

# Regional Action Plan for the Port of Vukovar Region

WP 4 – Activity 4.2

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## 1 Port of Vukovar Region

### 1.1 Definition of the Port Region

The port of Vukovar is located at 1335 km of downstream river Danube, on the right side of the river. The port extends eastwards to west, approximately 850 m long and 45 m wide. The favorable position of the port in relation to the river Danube allows normal operation throughout the year irrespective of the water level of the river so that at the lowest water level of the Danube port can normally work.

The traffic on the Danube with the Vukovar arch and the gravitational ports of Osijek and Slavonski Brod that are very well connected to existing roads and railway lines emphasizes its role in international transport and the exchange of goods and services. Luka-Vukovar d.o.o. is the largest licensed concessionaire in the port area of Vukovar, and is also the only one dealing with the transshipment of general and bulk cargoes. There are also river ports at the Danube in Ilok and Opatovac, and the planned piers at Sava near Račić, Gunja and Županja. Current economic indicators suggest that in the near future the traffic in the port will increase, although at this moment it is not yet at the level it was before the Homeland War in the absolute sense.

Today's capacities Luka Vukovar d.o.o., according to the estimates, is able to relocate approximately 1.5 million tons, depending on the type of cargo being transhipped.

The gravitational markets are Croatia and Bosnia and Herzegovina in the import of that state downstream from Vukovar in export.

Map 1: Territorial coverage of port of Vukovar



Source: Author

## 1.2 Overview of recommended measures

Detailed analysis of all current strategic documents of the transport system and the internal navigation system of the Republic of Croatia identified all the measures that are in correlation with the project. Some of these measures have already been implemented or in implementation. The remaining measures whose implementation has not been initiated have been analysed from the aspect of usability, relevance and maturity for implementation in the forthcoming period. It has therefore been identified and proposed for further elaboration through the Regional Action Plan 8 measures. These are:

1. Increasing interoperability with neighbouring countries
2. Preparation of projects and planning documents in inland navigation
3. Development of the port of Vukovar (TEN-T core network)
4. Encourage companies to transport on inland waterways
5. Increasing administrative capacity
6. Introduction of systematic identification of traffic bottlenecks (infrastructure, administration, operational, legal issues, etc.)
7. Long-term agreements between port operators and port users

Part of the measures are in dependence. For example, the Project Preparation and Planning Document for Inland Navigation is a basic strategic document that determines future investment and the direction of the development of the inland navigation system and without that document there is no basis for seeking EU funds. Furthermore, the development of the port of Vukovar is an infrastructural part of the overall system development, the complementary part of which is certainly the measure "Incentives for inland waterway transport companies", "Increasing administrative capacity", "Long-term agreements between port operators and port users" and "Introduction of systematic identification of traffic bottlenecks".

Measure "Development of the Vukovar Port (TEN-T Core Network)" and is infrastructural measure and is prerequisites for development. It solves problems of capacity and efficiency of port infrastructure. Together with the measure "Increasing Interoperability with Neighbouring Countries" related to connecting land transport modes (roads and railways), the lack of efficiency of the entire transport route through the port of Vukovar is solved. This is why basic prerequisites for traffic development are met.

Other soft measures will each contribute to the full utilization of these capacities in their domain, to motivate users to transport inland waterways and multimodality and, consequently, generate new amounts of cargo through our traffic directions.

### 1.3 Description of recommended measures

<b>Recommendation 1: I13 - Increasing interoperability with neighboring countries</b>	
<b>Description</b>	The measure is intended for the functional connection of all traffic branches in the main corridors. Since most commodities in the Republic of Croatia are only in transit, for development of transport routes through our ports, the main segment and links with transport infrastructure are also key to neighbouring countries. In this respect, this measure provides for the construction or reconstruction of railway and road infrastructure on main traffic routes connected with neighbouring countries.
<b>Beneficiaries</b>	Port users, international partners
<b>Responsible institution</b>	Ministry of Sea, Transport and Infrastructure, Port Authorities, Railway infrastructure owner (HŽ Infrastruktura), Road infrastructure owners
<b>Steps</b>	<p>All responsible institutions should initiate following actions in order to identify priority investments in neighbouring countries and to conclude common agreement on future investments:</p> <ul style="list-style-type: none"> <li>• Bilateral agreements</li> <li>• Conferences</li> <li>• Common working groups</li> <li>• Creation of common strategic documents</li> <li>• Mutual exchange of examples of best practice</li> </ul> <p>Once the priorities on future investments are agreed with neighbouring countries, Croatian government and responsible institutions have to set up investment plan and proceed with implementation. Transnational corridors Vc and X are of utmost importance for port of Vukovar and Port Authority has the responsibility to initiate actions on those corridors.</p>
<b>Horizon for implementation</b>	continuously
<b>Budget</b>	It is not possible to approximate the investments. Potential funds: Interreg and national funds for meetings, agreements, conferences, common strategies, etc. and CEF for investments
<b>Good practice example</b>	Investment in reconstruction and upgrading of railway line on TEN-T corridor Vb (Križevci-Koprivnica-Hungarian border)

<b>Recommendation 2: I110 - Preparation of projects and planning documents in inland navigation</b>	
<b>Description</b>	At the moment, Croatia is missing national strategic document for investments in Croatian inland waterway system. The old strategy is outdated. Thus, a new strategic document is of utmost importance as it is a precondition for all future investments.
<b>Beneficiaries</b>	Port Authorities, Port users
<b>Responsible institution</b>	Ministry of Sea, Transport and Infrastructure
<b>Steps</b>	Ministry of Sea, Transport and Infrastructure should prepare and publish tender for external developers of the strategic documents. National IWT strategy and accompanied ports masterplans should be a subject of a tender. Once the strategy and master plans start developing, Port Authorities should be active source of information and constructive comments.
<b>Horizon for implementation</b>	1 year for developed strategic documents
<b>Budget</b>	1,6 million euros from OP KK
<b>Good practice example</b>	National plan for maritime ports development

<b>Recommendation 3: I258 - Development of the port of Vukovar (TEN-T basic network)</b>	
<b>Description</b>	The development of the port of Vukovar is limited by the current capacities and the state of the infrastructure. For further development and growth of competitiveness, infrastructure investment and port modernization is essential. The construction of the port is in the process of building new port on the East. The precondition for construction is development of a national strategic document for development of the inland navigation system and the development of the master plan for development of the port of Vukovar. The production of both documents is recognized by this Regional Action Plan.
<b>Beneficiaries</b>	Entire transport system, all transport stakeholders
<b>Responsible institution</b>	Ministry of Sea, Transport and Infrastructure, Port Authority Vukovar
<b>Steps</b>	The Ministry of Sea, Transport and Development must make a National Strategic Document and Master Plan of the Port of Vukovar. Harbor Administration is a key partner in document creation. These documents will define the scope of future investments and then you can prepare a project documentation (Feasibility Study, Natura 2000, blueprints, etc.) By securing the funds for construction, a project for which Vukovar Port Authority is in charge will be started.
<b>Horizon for implementation</b>	Due to the fact that strategic document is missing, estimation is not possible
<b>Budget</b>	Due to the fact that strategic document is missing, estimation is not possible
<b>Good practice example</b>	Construction and modernisation of Port of Osijek from CEF

<b>Recommendation 4: L43 - Encouraging companies in inland waterway transport</b>	
<b>Description</b>	IW companies have difficulties at market due to old vessels and navigable equipment. They need support in order to upgrade to new eco standards and get better market share. In other hand, IW freight forwarders need new knowledge in market acquisition in order to increase their competitiveness.
<b>Beneficiaries</b>	Transport operators
<b>Responsible institution</b>	Ministry of Sea, Transport and Infrastructure
<b>Steps</b>	The Ministry of Sea, Transport and Infrastructure should conduct a survey of the needs of stakeholders involved in inland waterway transport and explore the possibilities of support so as not to negatively affect the competitiveness of stakeholders. Following the identification, a joint action plan should be drawn up, which will define the multi-annual incentive measures and the ability to conclude binding agreements.
<b>Horizon for implementation</b>	2 years
<b>Budget</b>	Estimation is not possible without identification of needs. Potential financial sources are national budget and various Interregs
<b>Good practice example</b>	

<b>Recommendation 5: L35 - Increase administrative capacity / training</b>	
<b>Description</b>	It is necessary to invest continuously in the education and training of the administrative staff of the Ministry of Transport and Infrastructure, the Port Authority of Vukovar and the Waterways Agency. Education needs to be carried out in all spheres of activity from economic affairs, concession, legal affairs, marketing, systems management etc.
<b>Beneficiaries</b>	Ministry of Sea, Transport and Infrastructure, Vukovar Port Authority, Agency for Inland Waterways
<b>Responsible institution</b>	Ministry of Sea, Transport and Infrastructure, Port Authority Vukovar
<b>Steps</b>	It is necessary to make continuous analysis of staff needs to acquire the competence needed to improve the traffic system and to be a generator of development. Self-evaluation system is ideal for preparing needs. All participants must have a clear program of needs, education and employee training.
<b>Horizon for implementation</b>	Continuously
<b>Budget</b>	100.000 euros annually (national budget, own budget, Interreg)
<b>Good practice example</b>	

<b>Recommendation 6: C56 - The introduction of systematic identification of traffic bottlenecks (infrastructure, administration, operational and legal issues, etc.) by the transport operator</b>	
<b>Description</b>	In 1999, the European Commission has launched an exercise to identify and alleviate obstacles hindering the smooth running of the freight transport chain in Europe concentrating mostly to Short Sea Shipping. In the framework of this so-called "bottleneck exercise", stakeholders and interested parties are invited to submit details of bottlenecks they have encountered. A bottleneck is any obstacle to freight and passenger transport logistics services, whether administrative, operational, legislative, local, national, Europe-wide or similar. Participants to the bottleneck exercise are also asked to identify effective solutions to these problems. Project "Bottleneck exercise" is executed individually at a national level by a responsible SPC in its own country and coordinated EU-wide within European Shortsea Network. This is great tool that should be implemented in IWT.
<b>Beneficiaries</b>	Entire transport sector
<b>Responsible institution</b>	Ministry of Sea, Transport and Infrastructure, Port Authority Vukovar
<b>Steps</b>	The port authority must set up a working group for the implementation of the project for identifying the bottlenecks for the supports of the Ministry of Sea. The working group consists of representatives of responsible institutions for the functioning of the traffic direction (customs, Police, PA, Ministry, railway infrastructure, port operators, inspections, captaincies, etc.). It is necessary to initiate simple collection of bottlenecks in the functioning of traffic among all participants in the transport system using the existing methodology. The working group has to meet periodically to develop solutions for identified bottlenecks. In order to address part of the bottlenecks related to cross-border traffic, it is necessary to initiate the establishment of the same working group in cross-border countries and to organize joint activities and solutions.
<b>Horizon for implementation</b>	1 year
<b>Budget</b>	Less than 10.000 euro annually from own budget
<b>Good practice example</b>	European Shortsea Network and project "Bottleneck exercise"

<b>Recommendation 7: C57 - Long-term agreements between port operators and port users</b>	
<b>Description</b>	Long term agreements are generators of long-term visions and great basis for planning of investments. One of the actions should be regular coordination meetings in order to exchange state of the market and plans of all stakeholders.
<b>Beneficiaries</b>	Port operators, port users
<b>Responsible institution</b>	Port Authority Vukovar
<b>Steps</b>	Port Authority should coordinate following activities: <ul style="list-style-type: none"> <li>• Investigating the subject of an agreement</li> <li>• Elaboration of rights and obligations</li> <li>• Preparing the legal framework</li> <li>• Holding regular meetings</li> <li>• Initiating and holding expert meetings with the aim of updating the market situation and the necessary measures</li> <li>• Signature of the agreement</li> </ul>
<b>Horizon for implementation</b>	1 year
<b>Budget</b>	Estimation is not possible (own budget, Interreg)
<b>Good practice example</b>	