

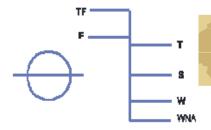


The importance of the need of computability for proper waterways

Botond Szalma

FONASBA (London) executive vice president Plimsoll Co. Ltd - Fluvius Co. Ltd

UN ECE – Sustainable Transport Division 48th session - SC.3/WP.3 Geneva, 17/02/2016

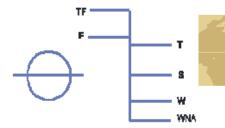


Like parrots: Still actual

Inland waterway transport can contribute to the sustainability of the transport system, as recommended by the European Commission's White Paper:

European Transport Policy for 2010

"Time to Decide".



Main task

In order to have proper and safe navigation on the Danube we need proper and maintained waterways all way long for 330 days/calendar years at least!

Perspective today:



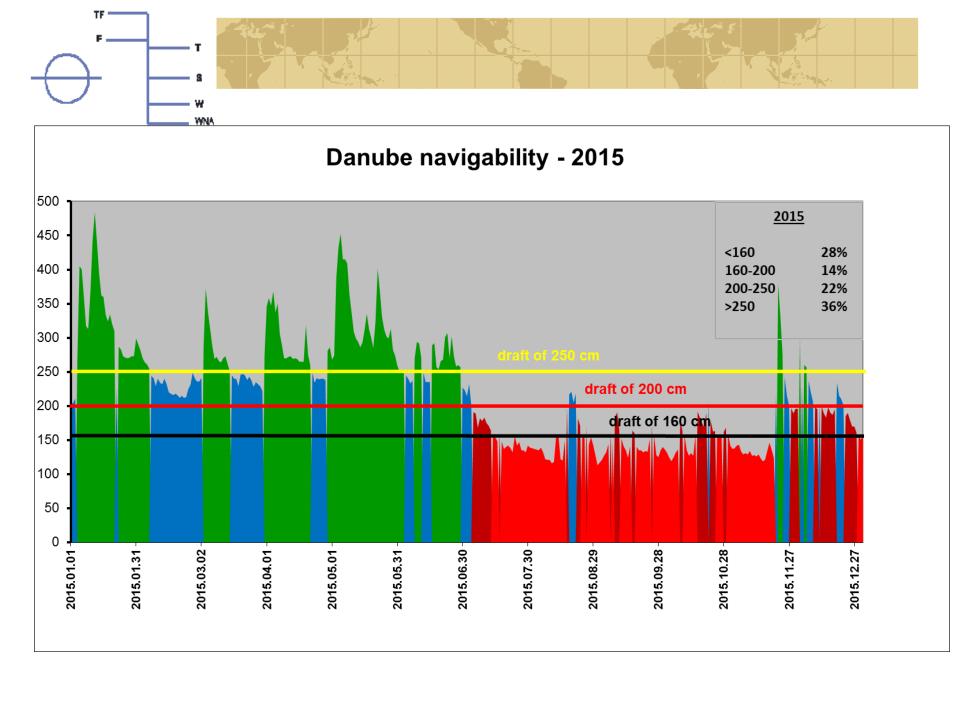
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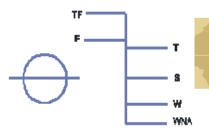
Safety – and security - first!

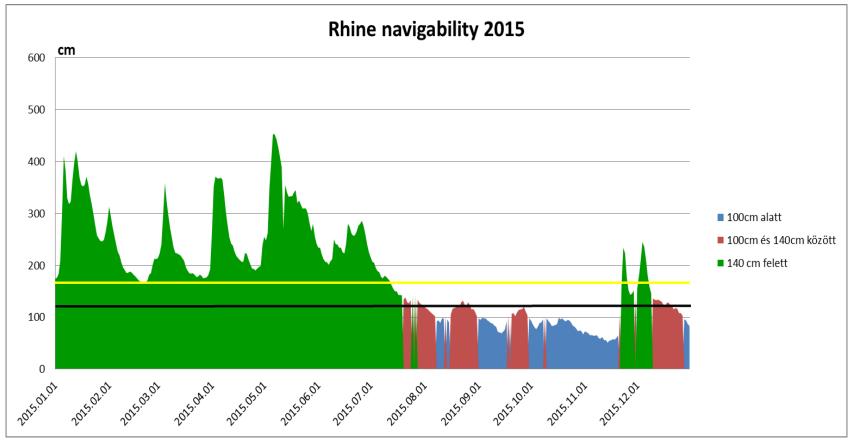
- 1. ADN agreement
- 2. EU strategy for the Danube region
- 3. RIS system (Compulsory to use on board of all vessels on the Danube and Main area)

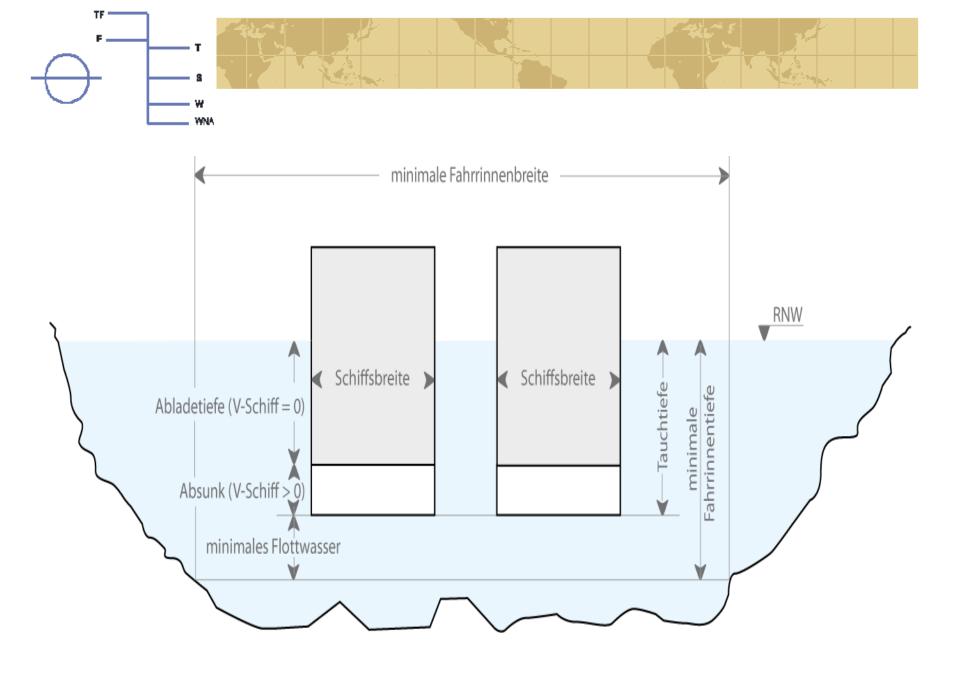
The real dangers are:

- Incalculableness of the truck/path
- lack of skilled skippers
- theft
- comparison with Maritime industry











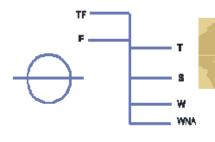
Efficiency of Danube transport suffers extremely from reduced draught at shallow water sections

- water levels can not be predicted which creates losses of carriage capacity & revenues
- 2. transport costs per ton can increase up to 100% for long distance transportation (source: Pro Danube)

Guaranteed minimum standards for infrastructure based on UN/ECE – AGN are needed; with regard to fairway this means for Danube:

minimum draught of 2.5 m at least on 300 days on average per year

These minimum standards can not be compensated by fleet innovation, ergo the slogan: "adapt the vessels to the river and not the river to the vessels" creates a dangerous fiction and ignores basic economic facts (Neanderthal-man)



Inland waterway transport committee 22 July 2014 and 7th November 2013 (EC DG MOVE - Crisis committee)

...There is presently no support from large part of the inland waterway transport industry itselfas the publicly organised scrapping of lay-out schemes for vessels....

Sailing below costs (overcapacity)

More transparent market observation

Technical requirements and "greening" – TRAP for US!

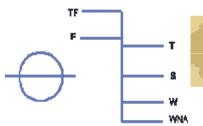


Danube Commission(Secretariat) and European Commission (DG MOVE) sign arrangement to develop and improve navigation on the Danube River

Such cooperation will be of benefit to the inland navigation sector, which needs a coherent and efficient governance framework to realize its full potential and improve navigability on the Danube River

Coordinated maintenance of the river-infrastructure is the backbone for a prosperous future of the Danube's navigation

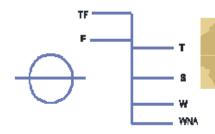
Remember: we had the Danube Ministers meeting (3rd December 2013 Brussels)



G7 Transport Ministers' statement on transport infrastructure investments

(17 September 2015)

- The global wealth pyramid of modern economies clearly illustrates that <u>infrastructure</u> and <u>mobility are the foundation for growth, prosperity and jobs.</u>
- However, this is also a time when <u>conventional means of investing and delivering</u> <u>transport infrastructure are increasingly constrained</u>.
- New approaches must be adopted to transport infrastructure investments and project delivery in the same spirit of innovation as in the development of transport technology itself.
- The need to identify adequate and sufficient resources and cost effective ways to modernize and maintain existing and build new infrastructure.
- The need to explore the opportunities and challenges of <u>alternative means of paying</u> <u>for infrastructure including "user pays" systems.</u>
- The G7 Transport Ministers agree to continue the dialogue on new approaches to funding and <u>PPPs by</u> engaging in an exchange of ideas and experience on best practices, including on strategies for the appropriate allocation of investment risks between the private and public sectors, options for ring-fencing sources of revenue, effective methods for controlling costs and an efficient and coherent regulatory framework for funding.



Bad news about our industry

Tom Metcalf and Roxana Zega, Copyright 2012 Bloomberg

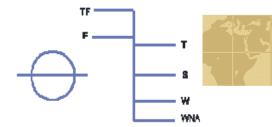
Seven sections regularly fall below the 2.5 meters (8.2 feet) of draught required of an "international waterway" as defined by the United Nations Economic Commission, according to the Budapest-based Danube Commission. Navigation on the lower river was impossible for more than 38 days in September and October last year because of insufficient water levels, according to the European Commission, the EU's executive arm.

Vienna-based Helogistics Holdings GmbH, a subsidiary of Swiss iron ore producer Ferrexpo Plc, <u>halted shipments between Constanta, Romania's No. 1 port, and Budapest in March, saying that shallow waters had made operations "almost impossible."</u>

Lack of clearance means barges are frequently loaded to only 50 percent of capacity to ensure a smooth passage, driving up costs and delaying deliveries, said Jurgen Sorgenfrei, a consultant on maritime and hinterland issues at IHS Global GmbH.

"Cargo ends up waiting at locks and gets stolen," said Frankfurt-based Sorgenfrei.

"The captain wakes up next morning and some of the containers are open."



Postulates

Make it clear: The Danube works for Europe as the economic backbone of it

We must have <u>workable economic and transport</u> <u>concept</u> (medium and long term)

Immediate regulation of the river Danube

The Danube Commission must have leading position in close cooperation with Rhine Commission

(CCNR - Central Commission for the Navigation of the Rhine)

It is time to act!