Water Tourism Strategy

Creating the organizational, personnel-related and financial conditions to improve the infrastructure for water-based tourism
Report by the Federal Ministry of Transport and Digital Infrastructure

Creating the organizational, personnel-related and financial conditions to improve the infrastructure for water-based tourism – Water Tourism Strategy

In the Coalition Agreement for the 18th parliamentary term, the governing parties agreed to elaborate a water tourism strategy.

As early as during the 16th parliamentary term, the Federal Government was tasked by Bundestag printed paper 16/10593 with presenting a proposal for the creation of organizational, personnel-related and financial conditions to improve the infrastructure for water-based tourism along federal waterways, with the proviso that no additional public funding is required and no resources have to be shifted away from the federal waterways’ main network.

Based on expert opinions obtained on these questions, the Federal Ministry of Transport and Digital Infrastructure presents the following report.
**Preliminary remarks:**

Alongside the implementation of the Water Tourism Strategy, the requirements of recreational shipping have to be harmonized with the initiative for the renaturalization of federal waterways within the context of the “Blue Belt”, which was launched during the Coalition Agreement for the 18th parliamentary term. This will require trade-offs between the infrastructural design of hydraulic engineering structures and the priority of the resource usage.

**Key propositions:**

1. **Ensure funding and staffing**

The Federal Government is committed to its responsibility for maintaining and improving the infrastructure of waterways in its ownership which are exclusively used for leisure purposes (tourism and sports) or for the benefit of the nature. The Federal Government will make available the required resources for this purpose.

2. **Focus on recreational waterways and near-natural waterways**

The major part of recreational activities and waterborne tourism (cruises, passenger shipping, boating) takes place on main waterways and along the coasts. This presents an additional benefit of waterways which are made available for the movement of freight. The available infrastructure essentially allows this without restrictions.

For this reason, a water tourism strategy is mainly required for bodies of water with minor or no importance for the carriage of goods (recreational waterways and near-natural waterways). Some inland waterways have not been used for their original purpose – the movement of freight – for decades. Today, these waterways and water bodies are exclusively used for leisure activities, but in some cases only to a limited extent.

In Germany, these recreational waterways and near-natural waterways as well as minor freight waterways have a total length of about 2,800 km and include about 120 weirs and 140 locks. The structures are overaged and impose high maintenance costs. The resources (staffing and public funding) available for the maintenance and upgrading of waterways on the main network and the recreational network are in competition with each other. We intend to resolve this competitive situation by budgetary and organizational measures.

3. **Establish development strategies: develop recreational waterways, upgrade near-natural waterways**

With its Water Tourism Strategy, the Federal Ministry of Transport and Digital Infrastructure bears in mind all kinds of recreational activities. Nevertheless, it is particularly important to differentiate between waterborne tourism and water sports when evaluating the economic importance of leisure activities along and on water bodies.

It is not necessary to provide the same infrastructure standards for all areas on recreational waterways and near-natural waterways. Rather, future infrastructure standards have to be aligned with the types of use that are particularly important for the individual areas:
For water bodies frequently used by motorboats and passenger vessels (“recreational waterways”), the operation of locks is to be maintained.

For little-used waterways, the infrastructure is to be adapted to non-motorized recreational usages (“near-natural waterways”). The removal or reconstruction of locks and weirs could be effectively combined with renaturalization efforts, for example within the scope of the Federal Government Programme entitled “Blue Belt”.

4. Division of responsibilities and organization

As the competencies of the Waterways and Shipping Administration are limited by constitutional law and the federal division of responsibilities between the Federal Government, the federal states and local authorities inhibits the effective cooperation between institutions, some economic potential of recreational shipping and tourism as well as synergies with water management and nature conservation have not been used yet on recreational waterways and near-natural waterways.

One of the first steps intended by the Federal Ministry of Transport and Digital Infrastructure is to eliminate the internal competition between the performance of tasks for main waterways on the one hand and recreational waterways and near-natural waterways on the other hand. In the future, recreational waterways and near-natural waterways are to be administered in a separate organizational branch with its own personnel budget and equipment budget. As an addition, there will be specialization on the use requirements for recreational waterways and near-natural waterways, which is reasonable in anticipation of possible future alternative plans of action (collaborative schemes). In this way, we will create transparency regarding the use of resources.

The aim of the delineation of recreational waterways and near-natural waterways is to ensure an appropriate level of resources (staff, public funding). In the medium to long term, the Federal Ministry of Transport and Digital Infrastructure will seek to establish alternative plans of action for recreational waterways and near-natural waterways. The consent of the federal states will be required in this case, as recreational waterways and near-natural waterways covered by the Federal Waterways Act first have to be declassified. The federal states are expected to give consent if the Federal Government expresses its long-term commitment to its (owner) responsibility. The different options would then range from consensual cooperation between the Federal Government and federal states, municipalities and third parties to a transfer of ownership to the aforementioned authorities. The objective is to bring together the different responsibilities in the fields of transport, water management, ecology and tourism (e.g. port infrastructure, tourism marketing, linking between tourism offers) and to be able to take account of regional interests. Alternative operating modes not only improve cooperation but also lead to more flexibility in exhausting other funding sources (e.g. EU funding, user financing, collaborative partnerships). What rules and regulations apply to these waterways will have to be examined in due course.

Some federal states are to receive proposals for pilot projects on common declassification or spin-off projects. If no federal state or third party wants to take over the body of water, the Federal Government will offer, as part of the proposals, its unrestricted fulfillment of its material owner responsibilities (in particular maintenance of water bodies).
Kapitel 1

Wassertourismuskonzept
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1 | Motive and objective

1.1 | Background

The Federal Government’s inland waterways are an important part of the pleasure craft infrastructure in Germany. The Federal Government is the owner of the federal waterways. For historical reasons, these include a great number of water bodies that are, with different intensities, only used for recreational shipping. Apart from waterways of a maritime character, which are of no interest here, the statutory administrative responsibility of the Waterways and Shipping Administration only covers inland waterways that are used for general traffic. These are listed in Annex 1 of the Federal Waterways Act. For these federal waterways, the statutory administrative responsibility of the Waterways and Shipping Administration is restricted to their function as a traffic route.

The waterways in Brandenburg and Mecklenburg-Western Pomerania, which are exclusively used by recreational shipping, are among the largest coherent lake and canal areas in Europe.

Against the background of the federal division of competences, the Federal Government’s statutory duties for federal waterways and the limited personnel and financial resources, the Waterways and Shipping Administration is focused on the transport function of federal waterways for freight transport. Under the conditions currently prevailing, the maintenance and upgrading of the waterborne tourism infrastructure has been of secondary importance for the Waterways and Shipping Administration.

The opportunities for the development of waterborne tourism cannot be sufficiently exploited under today’s constraints. The concentration of funds for the maintenance and upgrading of the infrastructure required for freight transport in the core network is absolutely necessary. In the future, the operation and maintenance of structures can only be performed to the extent expected by recreational users and the tourism industry if transparency is established and decisions on priorities in favour of recreational waterways are made.

1.2 | Objectives of the investigation

The following – partly conflicting – targets were derived from the investigation mandate of the German Bundestag:

➔ improve the infrastructure for water-based tourism (e.g. corrective maintenance, link-ups and removal of bottlenecks) and

➔ reserve the funds of the Waterways and Shipping Administration for the completion of tasks on the main network.

In accordance with what is required by the German Bundestag, upgrades of the waterborne tourism infrastructure are to be carried out within the limits of the public funds available and must not be at the expense of the main network. Therefore, the German Bundestag distinguished right from the outset between the main network and minor network and addressed the existing conflicts of resources and interests between commercial shipping and recreational shipping.
The map illustrates the importance of minor waterways for leisure and tourism in Germany. The importance is indicated by different colors: very high, high, medium, low, and very low.

The main federal waterways include the Rhine, Main, Elbe, and Danube. Other significant waterways such as the Weser, Ems, and Saar are also marked.

Cities such as Berlin, Hamburg, Munich, Stuttgart, and Saarbrücken are clearly visible on the map, showing their proximity to major waterways.

The Kilometer scale at the bottom left provides a visual reference for the distances involved.
2 | Water Tourism Strategy

2.1 | Infrastructure/development potential

a. Investments should mainly be channelled into areas of high or very high importance for tourism, for example in Mecklenburg-Western Pomerania, Brandenburg and Berlin, but also in Rhineland-Palatinate and Hesse (Lahn).

b. Smaller area-wide upgrades like the construction of berthing areas, launching points as well as boat chutes and ramps are to be preferred to the realization of complex measures for locks or network upgrades. According to the users polled, bottlenecks primarily exist in the provision of landing points and berthing areas, but also of filling stations and bunkering stations as well as facilities for the disposal of waste (responsibility of the federal states!). (Whether in a few cases larger investments may be beneficial to the whole economy would have to be decided based on an individual evaluation of these projects.)

c. For little-used waterways, the provision of costly infrastructure (e.g. locks) does not represent overall value for money. For these water bodies, the focus should be on non-motorized waterborne tourism, which requires less costly infrastructure, e.g. boat chutes. Here there is scope for renaturalization projects, which are currently being designed within the context of the “Blue Belt”.

d. Because of demographic change, the number of users in total is decreasing. The proportion of the total number of users accounted for by non-motorized recreational users (canoeists) will significantly rise over the next few years as non-motorized recreational users are on average younger than motorboat drivers.
2.2 | (Re-)Financing

In the future, the resources (funds and personnel) for the maintenance and operation of waterways used for leisure purposes will continue to be mainly made available from the federal budget. In addition, other funding options (user financing and user-related financing) were examined. These will be explained in the following.

Because of the poor revenue potential in the field of real property and the difficulty in enforcing increases in charges (see annex: Analysis of the status quo), no in-depth considerations were made in the study regarding the improvement of refinancing in the field of real property.

Based on the results of the analysis of the status quo, different possible options of the user pays principle were examined, including shipping dues dependent on the distance travelled, locking charges, vignettes for boats, taxation of boats, a continuation of the status quo and a variant where users are not involved in the refinancing. Appraisal criteria for fleshing out one of the models should be the amount of recorded users (revenue potential), the funds that are to be invested for start-up, charging and monitoring, the feasibility and acceptance of the model as well as the contribution towards achieving the objective.

Pro-rata user financing of waterborne tourism is being used in France and in Great Britain. It has proven a successful instrument for the appropriate involvement of waterborne tourists in the refinancing of infrastructure costs. In both countries, increasing revenues, for example arising from the sale of vignettes, indicate that the charges, which in some cases amount to several hundred euros or pounds, are accepted by users.

A nationwide uniform regulation covering all boats should allow derogations (e.g. for human-powered pleasure craft or boats of non-profit organizations) that can also partly be derived from the different regulations governing the public use. Where appropriate, regional solutions should be examined more closely as well.

For acceptance of the user pays principle, it is also necessary that the additional revenue does not become part of the general federal budget; instead, the same amount should be transparently invested in upgrades of waterways used by tourists, so that users can experience this in the form of easy-to-operate locks, a better navigability of waterways, more landing points, etc.

Due to the Federal Fees Act, which is expected to be implemented by 2021, recreational shipping users would have to pay individual navigation fees covering all costs, although the Act also allows, under certain circumstances, lower levels of fees.

The Federal Ministry of Transport and Digital Infrastructure intends to regulate the use of its structures by commercial and recreational shipping by a lex specialis outside the Federal Fees Act.

It is not intended that human-powered pleasure craft (paddle boats, rowing boats and small sailing boats) will refinance the infrastructure of recreational waterways.
2.3 | Organization considering a comparison with other countries and the regulatory framework

Due to the regulatory framework, a distinction has to be made between state-owned inland waterways used for general traffic (federal waterways) and state-owned inland waterways not used for general traffic (regional waterways) for the organizational proposals of the study.

2.3.1 | Inland waterways used for general traffic (federal waterways)

As the Basic Law requires that federal waterways be administered by the Federal Government’s own authorities, only those models could be an option for federal waterways used for general traffic where the performance of tasks is optimized by the Waterways and Shipping Administration depending on demand or resources.

The Federal Government can act to promote waterborne tourism, including on recreational waterways and near-natural waterways that are inland waterways used for general traffic, if these tasks are identical with other right-of-way tasks, for example operation and maintenance of waterways.

In order to save (personnel) resources for the main network, the possibility of more far-reaching and long-term contract awards within the context of operational management models could be sought. This would not result in a general change of the task and organizational structure of the Waterways and Shipping Administration as a direct federal administration.

Operational management models (outsourcing of operational and maintenance tasks to the greatest extent possible; responsibility, ownership and risk remains with the Waterways and Shipping Administration) are compatible with the Basic Law if the restrictions of administrative assistance are met by limiting the tasks to be performed and by ensuring the responsible supervision of the task performance.

Involved parties, users and employees are likely to widely accept this solution if the organizational optimization is associated with a better level of resources for the Waterways and Shipping Administration.

2.3.2 | Inland waterways not used for general traffic

This does not apply to inland waterways not used for general traffic and not included in Annex 1 of the Federal Waterways Act. Here, the Federal Government is only concerned as the property owner (under private law). This enables the establishment of alternative operating modes focusing on recreational purposes (e.g. foundation).

1. Route length and importance

Inland waterways owned by the Federal Government and not included in Annex 1 of the Federal Waterways Act currently have a total length of about 600 km. These are almost exclusively water bodies and water body sections with little or very little importance for water sports and waterborne tourism. The network sections which are the current and future focus of water sports and waterborne tourism currently do not belong to these water bodies.
In order to enable new organizational and legal structures for further sections of the waterway network that are already exclusively used for leisure purposes today, these parts would have to be removed from Annex 1 of the Federal Waterways Act in agreement with the federal states.

2. Legal structures

In general, there are two possibilities: a public-law body (institution governed by public law, foundation) or a body governed by private law (non-profit limited liability company, limited liability company, public limited company, foundation). A body governed by private law would be open to holdings by federal states or third parties. This would allow a corresponding expansion of the scope of tasks in this field.

3. Staffing

From the experts’ point of view, the competent personnel of the Waterways and Shipping Administration who currently perform these tasks should continue to do so in the long term and be transferred to new institutions. It will only be possible to assess the scope of a potential staff transfer once inland waterways have been declassified in agreement with the federal states, i.e. removed from the scope of application of the Federal Waterways Act, and once the scope of tasks on the water bodies that are then still owned by the Federal Government has been specified on this basis.

For the performance of additional tasks related to tourism management, appropriate personnel is required, for example by the federal states.

4. Alternative option: performance of tasks by the Institute for Federal Real Estate (BIMA)

As an alternative to the establishment of a new institution, it seems natural to shift fiscal tasks remaining with the Federal Government (e.g. property management, obligation to ensure traffic safety) to the Institute for Federal Real Estate. But this would not remedy the organizational weaknesses/interfaces described in Section 4.2.3.

A delegation of tasks to the Institute for Federal Real Estate would be generally possible.

5. Public performance of tasks

The public administration (public safety and order, construction supervision, authorizations) for former (declassified) federal waterways, which would then be regional waterways, would be the responsibility of the federal states. Federal state legislation would apply here.

Funding would be provided from the budget, private-law user charges and shipping dues.
3 | Implementation of the Water Tourism Strategy

3.1 | To be implemented in the short term (by 2019)

3.1.1 | Organization

- Elimination of the internal competition between main waterways on the one hand and recreational waterways and near-natural waterways on the other hand

- Administration of recreational waterways and near-natural waterways in the form of a separate organizational branch, but within the existing statutory administrative mandate

- Personnel budget and equipment budget separated from the main network’s budgets

3.1.2 | Provision of resources / financing

- Provision of additional personnel and public funds in the federal budget

- Introduction of individual navigation fees for recreational shipping

- Introduction of a funding system for recreational waterways by implementing an appropriate funding cycle

3.1.3 | Infrastructure projects

- Maintaining the operation of locks along minor freight waterways and along busy and very busy recreational waterways; reduction/adaptation of infrastructure standards along little-used near-natural waterways:

- Categorization of recreational waterways and near-natural waterways in line with their intended future use (waterborne tourism, recreational usage, renaturalization) taking into account economic efficiency

- Waterway-specific estimation of required resources

- Carrying-out of individual macro-economic assessments for the maintenance of federal waterways for leisure traffic
3.2 | To be implemented in the long term (next parliamentary term)

3.2.1 | Exploratory talks with the federal states

Commencement of exploratory talks with the federal states of Brandenburg and Mecklenburg-Western Pomerania on pilot regions for alternative operating modes/definition of pilot regions

3.2.2 | Creation of legal conditions

- Amendment of the Annex of the Federal Waterways Act
- Others (e.g. implementation act, charging of private-law navigation fees for waterways not used for general traffic)

3.2.3 | Transformations (only with a corresponding willingness of the federal states)

- Development of a progressive implementation plan
- Organization of the participatory process (internally and externally)
- Personnel strategy (transfer of personnel and recruitment)
A.1 Project organization, course of action and participation

A.1.1 Project organization, use of external consultants

The Federal Ministry of Transport and Digital Infrastructure and the Federal Office for Central Services and Unresolved Property Issues (BADV) worked together to complete the work programme.

After consulting the Federal Ministry of Transport and Digital Infrastructure, the Federal Office for Central Services and Unresolved Property Issues created and evolved the project planning and tasked external consultants with preparing the feasibility study. It was ensured that the requirements regarding the appropriate use of external consultants set by the President of the Federal Audit Office, who is the Federal Commissioner for Efficiency in Public Administration, were fulfilled (cf. “Einsatz externer Berater in der Bundesverwaltung”, 2006).

The contract award procedure for tasking external consultants was performed by the Procurement Office of the Federal Government, which is an executive agency of the Federal Ministry of the Interior. Following a negotiated procedure with prior contract award notice in accordance with the Regulations on Contract Awards for Independent Professional Services, the auditing and consulting company PriceWaterhouseCoopers (PWC) was awarded the contract. The engineering consultancies KNABE ENDERS DURKOP Ingenieure GmbH (KED) and PLANCO – Consulting GmbH (PLANCO) acted as sub-contractors.

Work on the “Regulatory framework” package showed that in-depth investigations on constitutional issues were required. For this purpose, a legal opinion by Professor Sachs, University of Cologne, was obtained.

A.1.2 Course of action and participation

As part of a kick-off event on 01 July 2009, the work programme for the implementation of the German Bundestag’s “Improving infrastructure and marketing for waterborne tourism in Germany” initiative was presented to and discussed with water sports associations, industry associations, environmental groups, representatives of the federal states, the Waterways and Shipping Administration and further stakeholders. No content-related corrections to the work programme were suggested. The focus of the suggestions, which were mainly adopted thereafter, was on the participatory process.

Users, water sports associations, industry associations as well as other stakeholders were continuously involved in the process in the form of workshops on individual subjects (development potential, best practice in Europe, technological guidelines) and were able to set out their expectations in the ongoing process.

For issues regarding infrastructure, funding and organization, the investigation was closely coordinated with the Waterways and Shipping Administration, which collected major foundations and data for the investigation and provided input. The former Waterways and Shipping Directorates formed a project advisory council. The main staff representation committee of the Federal Ministry of Transport and Digital Infrastructure was continuously informed and involved.

On 30 November 2010, the main interim results of the investigation (analysis of the status quo) were presented to water sports associations, industry associations, the
Waterways and Shipping Administration as well as other stakeholders within the context of a milestone conference. This allowed them to make comments, which then informed the further course of the investigation.

On 26 May 2011, the results developed by the external consultants were presented to water sports associations, industry associations, environmental groups, representatives of the federal states and the Waterways and Shipping Administration. The final report by the experts including the extensive data basis was then published on the Waterways and Shipping Administration’s website.

The focus of the subsequent discussion was on the investigation of organizational, financial and personnel-related conditions to improve the waterborne tourism infrastructure within the limits of the public funds available, with the main focus on “key areas for the use of resources” and “funding”. The comments received were published on the website of the Waterways and Shipping Administration.

A.2 Fundamentals

A.2.1 Importance of federal waterways for waterborne tourism

The term “waterborne tourism” has not yet been unambiguously defined. There are also difficulties in delineating the use of inland waterways for water sports and waterborne tourism.

For this investigation, only quantifiable data were used for the comparative assessment of the current importance of federal waterways for waterborne tourism and water sports to guarantee the verifiability. The quality of the available data varies widely, but is sufficient for addressing the relevant infrastructure issues.

The essential indicators for the “importance for leisure activities” on federal waterways are

1) the number of pleasure vessels locked (locking statistics)

2) the level of recreational usage, calculated by the number of contracted usages on Federal Government property along federal waterways (e.g. camping site, boat shed, boat launch ramp, berths, harbour)

3) the number of tourist boats locked

4) the number of charter boats recorded by ship licences

5) the number of charter boat providers

6) the number of canoe rental providers

7) the number of passenger vessels and passenger cabin vessels based at a certain waterway

8) the number of passenger vessels and passenger cabin vessels locked (locking statistics).
During the extensive research for the collection of data, literature sources as well as information from the Waterways and Shipping Administration, the Federal Association of the Recreational Boating Industry and the Federal Association of Inland Navigation were used. The aforementioned data were collected for all federal waterways, as far as they were available. The collected data enable a summary appraisal of the leisure and tourism sectors. Remaining data gaps, e.g. along free-flowing rivers and navigable lakes, are irrelevant as only a few structures have been operated and financed by the Waterways and Shipping Administration here. Therefore, these data gaps have little influence on potential infrastructure decisions.

To summarize, it can be said that recreational waterways owned by the Federal Government are intensively used for leisure and tourism, especially in the new federal states.

The results of the data collection were published on the website of the Waterways and Shipping Administration.

A. 2. 2 Importance of federal waterways for freight transport

In accordance with the mandate of the German Bundestag, upgrades of the waterborne tourism infrastructure must not be at the expense of urgent tasks on the main network. The existing classifications of federal waterways are not suitable for a distinction between main waterways, recreational waterways and near-natural waterways, as they disregard the actual use of federal waterways.

Therefore, main waterways, recreational waterways and near-natural waterways are distinguished along the same lines as the network categorization that was performed within the scope of the prioritization of measures along federal waterways. Currently, the limit value for the distinction between “main waterways” and “minor freight waterways, recreational waterways and near-natural waterways” is 600,000 tonnes of goods per year.

A. 2. 3 Regulatory framework

For state-owned inland waterways, a distinction has to be made between inland waterways used for general traffic according to Article 74 (1) (21) of the Basic Law and other inland waterways not used for general traffic. The latter are in many cases former Reich waterways transferred to the property of the Federal Government in accordance with the Act on proprietary rights regarding federal waterways. These are water bodies owned by the Federal Government and classified as regional waterways under public law.

Inland waterways used for general traffic are governed by the requirements of the first sentence of Article 87(1) and the first sentence of Article 89(2) of the Basic Law. These stipulate that the Federal Government shall administer the federal waterways through its own authorities. In consequence, official tasks can only be transferred to third parties within the scope of the permissible limits for administrative assistance.

As long as inland waterways are listed in Annex 1 of the Federal Waterways Act, these will be administered by the Federal Government as federal waterways in accordance with this Act. A modification presupposes an amendment of the Annex with the consent of the federal states.
A.3 Analysis of the status quo

A.3.1 Infrastructure development potential/shortcomings/value for money aspects

As a basis for determining infrastructure development potential for waterborne tourism, direct user surveys/interviews were carried out along federal waterways, and water sports associations and industry associations were extensively consulted about existing limitations of federal waterways. It was apparent that associations and directly questioned users had a different perception of the quality/deficiencies of the existing waterway infrastructure. Some of the outcomes/statements of the user survey conflict with the information from the associations.

As a result of the direct user survey, it can be said that the overall level of user satisfaction is very high. The infrastructure shortcomings mentioned included primarily deficiencies regarding landing points and berthing areas, the low density of refuelling stations and bunkering stations as well as a general lack of supply and disposal facilities (waste, sewage, etc). From the directly questioned users' point of view, this should be the focus of the considerations.

The deficiencies to be corrected according to water sports associations and industry associations were surveyed in the form of questionnaires and within the context of a workshop. This led to a comprehensive list of concrete project proposals, ranging from major individual projects such as the construction of new waterway links to smaller measures for upgrading existing structures.

The initial plausibility check, i.e. the assessment of feasibility and general usefulness of project proposals, was carried out by the Waterways and Shipping Administration.

In order to calculate the implementation costs, cost modules for the different types of measures, such as the construction of locks or berths, were developed. On this basis, a level of investment totalling more than 900 million euros was identified for improving the waterborne tourism infrastructure in accordance with the ideas of the associations.

For investments in the removal of bottlenecks, for example at locks, and in the provision of landing points, but excluding major projects, around 255 million euros would be required. According to the current administrative practice, around 140 million euros of this would have to be paid by the Federal Government. Federal states, local authorities or other third parties would be responsible for the remainder (around 115 million euros).

Value for money aspects

The crucial benefit of investments in the infrastructure of recreational waterways and near-natural waterways and in a better service quality is increased societal welfare through recreation, leisure activities, sports and tourism.

These effects are captured as recreational benefit, monetized and compared with project-relevant investment costs which are necessary for leveraging these benefits. The monetization of this recreational benefit is calculated based on the users' willingness to pay for these activities.
However, it must be borne in mind that, in the case of a macro-economic assessment, such recreational benefits are only relevant to the extent that they exceed the societal benefit of alternative leisure activities or, in the case of a regional assessment, would no longer be generated in Germany.

Within the context of the investigations, the consultants presented the macro-economic effects of chosen types of measures and examples and described the need for data and information that is required for a comprehensive quantification. Certain investment measures (e.g. launching points, boat chutes, boat ramps, berths) have been examined by way of example. This made it possible to assess whether it is realistic that the value for money limit for certain types of measures would be reached.

In addition, surveys about the future demand in the field of waterborne tourism were conducted within the scope of the “Waterborne Tourism” good practice guide, which was developed under the lead responsibility of the Federal Ministry for Economic Affairs and Energy.

### A.3.2 Refinancing

To determine the current level of refinancing for the operation and maintenance of the waterborne tourism infrastructure, the Waterways and Shipping Administration carried out an estimation of personnel and material expenditure. The expenditure on water management and other purposes that cannot be assessed more specifically was generously estimated and not attributed to water sports and recreational shipping. According to this estimation, the expenditure on the operation and maintenance of waterborne tourism infrastructure is at least 65 million euros per annum.

The revenue, on the other hand, is 0.08 million euros per annum. This sum covers the locking fees for sports and recreational shipping, which are shared in equal parts between the German Motor Yacht Association and the German Sailing Association on a flat rate basis for all users. This also means that users who are not organized in these associations do not pay locking fees.

For the field of real property, the personnel costs of property management were compared with the rental income based on existing contracts for use with passenger shipping and recreational shipping. However, the potential additional revenue that would be generated by increasing user charges is so small that it only offers low potential for the compensation of operating and maintenance expenditure.

An analysis of the potential of the Waterways and Shipping Administration’s real property showed that, due to existing restrictions on use, there are only a few possibilities to benefit from areas not rented so far along federal waterways. Increasing usage fees from existing contracts seems to be the only way that offers some revenue potential. However, enforcing such an increase would be difficult for societal, political and legal reasons.
A.3.3 Organization, weaknesses

The consultants devoted consideration to the organization of particular navigation areas. The tasks of the Waterways and Shipping Administration regarding the provision of waterborne tourism infrastructure were identified and classified. The fields of “preparation and implementation of construction works”, “operation and maintenance”, “property management” and “general administration” were then analysed with regard to the categories of “proximity to the administration” and “flexibility” and were examined by a critical review of tasks and an analysis of weaknesses.

The main flaw hampering the provision of waterborne tourism infrastructure commensurate with demand is the fact that the Waterways and Shipping Administration does not focus on the specific requirements of waterborne tourism, as the existing legal competences of the Waterways and Shipping Administration and the given structures are focused on the requirements of commercial shipping. This inhibits a parallel focus on the tourism and leisure sector. The result is that services related to waterborne tourism can only be provided to a limited extent or not be provided at all.

Another crucial weakness is personnel-related and financial bottlenecks in the waterways administration. These bottlenecks necessitate strict prioritization in favour of safety-related projects, operational purposes and projects of high economic urgency for commercial shipping. This is necessarily at the expense of recreational waterways and near-natural waterways, above all in the fields of upgrading and new construction as well as operation and maintenance. Within the Waterways and Shipping Administration, the administration of recreational waterways and near-natural waterways is in permanent competition with the non-negotiable priority tasks along main federal waterways.

An additional complicating factor for the use of existing potential is that responsibilities for recreational shipping and waterborne tourism are divided between the Federal Government, the federal states and local authorities in Germany. The fact that the Waterways and Shipping Administration’s sphere of activities is limited by the law governing the delimitation of competences leads to interfaces with other responsible authorities such as federal states and local authorities. This hampers the development of holistic strategies for waterborne tourism. The necessary collaboration is currently limited to individual cases. To realise the whole development potential (with involvement of the federal states), medium-term to long-term overarching collaborative schemes between the Federal Government, the federal states and local authorities are required.

Another weakness within the property management of waterborne tourism is the reactive performance of tasks with a lack of focus on clients and markets, which also results from the limited allocation of competencies. Property management is perceived as an ancillary task, and this prevents the professionalization and standardization of tasks and processes for waterborne tourism. In addition, restrictions on use caused by competing interests of the federal states and local authorities hamper or interfere with active marketing.
A.3.4 Comparison with other countries

Within the context of this investigation, the waterway administrations of the EU Member States of Great Britain, France and the Netherlands have been examined as well. The focus of the best practice comparison was on organization and financing of waterway administrations.

A.3.4.1 Great Britain - British Waterways (BW), today: Canal & River Trust

After the comparison was completed in 2012, British Waterways was succeeded by the Canal & River Trust, which envisages a stronger involvement of the regions and municipalities in the maintenance and operation of waterways.

BW was a statutory corporation existing since 1962 and was 100% state-owned. BW had about 1,800 employees and was responsible for administration and management of all British shipping canals as well as for a few navigable rivers and port facilities owned by BW. BW was tasked with safeguarding the cultural heritage of historical waterways, but also with promoting tourism, leisure activities and the use of waterways for educational purposes.

A characteristic feature of the British waterway network is the large number of small, historically significant canals and waterways. Thus, freight transport is of minor significance in Great Britain.

BW classified its waterways (having a total length of around 3,200 km) as follows:

- Commercial: waterways used for commercial traffic
- Cruising: waterways used for leisure purposes
- Remainder: waterways that can not be allocated to one of the other two categories

BW was financed by public funding (74 million pounds per annum (roughly equivalent to 93 million euros)) and funds mostly provided by regions, the national lottery or other third parties (42 million pounds (roughly equivalent to 53 million euros)). Further revenue was generated by renting out plots of land or by levying charges.

The use of waterways for leisure activities and tourism is chargeable, i.e. users need a disc corresponding to the type of boat and its size. This disc can be purchased from BW (now Canal & River Trust) in electronic form or in cash. In the 2009/2010 financial year, the average price of a licence was 570 euros. In combination with other refinancing sources, British Waterways reached a level of refinancing of 22% for waterborne tourism-related use.

A.3.4.2 Netherlands - Stichting Recreatietoervaart Nederland (SRN)

SRN is a foundation tasked by the Dutch government and is spending funds on different infrastructure projects which aim to remove bottlenecks for recreational use within a limited period (20 years). SRN consists of five employees and cooperates with the different public-sector owners of inland waterways at national and regional level as well as different associations. The operation and maintenance of these waterways is the responsibility of the regional waterway administrations.
A typical feature of the Dutch waterway network (total length of around 5,000 km) is the large amount of waterways exclusively used for leisure purposes and tourism. For a large number of waterways, freight transport only plays a minor role.

Waterways are classified according to their navigability for sailing boats and motorboats and according to their network function (main waterways and connecting waterways on the one hand, minor waterways on the other hand).

To fulfil its governmental mandate, SRN cooperates closely with the different regions. With contributions from the regions, it elaborates strategies which include not only infrastructure aspects but also funding issues.

SRN receives a total of 50 million euros per annum from the government for a pro-rata funding of waterborne tourism infrastructure projects.

Owners of waterways or waterway administrations charge users for the carriage of freight by water, but also for the recreational use of waterways (locking fees, berth fees, bridges). Thus, the use of the regional waterways for leisure activities and tourism is chargeable. There are no data available indicating the rate of cost recovery.

A. 3. 4. 3 France - Voies navigables de France (VNF)

VNF is the state-owned waterways administration in France with around 5,000 employees. Almost all French waterways are managed by VNF. A small proportion of these waterways have been outsourced to regional organizations.

The French waterway network (total length of about 8,500 km) is characterized by the fact that it is, almost in equal parts, divided into waterways relevant for freight transport and waterways relevant for leisure and tourism.

VNF has classified its waterways as follows:

→ Main network: waterways used for freight shipping (subdivided into two “capacity” categories)

→ Regional network: waterways used for leisure purposes

VNF is responsible for the operation and maintenance of both networks, the main and regional network, but the focus is placed on the main network.

VNF is financed by public funds, which are apportioned in the budget for periods of three years in each case. Parts of the funding come from governmental organizations or the European Union. Additional revenue is generated by different fees and by renting out plots of land. The use of waterways for leisure activities and tourism is chargeable. The charges levied only cover a small part of the costs.
A. 3.4.4 Findings

The following lessons learned from the comparison with other countries were taken into consideration for the development of target concepts:

→ Establishment of a coordinating institution for the promotion of waterborne tourism.

→ Increased user financing to raise the level of refinancing while upgrading the infrastructure provided; increased level of refinancing by active property management.

→ Stronger involvement of regional institutions in administration, development and marketing of the waterborne tourism infrastructure.