



Wroclaw, the 16<sup>th</sup> of August 2010

**Dear Mr Kallas,**

On behalf of the Czech and Polish River Barge Owners Associations we would like to bring to your attention the critical situation of river navigation in our countries.

Both the Czech and Polish river navigation companies have been suffering for years because of unresolved problems concerning the infrastructure.

The consequences have been

- reduced river fleet,
- permanent decline of the technical condition of the fleets,
- relocation of qualified crew members to other countries,
- progressive modal shifts towards road and rail transport,
- finally – gradual reduction of river transport and supporting activities is leading to the situation, that the Czech and Polish waterways remain unexploited, but with considerable potential for development.

In both countries there are several projects to improve the navigability on the waterways, but little enthusiasm by the governments to see the projects through. Attempts to realize them are continually and unreasonably blocked by so called “environmentalists”.

We believe, there is insufficient information regarding the situation available in Brussels.

With regards to the previously described problems and the fact that the Polish and Czech authorities are neglecting and appear to wish to make this mode of transport obsolete, we feel it necessary to emphasize the potential consequences of this action:

- The annual transport capacity of the Elbe corridor is potentially between 4. and 8. mil tons ( 2,5-5 billions ton kilometres).
- Similar figures for the Oder river are between 6 to 8 mil tons (0,9 – 1.2 billions of ton kilometres). The Polish river waterways are only used 5.5 % of their total length, which means theoretically the volume could be 18 times higher.
- The extinction of the Czech and Polish river navigation systems will cause these billions of ton kilometres to move to the rail and road. There are hardly any other ship-owners other than the domestic ones that would be able to sail on the Elbe and Oder under the current conditions.
- Consequently the EU could lose more than 30 million Euros on the Elbe and more than 160 million Euros on the Oder yearly by letting the main navigation companies disappear.



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***With regard to the seriousness of the situation we would like to take the opportunity to invite you to visit our regions. The Czech and Polish ship owners would be able to inform you first hand regarding the aforementioned matters.***

***We would also like to initiate a new international conference dedicated to the well being of the Polish-Czech river navigation systems. This conference would supersede the original conference, which was cancelled by the Czech Ministry of the Environment in 2009.***

***Improving navigability on the Elbe and Oder is above all crucial for the planned connection between the Oder, Elbe and Danube, which we consider to be vital for the long-term transport demand within the European transport network. One of the first steps in this project would be the removal of bottlenecks on the Elbe and Oder rivers.***

***Finally we trust you would have a better and more comprehensive understanding of our problem when you visit our regions and you are able to discuss the situation in person.***

***Faithfully Yours,***

Zbigniew Garbien  
Chairman ZPAS

Lubomir Fojtu  
Chairman AVP-CZ

Annexes: 2x

**Mr Siim Kallas  
Vice President  
European Commission  
Berl 12/225 1049  
Bruxelles**

**Cc: Petr Nečas, Czech Prime Minister  
Donald Tusk, Polish Prime Minister  
Mr. Vít Bárta – Minister of Transport CZ  
Mr Cezary Grabarczyk – Minister of Infrastructure PL  
Theresia Hacksteiner, European Barge Union  
Jan Veldman, ESO**



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nnex 1

| Situation in the Czech Republic  | Situation in Poland  |
|--|--|
| <p>At the present moment the Czech river navigation can use 300 km of a very good transport infrastructure on the Czech territory. This network is evaluated of Euro 6 billion in terms of present prices. But because of the bottleneck on the 40 km long section between the port of Usti nad Labem and the Czech-German border, where the 2 last locks are still missing, the Czech fully navigable waterways cannot be linked to the European network of waterways effectively.</p> <p>This bottleneck causes for years a total devastation of the Czech river fleet and of the existing port infrastructure, because the water levels depending only on the downfall cannot allow an effective international navigation.</p> <p>Although the Czech government have been for about 18 years declaring the finishing of the river infrastructure to be one of their main priorities (<b>among others by ratification of the AGN</b>), nothing has changed for all the time.</p> <p>In 2006 an extraordinary subsidy for the Czech ship-owners was approved by the EC (<b>Document EC No. K 2006/4215</b>). This step indicates that the EC recognize the entrepreneur conditions in our branch to be deformed. Not only that this</p> | <p style="text-align: center;"><b>WATERWAYS</b></p> <p>The waterway network consists of natural river-flows and of canals that were built mainly in the 18th and 19th centuries.</p> <p>Total length of the navigable waterways on the polish territory is 3638 kilometres, but its small part only is being used for the river navigation.</p> <p>Main problem are the low depths on many sections of the waterway network, which prevents using vessels of bigger loading capacity. The consequence is that in Poland there are only local and short-distance river transports carried out.</p> <p>Only on 5,5 % of the whole waterway network there are fulfilled the conditions according to the demands for the waterways of the class IV and V. On this small part only there can sail vessels of loading capacity 1000 tons and more.</p> <p>Progressive recapitalization of port infrastructure and the waterways, the minimum investment in hydro structures, lack of a coherent strategy for water management and development of the river transport have led to the marginalization and consequently to the disappearance of this important industry and of this environmental way of transport. One of the consequences is the size of the losses (about 14 billion PLN based on preliminary calculations of the Government) which suffered the Polish economy and Polish nationals in the last round of floods in the Vistula and Oder.</p> |



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subsidy has not been paid until now but the mentioned 2 locks and all the other steps concerning the improving navigability on the Elbe still remain blocked by the so called environmentalists. One good example for all -in 2009 the DG-TREN and the DG-ENV planned together an international conference in Prague, dedicated to the situation on the upper Elbe. The Czech ministry for environment put all their effort to cancel it and they finally succeeded.

The above described state of affairs should not only be alarming for the Czech government but also for the EC because this leads to devastation of the river navigation on the upper Elbe (this devastation is actually in a very advanced stadium). And consequently to a modal shift from river to the railway, but first and foremost to the road, which is in stark contrast with the official European transport and environmental policy.

This statement is based on official statistics of the Czech Ministry of transport and it shows the correlation between the annual transport volumes on the river and on the other transport modes.

#### INLAND WATERWAY FLEET

Is steadily decreasing. Vessels that require higher repair costs than their owners can carry or economically justify, are being laid up.

Consequently, the number of vessels is decreasing and their average age significantly exceeds the normative life time. Further operation is possible only under condition of permanent modernizations.

The share of inland waterway transport in Poland is low and stands at 0.7% of freight volume in tonnes and 0.4% of the total transport performance

Polish river fleet transported 9,607 thousand. tonnes of cargo in 2005, i.e. 9.8% more than in 2004, 20.6% more than in 2003, 24.3% more than in 2002 and by 6.3% less than in 2001 The transport performance of 1,277 million tonne kilometres, i.e. 19.8% more than in 2004, 46.4% more than in 2003, 13.4% more than in 2002 and about 1% more than in 2001. For comparison – in 1980, the IWT transport performance reached 22 million tonnes (2.3 billion tkm).

The overall increase in 2005 was caused by increased international transports, whose share rose from 37.8% in 2003 to 53,5 % in 2005. This was the consequence of opening the free access for East European vessels to the West European markets.

Data in the publication are derived from surveys of the CSO.

In 2005, the survey covered 263 units - enterprises employing more than 9 people.



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Annex 2

Annex 2

| <b>Calculation of the external costs</b>                     | <b>Czech Rep (2005, export+import)</b> | <b>Poland (2005, domestic transport)</b> |
|--|--|--|
| real performance tkm   | 579 473 000                            | 594 144 915                              |
| possible performance tkm (average) per year                  | 3 818 548 445                          | 16 927 272 727                           |
| difference tkm per year                                      | 3 239 075 445                          | 16 333 127 812                           |
| saved external costs possible (10 Eur per 1000 tkm) per year | 32 390 754 €                           | 163 331 278 €                            |
| average distance km  | 636                                    | 133                                      |