



EU STRATEGY FOR THE DANUBE REGION

IMPLEMENTATION REPORT

OF THE EUSDR PRIORITY AREA PA 1B:

‘To Improve Mobility and Multimodality - Road, Rail and Air Links’

Reported period: from 01/07/2016 to 30/12/2016

(FINAL VERSION)

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Co-ordinated by Serbia and Slovenia

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LIST OF ABBREVIATIONS

ALP-WBC	ALPINE-WESTERN BALKAN CORRIDOR
ATM	AIR TRAFFIC MANAGEMENT
CEF	CONNECTING EUROPE FACILITY
CEI	CENTRAL EUROPE INITIATIVE
CION	EUROPEAN COMMISSION
CNC	CORE NETWORK CORRIDOR
DAIRNET	DANUBE REGION AIR NETWORK DEVELOPMENT
DG MOVE	THE EUROPEAN COMMISSION'S DIRECTORATE-GENERAL FOR MOBILITY AND TRANSPORT
DG NEAR	DIRECTORATE-GENERAL FOR NEIGHBOURHOOD AND ENLARGEMENT NEGOTIATIONS
DG REGIO	DIRECTORATE-GENERAL FOR REGIONAL AND URBAN POLICY
DRIS	DANUBE REGION INTERMODAL STRATEGY
DSP	DANUBE REGION STRATEGY POINT
DTP	DANUBE TRANSNATIONAL PROGRAMME
EAP	EASTERN PARTNERSHIP
EBRD	EUROPEAN BANK FOR RECONSTRUCTION AND DEVELOPMENT
EFSI	EUROPEAN FUND FOR STRATEGIC INVESTMENTS
EIB	EUROPEAN INVESTMENT BANK
ENI	EUROPEAN NEIGHBOURHOOD INSTRUMENT
ENP	EUROPEAN NEIGHBOURHOOD POLICY
EP	EUROPEAN PARLIAMENT
ERTMS	EUROPEAN RAIL TRAFFIC MANAGEMENT SYSTEM
ESIF	EUROPEAN STRUCTURAL AND INVESTMENT FUNDS
EUSDR	EUROPEAN UNION STRATEGY FOR THE DANUBE REGION
HLG	HIGH LEVEL GROUP
IM	INFRASTRUCTURE MANAGER
INTR	INTERVENTION ROUTES
IPA	INSTRUMENT FOR PRE-ACCESSION ASSISTANCE
ICT	INFORMATION COMMUNICATION TECHNOLOGIES
ITS	INTELLIGENT TRANSPORT SYSTEMS
LoR	LETTER OF RECOMMENDATION
MoT	MINISTRY OF TRANSPORT
MoU	MEMORANDUM OF UNDERSTANDING

PA	PRIORITY AREA
PA1A	PRIORITY AREA 1A: “TO IMPROVE MOBILITY AND MULTIMODALITY - INLAND WATERWAYS”
PA1B	PRIORITY AREA 1B: “TO IMPROVE MOBILITY AND MULTIMODALITY - ROAD, RAIL AND AIR LINKS”
PAC	PRIORITY AREA COORDINATOR
RADAR	RISK ASSESSMENT ON DANUBE AREA ROADS
RCC	REGIONAL COOPERATION COUNCIL
RFC	RAIL FREIGHT CORRIDOR
RIS	RIVER INFORMATION SYSTEM
RNE	RAIL NET EUROPE
SEE	SOUTH EAST EUROPE
SEETO	SOUTH EAST EUROPE TRANSPORT OBSERVATORY
SENT	SOUTH EAST EUROPE NETWORK OF TRANSPORT & LOGISTICS CENTRES
SG	STEERING GROUP
TA	TECHNICAL ASSISTANCE
TAD	TRANSPORT ANALYSIS FOR THE DANUBE REGION
TEN-T	TRANS-EUROPEAN TRANSPORT NETWORK
TLC	TRANSPORT LOGISTICS CENTRE
TRAN	COMMITTEE ON TRANSPORT AND TOURISM OF THE EUROPEAN PARLIAMENT
VisTRA	“COMMON TRANSPORT VISION FOR THE DANUBE MACRO-REGION”
VTMS	VESSEL TRAFFIC MONITORING SYSTEM
WB	WORLD BANK
WBC	WESTERN BALKAN CORRIDOR

1 EXECUTIVE SUMMARY

Question 1: Summary of progress achieved during the reporting period.

Looking back at achieved results in the period between July 2016 and December 2016 it could be noted that coordination activities with the line ministries of 14 Danube region countries and Governance structure (The European Commission and the DSP) remain unchanged.

13th PA1b Steering group meeting was organized in October. Discussions were held, among others, about daily work tasks, projects and project initiatives. In relation to the Strategy and the Action Plan work on revision of actions started by agreeing shared responsibilities between the SG members.

Projects that contribute to overall understanding of transport in the Danube region and to narrow existing gaps have been supported by the PA1b. Project that should contribute to overall understanding of the transport in the Danube region “Transport analysis for the Danube region (TAD)” started in September 2016 with financial support of the EIB. It is planned to be completed in April/May 2017. Unfortunately several projects supported by the PA1b SG have not been recognized as significant for the macro-region (e.g. VisTra) or lost main promotor (e.g. DAirNet). Efforts to put these projects back on list of priorities continue. In addition to above activities, PACs are supporting several projects to be started under Interreg DTP in 2017, such as: Chestnut, CityWalk, eGuts, LinkingDanube, Transgreen and Transdanube.Pearls.

Memorandum of Understanding between the Ministry of Construction, Transport and Infrastructure of the Republic of Serbia and the Ministry of Infrastructure of the Republic of Slovenia on the continued co-operation in the field of transport and implementation of the EU Strategy for the Danube Region Priority Area 1b: “To improve mobility and multimodality – Road, Rail and Air Links” was signed by transport ministers on 24 October 2016 underlining the need to continue effective co-operation in coordinating the PA1b.

Third stakeholder conference “Transport & Research in the Danube region” was organised on 9th November 2015 in Novo mesto, Slovenia. Workshop on Improving attractiveness and Competitiveness of railways in the Danube region was organised on 21st and 22nd November in Ljubljana. The “WS on Improving attractiveness and competitiveness of railways in the Danube region” was organised in November 2016 in Ljubljana. It was an extraordinary event that brought together representatives from ministries, railway undertakings, infrastructure managers and academia.

As part of cooperation and coordination activities with the European Commission, PA1a and PA1b PACs were invited to participate at a workshop organised by the JRC entitled “WS on Workshop on Clean Growth in freight transport: emissions and impact assessment” in October 2016.

PACs actively participation also at other events, e.g.: a) TEN-T Core Network Corridor Workshops and Forum meeting, b) Danube Macro region Business Week 2016 in Vienna, c) 6th Danube eRegion Conference – DeRC 2016 in Ljubljana, d) TER Workshop “High speed Lines – from planning to commissioning” in Vienna, e) EFSI day in Slovenia and f) Conference on closure of START TA in Vienna.

2 PROGRESS OF THE PA

2.1 PROGRESS ON POLICY LEVEL

2.1.1 POLICY AREAS AT FOCUS

Question 2: What are the policy areas (important policy topics/thematic issues) that the PA selected as main focus (i.e. priority) for work during the reporting period?

Several priorities have been identified in past years of the implementation of the PA 1b of the Strategy on which work needs to continue, such as:

a) Road transport:

- linking secondary and tertiary road networks to the TEN-T core and comprehensive network,
- exchange of best practices for road maintenance and
- improving the road safety ("vision zero").

Activities on road related issues were limited to discussions on way forward with several stakeholders e.g. EuroRAP.

b) Rail transport:

- improving attractiveness and competitiveness of railways in the Danube region,
- increasing long distance (>400km) freight transport contributing to full modal integration and
- improving last mile deliveries in multimodal supply chain.

Workshop on improving attractiveness and competitiveness of railways in the Danube region organised in November brought together around 60 participants.

MoU signed between the Slovenian and Serbian ministries responsible for transport offers ground for improved rail freight transport between three countries (SI, CRO, SRB) of the Danube region.

c) Air transport:

- improvement of air connectivity,
- better use of airports in the Danube region, in particular small airports,
- support to establish FABs (functional airspace blocks) in all 14 Danube countries.

Activities to find a stakeholder to become a lead partner for the study on regional connectivity continued, as well as efforts for cooperation with aviation sector in the region.

d) horizontal issues:

- overall support to activities related to intermodal terminals and better logistics services,
- support of digitalisation of transport sector (ITS, ERTMS, SESAR - ATM), including support of cross-border integrated timetables,
- support sustainable mobility in urban areas.

Activities to find financial support for Although DRIS (Danube Region Intermodal Strategy) project did not successfully pass DTP first call, activities to improve its application continued.

Support to LinkingDanube project, which successfully passed DTP call continued. The project under implementation tackles issues related to ITS Deployment Priorities in the Danube Region, in particular a) Access to public transport data via harmonised interface and b) Provision of multimodal traveller information services. In addition the conference on "Transport & Research in the Danube region" paid special attention to urban and inter-urban transport (e.g. case of Uber, Flixbus, GoOpti).

Question 3: What are the main arguments for selecting those policy areas as priority ones?

Road maintenance and road safety, rail freight transport contributing to full modal integration and improved air connectivity are for years high on transport agenda of the EU, as well as on most of the national transport agendas.

Common to all transport modes are issues related to energy efficiency and emissions of conventional

pollutants that require comprehensive actions on local, regional and global levels. Particularly challenging are solutions for sustainable transport in urban and sub-urban areas.

ICT technologies nowadays play more and more important role in all modes of transport e.g. ITS and ERTMS in land transport, RIS and VTMS in waterborne transport and ATM in air transport.

2.1.2 MAIN POLICY ACHIEVEMENTS

Question 4: Based on what has been reported under section 2.1.1: what are the PAs' main policy achievements and developments during the reporting period?

13th PA1b Steering Group meeting was organized on 19-20 October 2016 in Belgrade. Main discussions were held about daily work tasks, preparations for revision of actions, projects and project initiatives and cooperation with stakeholders. Related to the revision of actions agreement that SG members contribute by drafting actions for one of the revised targets was reached. It is planned that revision of actions will be completed not later than end of 2017. With regard to the long list of transport projects it was agreed that the list is revisited by each SG member and updated.

During the bilateral meeting of Governments of the republic of Slovenia and the Republic of Serbia on 24th October 2016 in Belgrade the *Memorandum of Understanding between the Ministry of Construction, Transport and Infrastructure of the Republic of Serbia and the Ministry of Infrastructure of the Republic of Slovenia on the continued co-operation in the field of transport and implementation of the EU Strategy for the Danube Region Priority Area 1b: "To improve mobility and multimodality – Road, Rail and Air Links"* was signed by transport ministers underlining the need to continue effective co-operation in coordinating the PA1b.

Third stakeholder conference on "Transport & Research in the Danube region" was organized on 9th November 2016 in Novo mesto, Slovenia, with high level speakers and participants from countries of the region. Outputs and outcomes were according to defined targets and mainly oriented towards common understanding of coordination efforts to improve research in the field of transport and in particular transport services in the Danube region.

In order to trigger railway community a "WS on Improving attractiveness and competitiveness of railways in the Danube region" was organised on 21-22 November 2016 in Ljubljana. It was an extraordinary event that brought together representatives from ministries, railway undertakings, infrastructure managers and academia. Participants from eight Danube macro-region countries expressed their views and contributed to vivid and fruitful discussions. Exchange of best practices and networking were the main results.

2.1.3 POLICY LESSONS LEARNED

Question 5: Based on what has been reported in sections 2.1.1 and 2.1.2: what are the policy related lessons learned (positive or negative) from the PAs implementation during the reporting period (with focus on those that are important for the future EUSDR policy development)?

In the second half of 2016 focus continued on awareness rising of the importance of coordinated work between the authorities and stakeholders of the Danube region.

The most important lesson so far is a general understanding of the contribution of the EUSDR. It is important to coordinate activities beyond the actual activities on the ground which has been initiated within different national policies. As a critical element for the further work a need for the common picture (common transport vision) on the transport system in the region which has been identified already in 2011 continued. In spite of several years of efforts for project to be supported it lost initiative.

2.1.4 FUTURE POLICY DEVELOPMENT

Question 6: Based on what has been reported in section 2.1.3: what next steps and challenges for future policy development the PA finds important to share for further consideration discussion or development (incl. possible solutions to overcome the challenges)?

Trying to obtain more proactive role and to promote the implementation of the transport related agenda of the Danube Strategy priority area coordinators strive to improve work programme and in particular to get representatives from all countries in the region participating at SG meetings.

Organization of workshops, seminars or/and round tables for each action remains high on the agenda. It is planned to continue stakeholder conferences e.g. “The Danube Region Transport Days” and “Transport & Research in the Danube region”. In addition high interest expressed by stakeholders is to organize another conference on “Road Safety in the Danube Region”.

PA1b will continue to explore possibilities to involve stakeholders into implementation of Strategy’s targets and actions. PA1b will continue close cooperation with line DGs of the European Commission (DG REGIO, DG MOVE, DG NEAR) that are crucial for policy alignment between the EU Member states and non-EU countries.

2.2 PROGRESS ON PA'S TARGETS

Table 1: Progress on targets during the reporting period

PA Targets (number and wording of the target)	Progress during the reporting period				Clarifications
	Completed	Satisfactory progress	Delayed progress	Other	
(a)	(b)	(c)	(d)	(e)	(f)
T1. Support efficient freight railway services and improved travel times for competitive railway passenger connections between major cities in the Danube Region by 2030	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Target is linked to Action ¹ : - (1) "To bring to completion the TEN-T (rail and road) Priority Projects crossing the Danube Region - (2) "To implement the Rail Freight Corridors forming part of the European rail network for competitive freight (Reg. 913/2010)".
T2. Support fully functional multi-modal TEN-T Core Network Corridors by 2030	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Target is linked to Action: - (1) "To bring to completion the TEN-T (rail and road) Priority Projects crossing the DR"
T3. Support the development of efficient multimodal terminals at sea, river and dry ports in the Danube Region and ensure their connectivity and access through the integration of all modes of transport and efficient logistics services by 2030	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Target is linked to: - Action (6) - "To develop further nodal planning for multimodality".
T4. Support improvement of the regional air	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Target is linked to Action ² :

¹ **Note:** New revised targets approved in March 2016 are linked to actions from the Strategy's Action Plan as appropriate from the PA1b PACs view. Revision of actions from 2010 started in autumn 2016 and is planned to be finished before the end of 2017.

² **Note:** Within exemplary targets in the Communication none was addressed to the air links, while with new revised targets this this deficiency is resolved and present target 3 has the corresponding target.

PA Targets (number and wording of the target)	Progress during the reporting period				Clarifications
	Completed	Satisfactory progress	Delayed progress	Other	
(a)	(b)	(c)	(d)	(e)	(f)
<i>connectivity and the implementation of the Single European Sky initiative</i>					- (3)“To enhance cooperation between air traffic stakeholders in order to prepare a plan to implement shorter plane routes
T5. <i>Facilitate the improvement of secondary and tertiary roads in the Danube Region</i>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Target is linked to Action: - (5) “To improve the regional/ local cross-border infrastructure and the access to rural areas”.
T6³. <i>Support safe and sustainable transport and mobility in the Danube Region</i>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Target is linked to Action: - (4) “To ensure sustainable metropolitan transport systems and mobility”. - (7) “To develop further Intelligent Traffic Systems by using environmental-friendly technologies, especially in urban regions”.

Question 7: Based on the information provided in Table 1, what is the PAs overall self-evaluation with regards to reaching the applicable targets? Any other positive experience or other important information to that respect that the PA considers necessary (or good) to be shared should be included here as well.

Transport is extremely complex area that requires clear political commitment, very good cooperation of all involved working within one of the transport modes, as well as profound cooperation between all transport modes. Only this way EU policy advocating "full modal integration" can make steady progress. This is equally valid for the Danube macro-region.

Above said means that each decision maker or stakeholder can add to more efficient transport only partially and that overall progress can be made by cooperation, coordination and coaction of all involved. Most of the transport activities is “a never ending story” e.g. infrastructure can be always improved, safety will probably never reached “vision zero”, clean transport will remain on our agendas for years to come.

³ Note: Target 6 covers several topics, including: a) support ITS deployment by 2030, b) support research and innovation in the field of transport, c) support enhanced road safety and d) support cycling and walking. As a consequence new target 6 embraces also old actions 4 and 7.

“To improve mobility and multimodality - road, rail and air links” targets represent an ongoing activity in line with continues need to maintain existing infrastructure, to build new where needed and to look for new business models in performing transport services.

While in table 1 explanation on target 1 and two actions linked to it looks at the first sight illogical one has to bear in mind that while progress on planning multimodal terminals is in progress, delays in comparison to national and international plans are observed. Some delays are caused by complex legislation, while others due to the lack of funds.

Question 8: What, if anything, was/is missing in order to achieve the progress in reaching the targets as previously planned?

To speed up progress towards reaching the targets efforts of all involved, in particular member countries Authorities involved in macro-regional strategies and all relevant European Commission general directorates should be recognized as equally important.

It cannot be expected in the absence of equal opportunities in terms of political support, adequate human and financial resources. After five years of the implementation of the Strategy, contrary to presently accepted and promoted “3x NO”, it is necessary to accept that without own funds and strong technical secretariat of each PA much desired progress will be slow and in many cases negligible.

Question 9: Are there any plans (or needs) for revising/updating the list of targets, applicable for the PA? If so, please provide details.

Since Targets have been revised and approved recently no revision is planned in short term.

2.3 PROGRESS ON PA'S ACTIONS

Table 2: Progress on actions during the reporting period

PA Targets (number)	Progress on action for reaching the targets during the reporting period						
	A1 Action(1) - "To bring to completion the TEN-T (rail and road) Priority Projects crossing the Danube Region, overcoming the difficulties and the bottlenecks including environmental, economic and political, particularly in the cross-border sections".	A2 Action (2) - "To implement the Rail Freight Corridors forming part of the European rail network for competitive freight (Reg. 913/2010)".	A3 Action(3) - "To enhance cooperation between air traffic stakeholders in order to prepare a plan to implement shorter plane routes	A4 Action (4) - "To ensure sustainable metropolitan transport systems and mobility".	A5 Action (5) - "To improve the regional/ local cross-border infrastructure and the access to rural areas".	A6 Action (6) - "To develop further nodal planning for multimodality".	A7 Action (7) - "To develop further Intelligent Traffic Systems by using environmental-friendly technologies, especially in urban regions".
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
No. 1	ASP	ASP					
No. 2	ASP						
No. 3						ASP	
No. 4			ANS				
No. 5					APD		
No. 6				APD			ASP

Legend:

ASP	actions, whose implementation is satisfactory progressing (according to what was initially planned in the Roadmap);
APD	actions, whose implementation is progressing with delays (comparing to what was initially planned in the Roadmap);
ACcp	actions completed in current reporting period;
ACpp	actions completed in previous reporting period(s);
ANS	actions, whose implementation has not started yet;

Question 10: Based on the information provided in Table 2, what is the PA's overall self - evaluation regarding the progress in implementing the actions? A positive experience or other important information to that respect that the PA considers necessary (or good) to be shared should be included here as well.

Important: present actions are under revision in order to better link with new targets. Nevertheless following observations can be made in relation to present actions and new revised targets.

Positive:

Action (1) is well coordinated and activities are transparent due to the TEN-T Core Corridor Coordinators nominated by the European Commission. They are stimulating positive effects of interacting with relevant authorities, public and market players. Since the Danube region is crossed by five, out of 9, TEN-T core corridors PA1b is invited to take part in implementation.

Action (2) activities are supported by the National Authorities (MoT, IM, etc.) and at the same time under consideration by the Commission, DG MOVE.

Action (6) and (7) are progressing well due to importance of intermodality and logistics and great support and interest of several stakeholders. Yet Strategy or Master plan for the macro-region is still missing.

Negative:

Action (3) activities are carried out in many fora at national, European and global level. No competent promoter in the Danube region was found in past years of the strategy's implementation.

Action (4) is matter of subsidiarity and as such limits activities that are mainly of "exchange of best practices" nature.

Action (5) represents local initiatives that are mostly of cross-border nature. Due to relatively large number (14) of the Danube countries local interests and needs vary across the macro-region. Finding common interest and common actions requires lot of work and time.

Question 11: What, if anything, was/is missing in order to achieve the progress in implementing the actions as previously planned?

Strong involvement of interested stakeholders to be supported by policy level (national and the EU).

Question 12: Are there any plans (or needs) for revising/updating the actions, applicable for the PA? If so, please provide details.

Recently revised Targets require careful scrutiny of actions in order to be discussed by the SG and updated if needed. This task is under way.

2.4 PROGRESS ON MILESTONES

Table 3: Progress on milestones during the reporting period

PA Actions (numbers)	Progress on milestones during the reporting period									
	M1	M2	M3	M4	M5	M6	M7	M8	M9	M10
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
A1	MCpp	MSP	MSP	MSP	MSP	MSP	n/a	n/a	n/a	n/a
A2	MCpp	MCcp	MSP	MNS	MNS	MNS	MNS	MNS	MSP	n/a
A3	MPD	MPD	MNS	MNS	MNS	MNS	MNS	n/a	n/a	n/a
A4	MPD	MPD	MNS	MNS	MNS	n/a	n/a	n/a	n/a	n/a
A5	MPD	MPD	MNS	MNS	MNS	MNS	MNS	n/a	n/a	n/a
A6	MCcp	MPD	MPD	MNS	MNS	MNS	MNS	n/a	n/a	n/a
A7	MCcp	MCcp	MPD	MNS	MNS	MNS	MSP	n/a	n/a	n/a

Legend:

MSP	milestones that are satisfactory progressing (according to what was initially planned in the Roadmap);
MPD	milestones that are progressing with delays (comparing to what was initially planned in the Roadmap);
MCcp	milestones completed in current reporting period;
MCpp	milestones completed in previous reporting period(s);
MNS	milestones, whose implementation has not started yet;

Question 13: Based on the information provided in Table 3, what is the PAs overall self - evaluation regarding the progress in reaching the milestones? A positive experience or other important information to that the PA considers necessary (or as good) to be shared should be included here as well

PA is making its best to contribute to realisation of actions, roadmaps and milestones. Since its mandate is limited to support most of the actions realisation is depending on national and the EU structures with adequate mandates, decision-making powers and funds.

Question 14: What, if anything, was/is missing in order to achieve the progress in reaching the milestones as previously planned?

n/a

2.5 PROGRESS ON ACTIVITIES

Table 4 Activities undertaken to progress on PA implementation

PA Actions (numbers)	Activities undertaken during the reporting period to progress on PA implementation
(a)	(b)
A1	<ul style="list-style-type: none"> ▪ <i>Policy development:</i> Support to Connectivity Agenda - Co-financing of Investment Projects in the Western Balkans in 2015 ▪ <i>Coordination and cooperation activities:</i> EC, EU coordinators, SEETO, ▪ <i>Activities for Involvement of stakeholders and civil society:</i> / ▪ <i>Activities for Better publicity and communication:</i> active participation at invited events ▪ <i>Management activities:</i> SG meeting,
A2	<ul style="list-style-type: none"> ▪ <i>Policy development:</i> Initiative to include the Alpine-Western Balkan rail freight corridor in the EU rail corridors network (Regulation 913/2010) ▪ <i>Coordination and cooperation activities:</i> DG MOVE, ▪ <i>Activities for Involvement of stakeholders and civil society:</i> WS on improving attractiveness and competitiveness of railways in the Danube region ▪ <i>Activities for Better publicity and communication:</i> / ▪ <i>Management activities:</i> SG meeting,
A3	<ul style="list-style-type: none"> ▪ <i>Policy development:</i> Initiatives to raise the interest of stakeholders on-going ▪ <i>Coordination and cooperation activities:</i> networking with representatives of air transport, ▪ <i>Activities for Involvement of stakeholders and civil society:</i> / ▪ <i>Activities for Better publicity and communication:</i> / ▪ <i>Management activities:</i> SG meeting
A4	<ul style="list-style-type: none"> ▪ <i>Policy development:</i> support to ensure sustainable urban transport systems and mobility ▪ <i>Activities related to Strategic projects:</i> --- ▪ <i>Activities related to Other projects:</i> CHESTNUT, LinkingDanube ▪ <i>Coordination and cooperation activities:</i> cooperation with project lead partners ▪ <i>Activities for Involvement of stakeholders and civil society:</i> / ▪ <i>Activities for Better publicity and communication:</i> / ▪ <i>Management activities:</i> SG meeting
A5	<ul style="list-style-type: none"> ▪ <i>Policy development:</i> /
A6	<ul style="list-style-type: none"> ▪ <i>Policy development:</i> Danube Region Intermodal Strategy ▪ <i>Activities related to Other projects:</i> DRIS ▪ <i>Coordination and cooperation activities:</i> / ▪ <i>Activities for Involvement of stakeholders and civil society:</i> Business Conference “Transport & Logistics of South East Europe and Danube Region – TIL 2017” ▪ <i>Activities for Better publicity and communication:</i> Publication “Transport & Logistics of South East Europe and Danube Region – TIL 2017” ▪ <i>Management activities:</i> /

<i>PA Actions (numbers)</i>	<i>Activities undertaken during the reporting period to progress on PA implementation</i>
<i>(a)</i>	<i>(b)</i>
A7	<ul style="list-style-type: none"> ▪ <i>Policy development:</i> support to ITS deployment and implementations regional and national ITS soft measure WB6 ▪ <i>Activities related to Other projects:</i> LinkingDanube ▪ <i>Coordination and cooperation activities:</i> ITS associations, e.g. ITS Austria, ITS Romania, ITS Slovenia, ITS Bulgaria, ITS Hungary. ▪ <i>Activities for Involvement of stakeholders and civil society:</i> ITS societies ▪ <i>Activities for Better publicity and communication:</i> / ▪ <i>Management activities:</i> SG meeting

2.6 EUSDR STRATEGIC PROJECTS

Table 5: Projects identified and proposed by PA (PACs + SG) as EUSDR strategic project (SP)

<i>Title of project proposed by PA as EUSDR SP during the reporting period</i>	<i>Date of PA meeting when the project was approved as potential EUSDR SP</i>	<i>To which PA target the project is relevant?</i>	<i>Main project activities of the EUSDR SP</i>	<i>Targeted funding source(s) for the SP</i>
<i>(a)</i>	<i>(b)</i>	<i>(c)</i>	<i>(d)</i>	<i>(e)</i>

Question 15: Were any of the projects included in Table 5 already approved for funding during the reporting period? If so, please complete Table 6 below with the information only for those projects.

Table 6: Proposed EUSDR strategic projects, which were approved for funding

<i>Title of project proposed by PA as EUSDR SP, approved for funding</i>	<i>Total amount of approved funding</i>	<i>Approved funding source(s) for the EUSDR SP</i>
<i>(a)</i>	<i>(b)</i>	<i>(c)</i>

3 FUNDING

3.1 MAIN ACHIEVEMENTS IN TERMS OF FUNDING

Question 16: What is considered as PAs main achievement/s with regards to funding sources and opportunities for EUSDR projects? Short analysis relevant only to the duration of the reporting period needs to be provided.

In the period July 2016 to the end December 2016 the SG of the PA1b have been aware of existing founding opportunity for regional and national projects from national and EU funds or/and financial institutions e.g: EFSI, ESIF, Connecting Europe facility (CEF), IPA II, CBC-IPA, EIB, WBIF, EBRD, WB, etc. No other innovative financial solutions or opportunities were identified.

With regard to soft projects a lot was expected from the 1st Call of the “Danube Transnational Programme” (DTP). Selected projects, although not proposed by the PA1b, should embrace future transport challenges of the entire Danube region. On the other hand main sources of funding large transport infrastructure projects until 2020 are: TEN-T/CEF, EFSI and ESFI (EU countries), IPA (candidate countries) and ENI grants (for Eastern neighbouring countries) i.e. funds on which EUSDR PAs have no influence.

In relation to the TAD project (financed by the EIB) PAC participated and contributed to work at kick-off meeting (13 September) and 2nd meeting on progress (6 December 2016) in Luxembourg. Project is progressing well and is planned to be completed by the end of April 2017.

The role of PACs in selection of project proposals with added value for the macro-region that could be potentially financed by the EU programmes remains unsatisfactory.

3.2 LESSONS LEARNED

Question 17: What are the lessons learned (positive or negative) during the reporting period, with regards to funding sources and opportunities for EUSDR projects and what responses to those the PA considers as relevant?

It is extremely sad and frustrating that none of project proposals identified by the PA1b Steering Group and PACs obtained financial support from EU funds. Yet search for funding opportunities is continuing for several projects, including “Common Transport Vision for the Danube Macro-region” (VisTra) and “Danube region Intermodal Strategy” (DRIS).

Several projects initiated and promoted by the PA1b SG passed the first step of the first call of the DTP however none passed the second (final) step. PA1b continue to believe that these projects, if submitted, will be selected for financing during 2nd call in 2017.

There is a great need for seed money. There are expectations that SMF (Seed money Facility) and DSPF (Danube Strategic Project Fund) will continue good practice of supporting preparation of projects and implementation of prototype projects.

PA1b trust that one of main preconditions for improvement at operational level is:

- Financial sources are made available to the EUSDR PAs for ready to be implemented projects, in particular those that involve engagement of several countries of the region or whole macro-region.

3.3 THE FUTURE

Question 18: Based on what has been reported so far in Sections 3.1 and 3.2, what next steps and challenges in terms of funding sources and opportunities for EUSDR projects that are important to be shared for further consideration, discussion or development (incl. possible solutions to overcome the challenges)?

Please answer also the same question with respect to better alignment of funding to support the PA and the EUSDR in general.

Lack of intensive exchange of information, clear delineation of responsibilities between all involved in transport issues addressing macro-region and the whole EU and lack of increased joint efforts of all involved (the EUSDR Governance structures, Managing Authorities, the Strategy's PA coordinators, SG members and action/project "leaders/promoters") is – in our opinion – main cause for not making significant progress.

Of utmost importance to funding opportunities for projects with greatest added value for the Danube region is close cooperation and dialogue between the Commission Services, countries that belong to one or more macro-region and Governance bodies of Macro-region, in particular Steering group members and PACs.

Efforts will be made that activities related to actions described in Action Plan continue and are strengthened.

These include modification of actions and roadmaps if appropriate, exchange of best practices, promotion and awareness rising and support to projects with added value to the macro-region. During the process of selection of projects for funding criteria of macro-regional importance, including recommendation made by the PA 1b should be added to various EU financing programmes.

Efforts to include macro-regional strategies in the new financial perspective 2021-2027 should start since the start of the negotiations in 2017. Care should be taken that "3x NO" is replaced by a positive connotation.

4 GOVERNANCE

4.1 ORGANISATION AND FUNCTIONING OF PA

Question 19: Describe shortly any significant changes that have occurred during the reporting period on PA's governance in terms of organisation and functioning of PACs and SGs?

The PA1b work was concentrated on keeping the Steering Group members active, to propose and support project proposals and to monitor ongoing projects, to enhance visibility (promotion), to find reliable stakeholders that would lead certain activities in the field of transport modes of PA1b and search for stakeholder ready to take over ownership of individual actions of the Strategy's Action plan.

One SG meeting was organised in the period from 1 July 2016 to 31 December 2016.

Question 20: Please provide in Table 7 the requested information on attendance (+/-) of Danube countries at SG meetings held during the reporting period.

Table 7: Attendance of SG meetings

SG meeting	AT	BA	BG	CZ	DE	HR	HU	MD	ME	RO	RS	SI	SK	UA
13th SG Belgrade 13.10.2016	yes	yes	no	yes	no	no	yes	no	no	no	yes	yes	yes	yes

Note: The European Commission (DG REGIO, DG MOVE, DG NEAR) and the DSP are invited as permanent observers. DG REGIO, DG MOVE and DG NEAR excused their presence, while DSP and DTP took active part at the 13th SG meeting in Belgrade.

4.2 COORDINATION AND COOPERATION ACTIVITIES

Question 21: Based on what has been reported in Section 2.5, please provide short description on what has been achieved with the undertaken activities for coordination, cooperation and establishing links with other PAs? Please describe also any methods/tools that are put in place as a result (if applicable).

n/a

Question 22: Based on what has been reported in Section 2.5, please provide short description on what has been achieved with the undertaken activities for coordination, cooperation and establishing links with EU institutions (EC, EP, CoR, EESC, etc.) and/or other institutions (national, regional, international, as appropriate). Same applies also for activities for using the funding opportunities of the EC centrally managed programmes. Please describe also any methods/tools that are put in place as a result (if applicable).

First step of cooperation with the JRC (European Commission) was made at the WS organised by the CION JRC at Ispra, Italy.

Question 23: Based on what has been reported in Section 2.5, please provide short description on what has been achieved with the undertaken activities for cooperation between the PA (PACs and SG) and the authorities dealing with ESIF funding and more specifically with the Managing Authorities and the Monitoring Committees of programs of interest to the PA. Please describe also any methods/tools that are put in place as a result (if applicable).

n/a

4.3 ACTIVITIES FOR INVOLVEMENT OF STAKEHOLDERS AND CIVIL SOCIETY

Question 24: Based on what has been reported in Section 2.5, please provide short description on what has been achieved with the undertaken activities for involvement of stakeholders, incl. civil society (e.g. stakeholder conferences, activities with national/regional parliaments, other events, networks, platforms, etc.). Please describe also any methods/tools that are put in place as a result (if applicable).

Exchange of views and cooperation established at the conferences offered a profound insight of key transport challenges in the macro-region that were recognized by great number of stakeholders represented by experts from industry, civil society and public authorities.

Two events were organized in the second half of 2016 that are of utmost importance for stakeholders:

- 1) The WS entitled “Improving attractiveness and competitiveness of railways in the Danube region” was organized on 21-22 November in Ljubljana, Slovenia. The workshop was excellent opportunity to gather together decision makers, railway undertakings, infrastructure managers, experts, project leaders and regional organizations to discuss situation of railways in the Danube region. Distinguished speakers deliver valuable information on stay-of-play and views on future needs to make railways attractive and competitive. Around 70 participants from eight Danube region countries were attending the event. Their discussion gave an important added value to the speeches and presentations.
- 2) The fourth conference on “Transport & Research in the Danube region” was organized in Novo mesto, Slovenia on 9 November 2016. The main topic of the conference was research in the field of public transport services and logistics. Over 70 participants were attending the event. Speakers were from the Danube region countries, the EU Member States and even UN ECE. Regretfully the European Commission was not taking part at the conference, nor did the European Parliament.
- 3) In order to streamline possible collaboration between JRC, DG REGIO and European Union Strategy for the Danube Region (EUSDR) PA1a and PA1b the workshop “Clean growth in freight transport: emissions and impact assessment” was organised on 17 October 2016 at JRC premises at Ispra, Italy. The WS brought together both scientists and policy makers with the aim to streamline collaboration towards a consolidated and integrated science & policy approach for macro-regions.

The main issues to be addressed in the Danube Region for freight transport are improving the navigability on the river, including ports, and increasing the highway density by investing in infrastructure. However, recent emissions evaluation shows that the emissions from heavy duty vehicles have great shares in national totals in the Danube countries leading to the conclusion that also the environmental issues should be considered and embedded in the regional policies e.g. as cross-priority area targets; these issues should be discussed and addressed in multidisciplinary working groups.

The JRC, DG REGIO and Priority Area Coordinators of PA1a and PA1b propose the following actions to be carried out in 2017 and 2018:

- a) Next PA1bSG meeting: presentation of the WS results, proposed joint transport related activities,
- b) Joint meetings of JRC, DG REGIO, PA1a, PA1b and PA6 to discuss cross-priority area issues related to emissions and impacts
- c) Develop competencies: Exchange expertise on policies, best practices, methodologies, tools related to emissions estimation and distribution, mitigation and impacts.
- d) Setting up multidisciplinary working group (for Traffic forecast on rail/road/inland waterways transport in the Danube region)

4.4 PUBLICITY AND COMMUNICATION ACTIVITIES

Question 25: Based on what has been reported in Section 2.5, please provide short description on what has been achieved with the undertaken activities for better publicity and communication (e.g. publications, website developments, etc.). Same applies also for activities for better communication of PA's results and work as well as those related to public debate(s) on the macro - regional approach. Please describe also any methods/tools that are put in place as a result (if applicable).

In the period July 2016 to December 2016 PA1b activities were promoted by responding to the invitation and active participation at several stakeholder events.

Visibility and promotion of the EUSDR and awareness raising of the PA1b work was an important part of active participation of PACs at number of events organised by the European Commission or the Danube region stakeholders. PACs were invited and participated at:

- Interreg DTP PAC seminar, Budapest, 7-8 september, 2016,
- Danube Macro region Business Week 2016, Vienna, 15-16 September 2016,
- 6th Danube eRegion Conference – DeRC 2016, Ljubljana, 19 September,
- Mediterranean Core Corridor: WS on urban Nodes, Brussels, 3 October,
- 7th Forum of the Mediterranean Core Corridor, Brussels, 4 October,
- Workshop on Clean Growth in freight transport: emissions and impact assessment, JRC Ispra (Milano), 17 October 2016,
- TER Workshop “High speed Lines – from planning to commissioning”, Vienna, 18 October,
- Conference on alternative fuels, Ljubljana, 14 November,
- Regional TEN-T day 2016 and EFSI day (Slovenia), Ljubljana, 17-18 November,
- Conference on closure of START TA, Vienna, 13 December 2016.

In addition PA1b is promoted via the Web site: <http://www.danube-transport.eu>

Due to extremely demanding and broad scope of activities related to implementation and monitoring of road, rail and air transport, efforts to make work of PACs and SG visible activities related to promotion and communication are of great importance. Apart of promotion by organizing events, several publications that would explain road, rail and air transport in the Danube region need to be prepared and published with help of all member countries and external consultants. Newly created PA1b Website should contain updated pages with all documents. New information and newly prepared documents should be promptly uploaded. Upon invitation by various organizers of transport events priority area coordinators (PACs) will continue to be active participants (speakers) at several conferences and forums. Benefits of participation of PACs in such events is at least two folded: on one hand it enables PAC to explain the implementation of the EUSDR and on the other it enables PACs to keep in touch with latest activities of stakeholders.

4.5 LESSONS LEARNED

Question 26: Based on what has been reported so far in Section 4: what are the lessons learned (positive or negative), in terms of PA governance during the reporting period and what responses to those the PA considers as relevant?

It looks like that at governance level which deals with “what need to be done” most is functioning well. On the other hand at operational level which deals with “concrete work” a lot need to be improved. However it is obvious that no significant results will be obtained unless:

- Macro-regional strategies and activities are adequately recognized as “equal player”,
- Political support is brought to much higher level on Governments’ level and between the line general directorates of the European commission,
- Dedicated funding for work of PA’s is assured (far above existing TA).

In addition to the above written there are several lessons learned based on overall experience and impressions:

- SG meetings enable all participants to take part in discussions and decision making. At the same time none of the 12 SG meetings were attended by all 14 countries of the macro-region;
- SG members are aware of importance of strategic approach in transport system planning;
- SG members understand the principles of strategic management and the stages involved in the strategic planning process
- Specificities of various national transport systems must be taken into account
- Project cycle management is one of the most important topics in project preparation phase
- Balanced methodological approach and adequate content enabled efficient reaching of the meeting/workshop/conference objectives.
- Experience and lessons from other EUSDR PAs should be studied and when appropriate applied.

4.6 THE FUTURE

Question 27: Based on what has been reported so far in Section 4: what next steps and challenges for better PA governance in the future that the PA finds important to be shared for further consideration (incl. possible solutions to overcome the challenges)?

Challenges at policy level that should be overcome by putting in place the right activities are:

- All countries should take part in implementation, so far ten are active;
- Joint technical secretariat to support work of PAC should be established,
- Strategic approach is promoted and strategic position of EUSDR PA 1b towards external financial sources is defined.
- Common Transport Vision for the Danube Region is developed and promoted and master plans for road, rail and air links prepared and approved.

Needs at operational level that would contribute to implementation of the Strategy are:

- Work of PACs need to be actively supported by the HLG, NCs and the SG members. In addition SG members should take more active role in preparation of SG meetings and PA1b workshops,
- More stakeholders are attracted in implementation process, organization of meetings, workshops, conferences and project implementation,
- Financial sources are found for prepared projects that are ready to be implemented, in particular project ideas that cover all the region need to be broadly supported and recognized as crucial for future transport planning activities by possible financial sources,
- Simplified form of document management system is created in order to speed up coordination of SG members and exchange of updated documents,
- Training or seminar regarding the project appraisal is to be organized, such as cost-benefit and cost-effectiveness analysis.

It is planned that activities related to the Priority Area 1b of the Strategy continue in the years to follow. Main aim of the next couple of years should be to upgrade Coordination and Cooperation” with “Co-action”!