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INLAND TRANSPORT COMMITTEE

Working Party on Inland Water Transport

**STUDY OF THE CURRENT SITUATION AND TRENDS
IN INLAND WATER TRANSPORT IN MEMBER COUNTRIES**

Note by the secretariat

At its forty-fourth session, the Working Party requested the secretariat to prepare and issue by its next session a concise summary document on the current situation and trends in inland water transport in member countries based on the information to be transmitted on the latest developments in the following areas:

- (a) inland navigation infrastructure development;
- (b) movement of goods by inland waterway; and
- (c) general inland water transport policy issues (TRANS/SC.3/153, para. 8).

Reproduced below is a summary of information on the three above-mentioned subjects prepared by the secretariat on the basis of information available.

I. INLAND NAVIGATION INFRASTRUCTURE DEVELOPMENT

1. A major event which took place in inland waterway infrastructure development in recent years is the completion and putting into operation in summer 2001 of the Rothensee Lock in Germany. The Lock is to provide a modern (class Vb) link between the Mittelland Kanal and the Elbe River at the so-called "Magdeburg Crossroad" still under construction. The medium- and long-term projects concerning the development of inland waterways of international importance identified in the European Agreement on Main Inland Waterways of International Importance (AGN) may be found in the Inventory of Main Standards and Parameters of the E Waterway Network ("Blue book") published under the symbol TRANS/SC.3/144 and Adds.

Belarus

2. The Government of Belarus has pledged to prepare pre-feasibility studies for two inland waterway connections of international importance, that is: the Oder – Vistula – Bug - Dnieper and the Daugava (Zapadnaja Dvina) – Dnieper and to present them for consideration by the Working Party on Inland Water Transport.

Belgium

3. A bottleneck at the existing Lanaye lock complex linking the Albert Canal with the Maas River at Liege is going to be eliminated through the construction of a fourth lock chamber of large dimensions (220 m x 25 m). The agreement to this effect has been reached between the Governments of the Netherlands and of the Walloon Region. This would allow a yearly traffic of some 35 million tons to pass via Liège to/from the Netherlands, Germany and countries of eastern Europe.¹ There are plans to build a second lock chamber at the Evergem Lock on the Gent Circular Canal. The Canal is expected to be dredged (for the first time since 1993) in order to ensure an admissible draught of vessels of 3 m.

Bulgaria

4. Bulgaria intends to develop combined transport on the routes from Central Europe along the Danube River to the Mediterranean Sea and Caucasus to Central Asia and the Middle East, using the favourable nearness of the sea port of Varna and the river port of Rousse. A railway link exists already between the two ports, which allows to shorten the distance and direct the freight traffic from the port of Rousse to the port of Varna. To this effect, priority is given to the following two projects:

- container terminal at the port of Rousse;
- grain terminal at the port of Rousse.

The construction is envisaged to be carried out through granting under concession. The existing facilities for combined transport container and freight handling at the ports of Rousse and Varna are also under development. Danube river ports rehabilitation – port of Lom – reconstruction and development of the port of Lom installations.²

1 Navigation, ports et industries, 15 February 2001.

2 TRANS/WP.5/2000/4/Add.1/Rev.1.

Croatia

5. According to the national Strategy for Construction and Improvement of Inland Waterways, the following priorities are established:

- construction of the Danube-Sava Canal from Vukovar to Samac (61.5 km);
- upgrading, in agreement with Bosnia and-Herzegovina, of the Sava River to class IV;
- upgrading the Drava River from its mouth to Osijek to class IV.

6. The Danube-Sava Canal is expected to be built as a class Vb waterway by the year 2020. The upgrading of the Sava River will be undertaken in two stages: first, to class IV (by 2005) and then, to class Vb (by 2010).

Czech Republic

7. Consideration is being given to the construction of two lock complexes on the Elbe River in order to eliminate limiting depths and improve navigation conditions on the Czech section of the river.

Finland

8. A study on possible technical solutions ensuring all-year round navigation on the Saimaa Canal is under way.

France

9. There have been no major events in inland water transport infrastructure development. Investments available have been spent on the modernization of the existing network of inland waterways.

10. The development of the transport by inland waterway up to 2020 will serve two priority objectives: the modernization of the existing network and updating the Seine-Nord waterway connection.

11. As to the missing links, priority will be given to the Seine-Nord waterway connection which will be updated progressively. The first stage will be to modernize during the period 2000 – 2006 the southern and northern parts of the waterway connection, i.e. on the Seine and Oise Rivers and on the Dunkerque – Schelde Canal, respectively. It is envisaged, in particular, to lift bridges in order to eliminate this strategic bottleneck.

Germany

12. The main focus of future investment policy in inland water transport infrastructure is the development of the waterway link from the Ruhr area via Hannover and Magdeburg to Berlin, to the Dortmund-Ems Canal, the Mittelland Canal and the German Unity No. 17 project. This waterway connection is being enlarged to accommodate barges of up to 110 m in length and convoys of up to 185 m in length, with minimum draught 2.80 m and bridge clearance 5.25 m.

The central point of this connection is the “waterway crossroad” over the Elbe at Magdeburg. The Rothensee lock was approved for operation in the spring of 2001. The 900 m long canal bridge over the Elbe and the double lock at Hohenwarthe are under construction and are expected to enter into service in 2003.

13. In addition, the Government of Germany plans to go ahead with the further optimization on the Rhine, with construction works on the middle and upper Elbe basin, the development of the Havel-Oder waterway, further deepening of the Main, the middle section of the Weser and maintenance works on other existing waterways.

14. As to the Straubing-Vilshofen section of the Danube, representing currently a bottleneck, a study is under way which is supposed to give an answer as to what is the best way to proceed with the elimination of this bottleneck. The study is carried out jointly by the Federal Government and by the Free State of Bavaria.³

Lithuania

15. During the navigational season 2000, 379.7 km of inland waterways were kept navigable in Lithuania. The fairway of 280 km was marked with navigational aids. The navigation was opened in 2000 on 13 May and closed on 31 October. It is envisaged that, subject to availability of necessary funding, the modernization of four stationary piers and the construction of 11 mobile passenger piers will be undertaken in 2002.

Luxembourg

16. The work on deepening the Moselle navigation channel ensuring a 20% increase in the vessels' carrying capacity has been completed. The Governments of Germany, France and Luxembourg envisage to undertake, within the framework of the Moselle Commission, the construction of parallel locks on the River Moselle with a view to ensuring optimal conditions for ever-growing passenger and goods traffic. According to recent information, the doubling of locks is envisaged first of all at Fankel and Zeltingen on the German section of the river.

Republic of Moldova

17. A project is under way envisaging a complete inspection of the bed of the Dniestr River. The construction of the port of Giurgiuleshti on the Moldavian section of the Danube (completed by 60%) has been frozen. Efforts are being made with a view to finding financing for completion of the construction of the port and of its rail and road connections.

Russian Federation

18. Reconstruction of the Kochetovski and Gorodetski Lock Complexes on the Don and Volga Rivers, respectively, is envisaged together with the construction of ten new container terminals in the ports of St. Petersburg, Moscow, Yaroslavl, Kazan, Nizhni Novgorod, Samara, Volgograd,

3 Speech by Mrs. A. Mertens (Parliamentary Secretary of State, Federal Ministry of Transport, Construction and Housing) at the Pan-European Conference on Inland Water Transport (Rotterdam, 5-6 September 2001).

Astrakhan, Rostov-na-Donu and Azov. The elimination of the bottleneck at the Kochetovski Lock relating to limited depth and width would allow vessels of up to 5,000 tonnes carrying capacity to navigate on the southern waterway linking the Sea of Azov with the Caspian Sea.

Sweden

19. Two Working Groups have been set up by the Central Office for Maritime Navigation to study technical and economic conditions for reconstruction of the access canal leading from the sea to the Mälaren Lake (to the West of Stockholm). The existing lock is 75 years old and only allows navigation of ships of up to 8,000 t dw. The port of Västerås, the largest Scandinavian sea-river port, and the port of Köping situated on Mälaren Lake, would like that ships of 12,000 t dw be capable to get access to the lake.⁴

Ukraine

20. The total length of navigable inland waterways of Ukraine amounted in 2001 to 2,240 km, which was 22 km less than in 2000. As to the infrastructure development plans, the most important continues to be a project envisaging a creation of a navigable connection between the Kilia Arm of the Danube and the Black Sea.

II. MOVEMENT OF GOODS

21. The overall economic performance in western Europe was quite favourable in 2000 despite the sharp rise in oil prices. The annual growth of real GDP in market economies was the highest since 1988. This was also the most successful year for the ECE transition economies since the start of economic transformation in 1989. For the first time in a decade, all transition economies reported positive rates of economic growth in 2000.⁵ The positive economic developments on the continent resulted in a greater transport demand including, in particular, in inland navigation sector.

International rivers

Rhine

22. The year 2000 is considered as particularly satisfactory for Rhine navigation. The volume of goods carried on the Rhine (German/Netherlands border) represents an absolute record amounting to 158.6 million tonnes (a growth of 7.9% in transport volume in t and of 8.1% in transport performance in tkm in comparison with 1999). Freight tariffs, especially for bulk liquid cargoes, also had an upward tendency. Transport of containers was marked with a growth of some 22% in the traditional Rhine traffic (at German/Netherlands border).

4 Journal pour le transport international 37/2000.

5 UNECE Economic Survey of Europe 2001, No. 1.

Moselle

23. The goods traffic on the Moselle reached in 2000 a record level of 16 million tonnes at the Coblenz lock (15 million t in 1999); and 9.7 million tonnes at the Apach lock (9.1 million t in 1999). Deepening the river channel up to 3.0 m has been completed, which might have been the reason, at least partly, for the above-mentioned outstanding traffic performance.

Danube

24. After the lifting in November 1995 of UN sanctions against the former Yugoslavia, traffic on the Danube has started to recover having bottomed out in 1994 (19.9 million tons). In 1997, the volume of goods traffic amounted already to 26.8 million tonnes showing some 9% annual growth rate. Since April 1999, however, when as a result of the Kosovo conflict, bridges were destroyed at Novy Sad in Yugoslavia, the volume of traffic fell again and was carried out mainly on the upper Danube and to/from the Main-Danube Canal. Since then, Danubian shipping companies have been bearing considerable losses due to the lack of free and regular navigation via the Yugoslav section of the river.

25. According to the latest statistics, however, since 1999 the volume of goods traffic on the Danube grew in 2000 by 16.0% and reached 28.3 million t (see the table below).

Volume of goods carried on the Danube in 1999-2000⁶
(in thousand t)

Countries	Goods leaving the countries		Goods carried within the country (cabotage)		Total goods movement		
	1999	2000	1999	2000	1999	2000	%
Austria	1,263	1,191	774	1,146	2,037	2,337	+14.7
Bulgaria	204	304	498	930	701	1,234	+75.9
Croatia	51	109	14	220	65	328	+404.6
Germany	7,088	8,108	17	...	7,104	8,108	+14.1
Hungary	2,968	...	...	...	2,968	3,818	+28.6
Moldova	...	...	...	...	...	...	...
Romania	1,176	1,396	2,934	2,575	4,110	3,971	-3.4
Slovakia	1,087	1,169	11	..	1,098	1,169	+6.5
Ukraine	2,881	3,542	409	114	3,290	3,656	+11.1
Yugoslavia	494	697	2,102	2,402	2,596	3,099	+19.4
Goods brought to the Danube from the sea					452	597	+32.0
Total					24,422	28,318	+16.0

26. Passenger traffic, on the contrary, fell in 2000 by 28.3% mainly due to a sharp decrease of the number of passengers carried in Romania (from 1,653,500 in 1999 to 792,717 in 2000).

Belgium

27. The volume of goods carried during the first nine months of 2000 on Flemish inland waterways grew by 16.7% over the previous year. On the Albert Canal (between Antwerp and Maas) the number of vessels which passed rose even by 30%. These perfect results may be attributed first of all to the efforts undertaken by the organization called "Promotion of Inland Water Transport" and by other private entities that invested into raising embankment walls, as well as to the Government of the Flemish Region.⁷ In 2000 the share of inland waterways in the container distribution rose by 220,000 TEU to the record level of 1.5 million TEU in the port of Antwerp.

Czech Republic

28. Due to an exclusively dry navigational season 2000 and poor navigational conditions on the Elbe downstream from Usti-nad-Labem, Czech inland shipping companies found themselves at that year in a very difficult if not critical situation. In spite of that, the volume of goods traffic by inland waterway has been steadily growing since 1998 when it reached the lowest point of 1, 667 th. t (4,990 th. t in 1994) and amounted in 2000 to 1, 906 th. t. Another particularity of the Czech inland navigation industry: since 1994 the volume of cross-trade services (within third countries) rose from 16.8 th. t to 120.8 th. t.

Finland

29. The total volume of goods carried on Finnish inland waterways in 2000 amounted to 4.4 million tonnes. Compared to 1999 there was a 9.2% increase in goods transport on the Saimaa Canal (1.76 million tonnes) and a 0.7% increase on other inland waterways (2.6 million tonnes including 1.7 million tonnes of bundle-floated timber). Passenger traffic experienced a fall by 16.3% mainly due to the poor weather conditions in the summer 2000. The main commodities carried on inland waterways were: timber, raw minerals, paper and cellulose.

France

30. The total goods traffic by inland waterway saw a considerable growth for the third consecutive year. This is a very encouraging sign for the dynamics of the sector thanks first of all to a favourable state of the market but also to the efforts taken by operators with a view to modernization and diversification of their services. The transport performance in tkm which grew by 9.7% in 1998 and by 10% in 1999 marked in 2000 another increase of some 6.5% and amounted to 7.3 billion tkm (still far however from the record 12.7 billion tkm reached in 1970). The volume of goods carried in 2000 grew by 6.7% and amounted to 58.7 million t.

Germany

31. The latest data available to the secretariat relate to 1999. The volume of goods traffic in that year amounted to 228.9 million t (-3.1%) and the transport performance to 62.6 billion tkm (-2.6%).

32. The traffic on the Main-Danube Canal has been increasing since the opening of the Canal in 1992 and in 2000 amounted to 6,015 th. t at the Kelheim lock (the outlet of the Canal to the Danube) and to 8,024 th. t at the Viereth lock (the northern entry point of the Canal). The traffic at the Kelheim lock may be considered as the genuine West-East traffic and it is very encouraging to note that the volume of this Rhine-Danube traffic grew in 2000 by 14.4% in comparison with 1999. The share of the Canal traffic carried by vessels of different nationalities is the following: Germany (51%), Netherlands (30.4%), Austria (8.7%), Belgium 5.7%, Hungary (1.96%) and Slovakia (1.46%).

Hungary

33. Hungarian inland water transport, similarly to other Danubian countries, was badly hit by the recent Yugoslav crisis and especially by the blockade of the Danube waterway at Novy Sad. Nevertheless, the traffic on the upper Danube as well as the traffic between Hungarian ports, on the one hand, and ports on the Main-Danube Canal, on the Main and on the Rhine, on the other hand, has been growing continuously. The latest figures on the Hungarian international trade by the Danube for the year 2000 show that the volume of national foreign trade totalled 3,818 th.t of which vessels flying the Hungarian flag carried 1,118 th.t , i.e. 29.3%.

34. In the first quarter of 2001, Hungarian inland waterway external trade totalled 725 th. t of which 217 th. t were carried by national operators.

Lithuania

35. The volume of cargo carried on Lithuanian inland waterways in 2000 grew by 7% over the previous year and reached 852 th. t. The passenger traffic, however, went down by 26.1% and reached just 1,275 thousand passengers carried. Both cargo and passenger traffic were mainly carried by ferries to and from the port of Neringa situated on the Kurshskaja Spit.

Netherlands

36. According to the Dutch Association of Inland Navigation (CBRB), in spite of the considerable increase of fuel prices, the year 2000 proved to be very positive for Dutch operators.⁸

Republic of Moldova

37. Inland navigation traffic was carried in 2000 mainly on the rivers Dneestr and Prut (16 and 9 thousand t, respectively).

Russian Federation

38. A positive trend in the development of inland navigation traffic consolidated further in the year 2000 when some 110 million t of goods were carried on inland waterways of the European part of the Russian Federation. In the first part of 2001, the volume of goods traffic is expected to grow further by 2.3% (+7.2% in tkm) and the transport of passengers – by 1.4% over the traffic volume reached during the first six months in 2000.

8 Navigation, ports et industrie, 15 June 2001.

Slovakia

39. After a period of stagnation due to the limitations on navigation via the territory of the former Yugoslavia, the volume of goods traffic on the Danube started to recover, reaching 1,371 th. t in 1998, 1,526 th. t in 1999 and 1,607 th. t in 2000. The tendency is expected to be confirmed in the current year.

Switzerland

40. After high water levels experienced for a long period in 1999 the traffic normalized in 2000. The volume of goods handled in the Rhine Ports of Basel grew in 2000 by 14.7% over the previous year and reached 8,546 th. t: loaded 893,9 th. t (an absolute record) and unloaded 7,652 th. t. A further 229 th. t were transported to the port of Kaiseraugst (-3.2%).

Ukraine

41. The year 2000 proved to be a turning point in the downward tendency experienced in inland navigation of Ukraine since 1989 when a record volume of 82.8 million t was reached. For the first time since 1989, the volume of goods carried in 2000 grew by 14.1% over the year 1999 and reached 9,129 million t.

III. GENERAL INLAND WATER TRANSPORT POLICY ISSUES

42. On 5 and 6 September 2001, a Pan-European Conference on Inland Waterway Transport was held in Rotterdam on the initiative and under the chairmanship of the Minister of Transport of the Netherlands. The Conference adopted a Declaration entitled: "Accelerating Pan-European Cooperation Towards a Free and Strong Inland Waterway Transport". The Declaration comprises a list of main objectives and actions to be taken by Governments and international organizations concerned in order to accelerate in a concerted and coordinated way the development of inland waterway transport towards a safer, cleaner and more competitive Pan-European transport mode. The European Commission, UNECE, CCNR, Danube Commission and ECMT were asked to monitor the implementation of the actions envisaged in the Declaration. To this end, the representatives of the above intergovernmental organizations formed, together with the Chairmanship of the Conference (Ministries of Transport of the Netherlands and Romania) a Monitoring Group. It was agreed that the next Pan-European Conference on inland water transport should be held in 2006 in Bucharest.

43. Making use of the presence of high Governmental officials and the publicity of the Conference, two further important events took place at the Conference:

- The Danubian countries and the European Union signed the Memorandum of Understanding on the Development of the Pan-European Transport Corridor VII (the Danube); and

- The representatives of the Central Commission for the Navigation of the Rhine (CCNR) and of the Danube Commission declared their intention to tighten and deepen their cooperation and to establish a Joint Committee in order to facilitate this cooperation.

European Union (EU)

44. After more than three years of efforts, the Council and the European Parliament adopted the Commission proposal to include European Union sea and inland navigation ports in the trans-European networks (TEN) so that they could benefit from funding in that framework. Thanks to this agreement, the transport logistics chain is finally complete and will ensure the development of a more integrated common transport policy. The European ports are crucial for the promotion of genuine intermodality: by integrating them into the trans-European networks, it will be possible to revitalize them and to create links with the main roads, railways and waterways.

45. The joint text adopted by the Council and the Parliament amends Decision No 1692/96 on Community guidelines for the development of the trans-European transport network. With the same aim of promoting port activities, the European Commission on 13 March 2001 also proposed a draft Directive to improve the quality of services in ports by laying down clear rules and an open, transparent procedure for access to port services market.

46. In September 2001, the European Commission published a “White paper on European transport policy 2010: time to decide”. The White paper rings the alarm: “Unless major new measures are taken by 2010 in the EU so that the fifteen can use the advantages of each mode of transport more rationally, heavy goods vehicle traffic alone will increase by nearly 50% over its 1998 level”. The White paper identifies some 60 measures to be taken by EU Member States in order to remedy the imbalance between different modes of transport with due regard to congestion problems, sustainability and energy consumption. It is pointed out, in particular, that “intra-community maritime transport and inland waterway transport are two key components of intermodality which must provide a means of coping with the growing congestion of road and rail infrastructure and of tackling air pollution. Up until now, these two modes have been underused although the Community has huge potential and virtually unlimited transport capacity.”

Central Commission for the Navigation of the Rhine (CCNR)

47. An agreement has been reached among CCNR member Governments on adaptation of provisions of the Regulations for the Inspection of Rhine Vessels (RVBR) concerning minimum manning of Rhine vessels. The new provisions replace the text adopted 15 years ago and take into account technical progress achieved since then.

48. To encourage the use of modern information systems on board inland navigation vessels and, in particular, the use of electronic charts of inland waterways, CCNR adopted the so-called Inland ECDIS Standard (Electronic Chart Display and Information System Standard for Inland Navigation).

49. A report on the height under bridges with regard to transport of containers in three layers has been made available for competent authorities of CCNR member countries. The report is supposed to serve as a basis for planning the construction of new bridges over the upper Rhine.

Danube Commission (DC)

50. At the ceremony of signature on 22 June 2001, in Budapest, the representatives of 11 European States signed the text of the Budapest Convention on the Contract for the Carriage of Goods by Inland Waterway (CMNI). The Convention was adopted at a Diplomatic Conference organized jointly by CCNR, the Danube Commission and UNECE in Budapest from 25 September to 3 October 2000. The texts of the Convention in Dutch, English, French, German and Russian have been circulated by the Depository (the Government of Hungary) and are also available at the UNECE website: http://www.unece.org/trans/conventn/sc3_legalinst.html.

51. Just prior to the signing ceremony, the delegations of the two River Commissions met in the premises of the Danube Commission and adopted a Common Declaration pledging to tighten and deepen their cooperation and to establish a Joint Committee in order to facilitate such a cooperation.

Bulgaria

52. The institutional reform under way in Bulgaria is aimed at harmonization of national legislation with that of the European Union. To this end, the Act on Maritime Zones, Inland Waterways and Ports was adopted by the National Assembly and is already effective. The Act outlines the legal framework of the obligations concerning safety and fair competition. It also promotes the role and the significance of the control. One of the objectives of the Act is the creation of the legal framework in compliance with the concept of the Trans-European Transport Network by giving special importance to ports, following the EU views on port development, pointed out in the Green paper on maritime ports and infrastructure. The Act to amend and supplement the Merchant Marine Code was adopted by the Council of Ministers and is expected to be passed through the National Assembly.⁹

53. Bulgarian shipping interests continue to suffer as a result of limitations for free navigation via the Yugoslav section of the Danube.

Croatia

54. Although the Republic of Croatia with its long Adriatic coast is mainly the Adriatic and Mediterranean country oriented towards the sea and maritime transport, it is in the same way also the Danubian country having in total 936 km of inland waterways which should not be underrated, because just this geostrategical location is the important criteria, which was the starting point at the elaboration of transport strategy of Croatia.

55. The Strategy of the Transport Development of the Republic of Croatia approved by the Croatian Parliament is the basic document on which the future of the Croatian transport development is based and which is taken as a starting point for the elaboration of development projects for particular transport modes.

56. With regard to inland navigation, the Strategy indicates in particular that the Danube is the backbone on which the development of river transport in Croatia is based. The present state of the inland water transport is characterized as follows:

- low share of river transport in total transport performance;
- fragmentation of inland waterways (rivers Drava, Sava and Danube);
- inadequate level of navigability of the Sava River;
- low technical and technological level of equipment of Croatian river ports;
- need for organizational changes in river ports and their privatization.

57. Strategic objectives for the development of inland navigation are as follows:

- connecting the Danube-region with the Adriatic:
 - by the Danube waterway;
 - by the Danube – Sava Canal;
 - by the Sava and Kupa river to Karlovac;
 - by the double-track railway Karlovac – Rijeka to the harbour of Rijeka (Va); and
 - the railway link via Bosnia and Herzegovina to the harbour of Ploce (Vc);
- integration into the navigation system of the European inland waterways;
- increase the share of inland water transport from the present 2% to 15% in relation to other transport modes within the next 10 years.

58. Through legal procedures, the Republic of Croatia took over the organizational model of ports similar to the Mediterranean countries, starting the process of privatization in ports and by separating the function of the port management system from commercial port activities. The objective is to create stimulating legal and legislative regulatory rules that would enable the input of capital and investments for the modernization of ports. A new ports organization is identical for both, sea and river ports. By law, the main river ports of State importance are: port of Vukovar on the Danube, port of Osijek on the Drava and ports of Slavonski Brod and Sisak on the Sava River.

59. Prerequisites for strengthening and enlargement of port economic zones in the Danube region and Eastern Slavonia are the following:

- modernization of existing and, as the case may be, construction of new land roads;
- commercialization of ports by establishing free port zones;
- construction of modern port infrastructure facilities and introduction of new technological schemes;
- adaptation of traffic flows to actual port capacities.

France

60. After a very long period of decline, the revival of transport by inland waterway in France is based on a long-term policy aimed at the creation of a favourable environment for initiatives by all the actors involved: carriers, shippers, infrastructure managers and ports.

61. The first priority for the Government and for the Inland Waterways of France (VNF, a body responsible for management of the network) is the modernizing and upgrading reliability of the network most suitable for transport of goods, within the next twenty years during which the goods traffic is expected to be doubled. This rather ambitious goal seems, however, to be quite realistic given the progress marked by inland navigation during recent years. State investments to the infrastructure development have been increased by 60% from 1997 to 2001 and this assistance to the sector is going to be further consolidated in the coming years.

62. The second objective is the inclusion of transport by inland waterway into logistic chains. It should be noted, in this regard, that servicing sea ports represents a significant factor for the development of important French sea ports and inland navigation.

63. Contributions by the State, by VNF and, increasingly, by local authorities to the development of ports, inland waterways and initiation of new trades (carriage of waste, dangerous goods, containers, etc.) is to ensure that inland water transport is capable of offering modern services and drawing the attention of shippers to this ecologically friendly and economic mode of transport.

64. The role of the State is evolving into the “regularization”, i.e. establishing an adequate legal framework (rules for access to inland navigation activities, type contracts, etc.), monitoring economic and social developments and ensuring a compliance with applicable rules and regulations.

Germany

65. Within the framework of the liberalized single European market regime, the German Government is pursuing a transport policy objective of strengthening the competitiveness of inland navigation on the markets, *inter alia*, by harmonizing further the conditions of competition for both domestic and international markets. This also includes the development of international shipping regulations, i.e. concerning transport and liability law, and approximating them in various areas of navigation. The Government is seeking greater integration of inland navigation into a single, efficient overall transport system and greater use of the potential for shifting future increases in the volume of goods traffic to inland waterways, which are environmentally friendly and still have sizable capacity reserves.

Hungary

66. The general conditions for further development of the Hungarian inland navigation are determined, on the one hand, by the process of European integration and, in respect of the Danube shipping, by the market rules and the market conditions prevailing on the Danube, on the other hand. The process of European integration brings advantages for the inland shipping and maritime transport but the benefits can only be realized in a harsh competition. The Hungarian

inland navigation is technologically inferior compared to its Rhine counterparts and this lag may be alleviated only through the increased replacement of the fleet by the Rhine type self-propelled vessels. Since there is at least a double overcapacity present on the Danube, the market situation prevents the ship owners from accumulating the means for necessary modernization. A one time State intervention aimed at the reconstruction of the fleet and the equalization of transport capacity supply with the market demand seems therefore to be inevitable.

67. As to the ports, the State development initiatives are concentrated for development of such Danubian ports as Győr-Gönyü, Budapest, Dunaújváros, Baja and the port of Szeged on the Tisza River.

Lithuania

68. The volume and performance of goods transport by inland waterway was still extremely low, in particular, on the Nemunas River in 2000. The major reason was a downfall in the building industry.

69. It is envisaged that, in 2002, the legislation of the Republic of Lithuania in the field of inland navigation will be fully harmonized with that of the EU. From that time, the Lithuanian market will be open for inland waterway transport services.

Netherlands

70. From the point of view of Dutch transport policy, transport by inland waterway and by rail is preferable to transport by road, where such a modal shift leads to a better utilization of the entire transport network. As the road network becomes increasingly congested, whereas the inland waterways offer sufficient capacity for further growth, inland navigation has an important role to play within the framework of this policy.

71. Along many inland waterways in the Netherlands, there are companies that could make use of these waterways for the transport of their goods. However, this is still an all too infrequent occurrence. An important reason for this is the fact that changing from road transport to transport by inland navigation involves considerable investment in establishing a link to the waterway network. The companies concerned often consider these investment costs too high to make the switchover financially attractive.

72. In order to lower this threshold, the Dutch Government has put into effect a regulation on subsidies for business-related waterway links. Based on this regulation, it is possible to grant a subsidy to shippers to cover a part of the investment costs for both the infrastructure and the permanently installed and mobile equipment needed for the transshipment of goods to and from the waterway. The subsidy cannot be used for the acquisition of land. The same applies to replacement investments. Examples of costs that can be subsidized are, *inter alia*, costs for the construction of mooring facilities and quays, costs for the fitting out of the grounds and costs for transshipment equipment and storage facilities, such as cranes and sheds. The subsidy is only granted for transshipment facilities of a strictly private character, which are used exclusively by the subsidy applicant, and not by other shippers. The subsidy amounts to not more than 50% of the project costs; the maximum amount of subsidy is NLG 1,500,000 per project.

Russian Federation

73. The river ports of Azov, Yeysk, Rostov-na-Donu, Astrakhan, Kaliningrad and Sovetsk have been opened for calls and servicing of cargo vessels flying foreign flags. The above-mentioned ports have a substantial reserve cargo handling and storage capacity.

Slovakia

74. In 2000 a Concept for further Development of Inland Water Transport has been adopted by the Ministry of Transport, Posts and Communication. The main priority is given by the Concept to the elimination of bottlenecks and completion of missing links in the inland waterway network and first of all on the Danube (E 80) and Vah (E 81) as well as the mouth of the River Morava (E 30).

Ukraine

75. The main element of the State policy in the field of inland navigation is the modernization of a legislative basis of the industry. To this end are being prepared: a draft Code for Inland Navigation, Rules for carriage of Goods by River Transport and General Rules for River Ports, etc. The above legislative work is aimed at bringing national legislation in accordance with the obligations resulting out of the Agreement on Partnership and Cooperation between EU and Ukraine of 16 June 1994.
