop

Galati, Romania

Document Control Sheet

Project	DBS Gateway Region – regional and Transport Development in the Danube-Black Sea Region towards a Transnational Multiport Gateway Region
Code	DTP1-050-3.1
Funds	ERDF, IPA
Document Title	Report on regional workshop, Galati, Romania
Available Languages	English, Romanian
Version	Rev.02_Final
Date	14.11.2017
Number of Pages	16
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Authors

The report has been elaborated by SALINA 2004 SRL Galati on the basis of the technical assistance contract no.107096/31.10.2017.

Tasks carried out in accordance with the technical specifications and the technical offer :

1. The consultant analyzed the questionnaires made by the PIU representatives of the Municipality of Galati and distributed them to the selected stakeholders in agreement with the project management team;
2. The consultant collected the questionnaires after completion, analyzed and interpreted the data transmitted according to the procedure sent by the leader of the work package no.3;
3. The Consultant prepared a report on the workshop in Romanian and English languages, including the conclusions of the questionnaire analysis.

Terms and abbreviations

AIS	Automatic Identification System
CEE	Central and Eastern Europe
RIS	River Information Services
Ro-Ro	Roll on - Roll off
RTA	Requested time of arrival
SOPT	Sector Operational Programme Transport
TG	Thematic group
VAS	Value Added Service
VTS	Vessel Traffic Service
MoS	Motorway on the Sea
RIA	Romania Intermodal Association
SEE	South East Europe
TEN-T	Trans-European Transport Network
DC	Danube Commission
DMR	Danube-Main-Rhine
DTD	Danube Tisa Danube Canal
EC	European Commission
ECDIS	Electronic Chart Display and Information System
ENC	Electronic Navigational Charts
ERI	Electronic Reporting International
ETA	Estimated Time of Arrival
EUSDR	European Union Strategy for Danube River

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

Name of the organization	E-mail
Compania Națională Administrația Porturilor Dunării Maritime	apdm@apdmgl.ro
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Șantierul Naval Damen Galați SA	office@sng.ro
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Regia Autonomă Administrația Zonei Libere Galați	office@zlgalati.ro
Uniunea Porturilor Interioare Românești	president@danube-ports.ro
Patronatul Întreprinderilor Mici și Mijlocii Galați	galati@pimm.ro
Administrația Fluvială a Dunării de Jos	dumitru.dorian@afdj.ro

Results of the Regional Workshop:

Executive summary

The workshop took place in Galati, on the premises of Galati Municipality, on 11.08.2011, organized by the Project Implementing Unit of the PP8 Partner Municipality of Galati according to the attached agenda.

The participants covers a comprehensive area of IWT transport activities respectively :

- Ship agents
- Port infrastructure administration
- Fairway administration
- Free zona administrator
- Port service provider
- Waterway transport service provider
- Forwarders

Therefore, the workshop reached the relevant regional stakeholders

A short presentation to the stakeholders of the **DBS Gateway Region** as a project that is supporting the Danube-Black Sea region to become an attractive gateway region for environmental-friendly modes of transport preferably maritime and inland waterway transport between Central Europe and the Black Sea, the Caspian region and the Far East (DBS Gateway Region) by facilitating the cooperation between ports, regions and other key actors.

Also, participants has been explained the purpose of the workshop and of questionnaires designed to collect relevant informations necessary to :

- gather information to find their actual needs in order to assure that the identified solutions will cover it;
- to provide relevant information for open discussion in order to get qualified feedback from stakeholders to ideas developed within the project.

Besides the participants of the workshop the questionnaires were completed by the following ones :

- IDU SHIPPING & SERVICES Ltd Constanta – ship agent
- METALTRADE INTERNATIONAL Ltd Galati – IWT transport operator and logistic services provider
- LIVAMEX Ltd Tulcea – ship agent
- NAVROM JSC Galati - IWT transport operator and logistic services provider

The information obtained was centralized as follows :

	Indicator	Meaning							
		IDU	LIVAMEX	MTI	NAVROM	APDM	UPIR	AFDJ	AZL Galati
Goods									
	I see it as a problem that inland waterway transport is too slow:	0	0	0	0	3	0	0	3
	- because the good is generally timely sensitive	2	0	NS	0	3	0	0	3
	- because the good is perishable	3	0	NS	0	NS	0	0	1
	I see it as a problem that inland waterway transport is too expensive:	0	0	0	2	0	0	0	0
	- because the good is of low value	0	NS	NS	1	0	0	0	0
	I see it as a problem that inland waterway transport is only suitable for large cargoes:	0	0	3	3	3	0	1	0
	- because the good is not bulk cargo	0	0	NS	1	NS	0	1	0
	- because there is not enough quantity to dispatch (lower container load)	3	NS	3	3	3	3	0	0
LOGISTICS									
	I see it as a problem that logistics providers do not consider inland waterways transport as a transport option during the planning of transport chains	3	NS	3	3	3	3	3	1
	I see it as a problem that inland waterway transport does not integrate logistics transporters into their transport chain	0	NS	3	3	3	3	3	NS
	I see as a problem that the total price of transport (inland waterways + road and / or rail) is higher than for road or rail transport	0	0	0	3	0	3	0	NS
	I see as a problem that port infrastructure lacks the efficiency of handling goods in regional ports	0	3	3	3	3	3	3	2
	I see as a problem that port infrastructure lacks the efficiency of handling goods in final destination ports	0	3	3	1	3	3	2	NS
	I see as a problem that logistics services lack the storage and handling of cargoes in regional ports	0	0	0	3	3	3	3	2

	I see as a problem that logistics services lack the storage and handling of goods in the final destination ports	0	0	3	1	3	3	3	NS
	I see it as a problem that planning and coordination have costs that outweigh the benefits of using inland waterways	0	0	3	1	0	3	1	NS
	I see it as a problem that inland waterway transport is generally the most inflexible mode of transport	0	0	0	0	0	3	0	NS
	I see as a problem the fact that the risk of a congestion on inland waterways due to the influence of environmental factors is very high	3	2	0	3	3	2	3	2
	I see it as a problem that the speed of vessels (inland waterways) is too small	0	1	NS	NS	0	0	1	NS
	I see it as a problem that inland waterway transport lacks regular services, such as containers and Ro / Ro	3	3	3	3	3	3	3	2
	I see as a problem that there is no relevant information for potential partners.	0	1	3	3	3	3	0	NS
	I see as a problem the lack of Danube ICT systems connected to land transport so that they can efficiently plan the transport chain.	3	3	3	3	3	3	0	NS
	I see it as a problem that ships do not carry the optimal capacity in both directions as a result of the discrepancy in freight flows between export and import.	3	2	3	3	3	3	0	NS
INFRASTRUCTURE									
	I see it as a problem that the bottlenecks of the waterway transport infrastructure prevent the use of transport at full capacity	0	2	3	3	3	3	1	NS
	I see as a problem that bridges are a limitation for a higher load.	0	2	0	0	0	2	1	NS
	I see as a problem that regional ports are not well connected to the hinterland:	3	2	3	3	3	3	2	3
	- by rail	0	2	2	2	3	3	2	3
	- by road	3	2	2	3	3	3	2	3
	I see as a problem that the rail system along the Danube corridor is insufficient to provide an alternative route in the event of a congestion on inland waterway transport due to the influence of environmental factors.	2	2	3	3	0	3	2	3

FRAMEWORK									
POLITICAL / LEGAL	I see as a problem the lack of awareness of the opportunities for water transport at the level of the political factors.	3	2	3	3	3	3	2	3
	I see as a problem the lack of governmental support.	3	2	3	3	3	3	1	3
	I see a lack of support from regional authorities as a problem	3	3	3	3	3	3	2	NS
	I see a lack of national funding programs as a problem for inland waterway transport.	3	3	3	3	3	3	1	NS
	I see the lack of public funding as a problem for inland waterway transport.	3	3	3	3	3	3	1	NS
	I see discrimination as a problem for inland waterway transport against the specific financing programs for rail transport.	0	3	3	3	3	3	0	NS
	I see as a problem the lack of information at the level of policy makers.	0	3	3	3	3	3	1	NS
	I see as a problem the lack of legislation regarding the solution of an ecological transport.	0	3	2	2	3	3	0	NS
ENVIRONMENT	I see it as a problem that IWT bottlenecks caused by environmental factors are unpredictable (areas with low, high water, ice)	3	3	3	3	0	1	1	NS
	I see as a problem that ships pollute more than trains.	0	2	NS	ns	0	0	0	0
	I see environmental protection and performance indicators of transport relevant for the selection of means of transport.	0	3	NS	2	3	3	0	NS
ECONOMY	I see as a problem that the competitor's modes of transport are more flexible and cost-effective:	3	3	2	3	3	1	0	NS
	- by rail	0	2	0	1	0	3	0	NS
	-by road	3	2	2	3	3	2	0	NS
	No demand .	0	3	0	0	3	3	3	NS
	I see as a problem the lack of specialized knowledge at the level of decision makers.	3	3	2	2	0	0	1	NS
	I see as a problem the structure of the public shareholding of ports.	3	1	3	3	3	0	0	NS
TECHNOLOGY	I see it as a problem that the fleet is outdated with a technical problem which does not allow efficient container transport.	3	3	3	3	3	3	3	NS
	I see as a problem the lack of available transport capacities	3	3	3	3	0	0	3	NS

	on the Danube.								
	I see as a problem the lack of logistics for handling goods in the Danubian regional ports.	0	2	1	3	3	3	3	2
	I see as a problem the lack of available ICT tools for integrated ship management in inland waterway planning	3	3	2	3	3	3	1	NS
Traffic forecast		growth		growth	growth		Growth o maritime traffic		
Destinati ons		Constanta, Galati	Serbia, Constanta , Galati,	Serbia, Constanta,G alati,Braila,T ulcea, Giurgiu	Serbia, Constanta , Galati, Giurgiu	Central Asia, Central Europe, Baltica	Central Asia, Central Europe, Baltica		Centr al Asia
Other suggestio ns		Ship's waste collection free of charge, decrease the cost of infrastructur e		Lower time in port for freight	More governme ntal support for port bussiness; developm ent of a national strategy for waterway transport	Lower time in port for freight , reliability, pricing	Reliability, port services quality		
Other barriers						administr ative; high cost of infrastruct ure, Crossbord er police control in Sulina,	administr ative, high cost of infrastruct ure , lack of cooperati on between ports and logistic integrator s		

During discussions and after receiving the questionnaires the following conclusions emerged :

Instructions:

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;
 - Low predictability and reliability due to lack of good navigation status of Danube fairway all year around
 - Missing or up to date road and rail hinterland connections mainly in inland ports
 - Lack or low efficient intermodal transshipment facilities in ports
 - Lack of paperless integrated information flows (one stop shop)
 - Lack of funding for business and cooperation project with public infrastructure administrations/authorities to develop and modernize ports
 - High level of Sulina channel and Danube- Black Sea canal costs
 - Boatmans migration to west, lack of competence of port labour workforce according to market needs

- 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?

Water transport should be cheaper (price/tonne-km) than other modes with :

rail	road	air
-33,33%	-95,00%	-97,78%

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

Landlord ports have a mixed character and aim to strike a balance between public (port authority) and private (port industry) interests.

Landlord ports strengths:

- A single entity (the private sector) executes cargo handling operations and owns and operates cargo handling equipment on a determined port area. The terminal operators are

more loyal to the port and more likely to make needed investments as a consequence of their long-term contracts.

- Private terminal handling companies generally are better able to cope with market requirements.

Landlord ports weakness:

- Risk of overcapacity as a result of pressure from various private operators (land surface limitations)
- Risk of misjudging the proper timing of capacity additions.

Landlord ports threats :

- lack of cooperation between public and private

Landlord ports opportunities :

- supportive governmental framework

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

It is depending on the completion of core TEN-T. Thus, the estimated time frame should be 6 years, until 2023 but concerning the last evaluation of the implementation status we presume it will last longer, until 2030

II. Potential of shifting transport modes

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

Yes

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

Byomass, cereals, fertilazers, high and heavy, building aterials

Impossible to estimate a percent

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

Constanta, Galati to central Eu ports located on Danube

III. Barriers for the business, forecasts and recommendations

- viii. Measures necessary to increase the attractiveness of the IWT in the DBS region;
 - Core ports needs road and rail connections at core TEN-T standards (update accordingly the Rhin-Danube corridor Action Plan and national transport strategies). Each of these ports needs such connections to another corridor/a core rail-road terminal

- Lack of competitive intermodal facilities in ports (need to increase acces to founding for private operators, supportive framework for public-private cooperation for investments)
- Digitalization of informational flows (increased financial support) enabling interoperability between modes
- Good navigation status all year around
- Well skilled port labour force

ix. What are main reasons for the underdeveloped IWT on the Danube River;

Lack of reliability

Ineffective interoperability between modes in terminals

Ineffective hinterland connections

IV. Other issues

Gaps between East and West ports

The potential of the maritime Danube sector is unexploited

The informations collected by questionnaires and conclusions drawn during regional workshops has ben discussed by project partners during the 2nd Partner & Steering Committee Meeting held in Budapest on 16th and 17th of October.

Regarding romanian ports the SWOT analysis is as follows :

Romania

o Ports

Strength: Storage facilities, rail infrastructure, maritime Danube

Opportunities: Multimodal platform

Threats: High level taxation in Sulina

Weaknesses: No direct connection to road and rail corridors in Galati, lack of containers, no business parks

o Danube

Strength: Navigability all year around

o Region

Strength: Industrial business centres (iron steel works), Galati ring road, corridor connection with Baltic Sea

Threats: Migration of skilled workforce towards western countries

Weakness: Schengen access, no airport, Danube Delta

Consultant's comments on SWOT analysis :

Romania

o Ports

Project co-funded by the European Union

Strength: Storage facilities, normal and wide gauge rail infrastructure, maritime Danube
Opportunities: Multimodal platform in Galati port; large areas of land available for expansion
Threats: the increasing dimension of Black Sea, feeder fleet; China initiative BRI (Europe and China's Belt and Road Initiative)
(source Eurasian Council of Foreign Affairs – Nov.2017)

Reviving the Silk Road

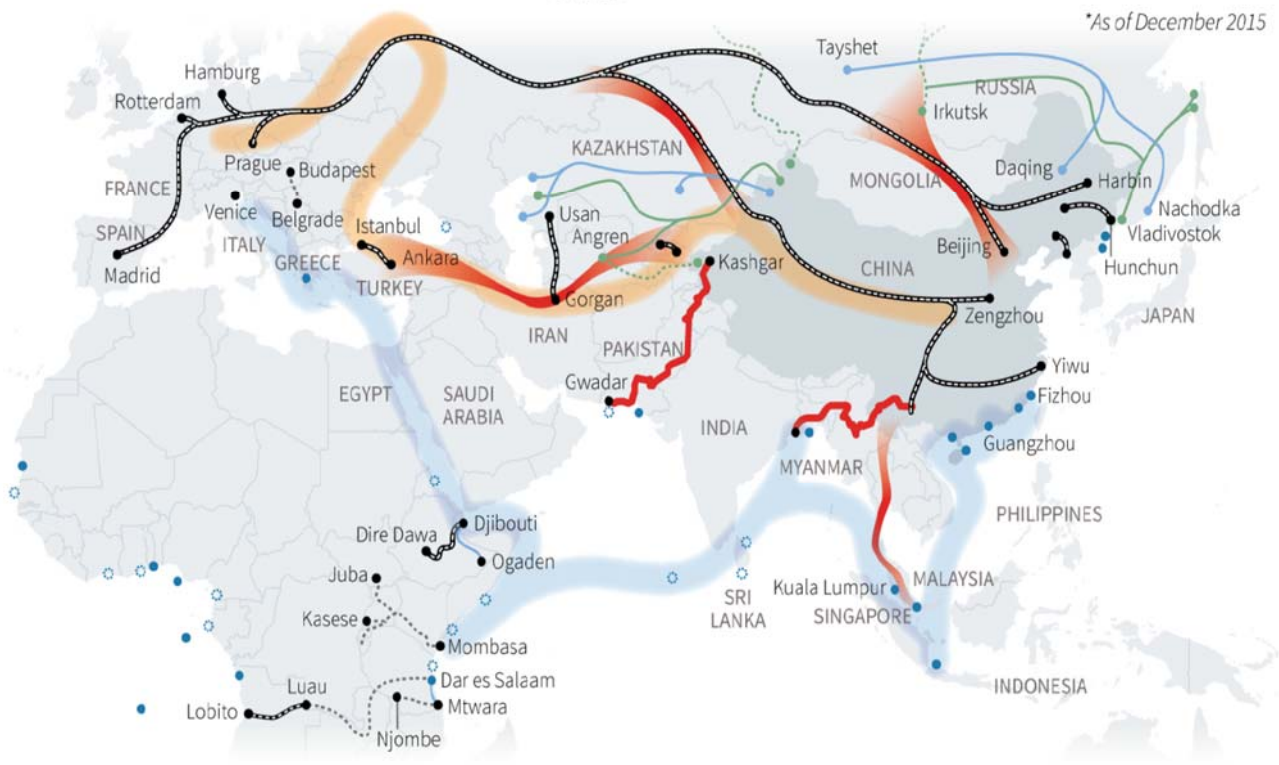
Announced by Chinese President Xi Jinping in 2013, the Silk Road initiative, also known as China's Belt and Road initiative, aims to invest in infrastructure projects including railways and power grids in central, west and southern Asia, as well as Africa and Europe.

Key

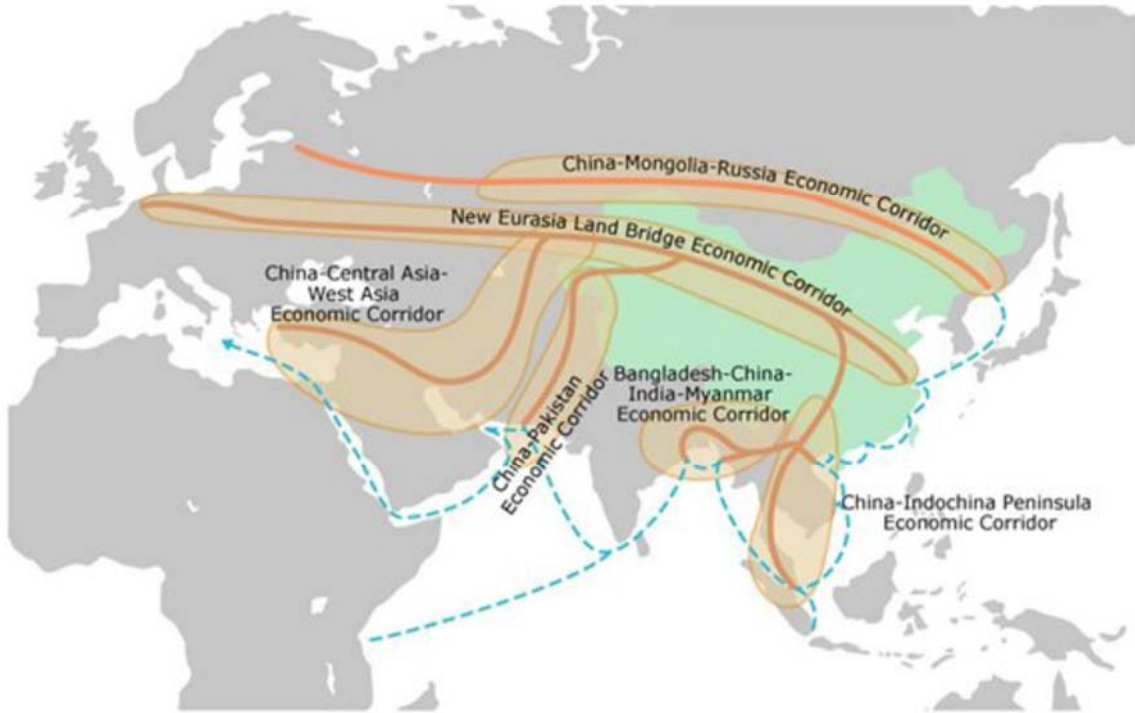
-  Silk Road Economic Belt
-  New Maritime Silk Road

Projects subsumed under China's Belt and Road initiative

-  Gas pipelines
-  Oil pipelines
-  Railroad
-  Proposed economic corridors
-  Ports with Chinese engagement
-  Planned or under construction



The Belt and Road Initiative: Six Economic Corridors Spanning Asia, Europe and Africa



Economist.com

Weaknesses: High level taxation in Sulina , cross-border Police control in Sulina, insufficient logistics facilities; weak integration into logistic chains; lack of digitization of information flows within the port community; outdated intermodal facilities; ineffective road hinterland connections to Rhin-Danube corridor (road layer) including outdated ring road of Galati

o Maritime **Danube**

Strength: Navigability all year around; direct connection to Black Sea (without locks)

o **Region**

Strength: Industrial business centres (iron steel plant), rail and road connections to all regions; rail connection to Republic of Moldova

Threats: Migration of skilled workforce towards western countries;; increasing poverty

Weakness: Schengen access, no airport, the impact of rules concerning protected natural areas (Danube Delta, river Prut reservation) to infrastructure works, weak rail and road connections to TEN-T core network

The above comments will be filled in the DBS Region SWOT analysis.