

CTUR *citynews*

N. 1/2010

CTUR Thematic Network
URBACT II Programme

CTUR IN VARNA BULGARIA

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The tour of the CTUR thematic network starts from the Black Sea and will explore the opportunities offered by cruising to local urban development

Varna, the Bulgarian seaside resort on the Black Sea Coast and capital city of Bulgarian tourism, hosted the kick off meeting of the project CTUR, Cruise Traffic and Urban Regeneration, which is part of the Territorial Cooperation Programme URBACT II, 2007-2013.



European Union
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Connecting cities
Building successes



FOREWORD

Mayor of Naples, Rosa Iervolino Russo

Naples, as a sea town, has always maintained close relationships with the neighbor cities and nations and the exchange of experiences generated has enriched our culture, allowing the fusion of knowledge, learning and traditions.

The improvement of communication technology extended more and more the circle of communication, from the verbal one of the Greek sailors to the most recent communication tools (internet and its networks), necessary to the spreading of information at global level.

CTUR Newsletter is just the last of many initiatives promoted by the city of Naples to improve the exchange of experiences with other cities and the dissemination of knowledge for the solution of common problems.

Considering the participation of the Municipality of Naples, as lead partner of the thematic network "CTUR–City you are" (Cruise Traffic and Urban Regeneration of city-port heritage), to the European exchange and learning programme URBACT II, the idea of promoting through an easy and accessible tool, as a newsletter, the update on the state of art of the network activities, is a good opportunity to increase the relations between our city and the outside world.

The **CTUR** network intends to study the interactions between the cruise traffic and the recovery of urban and harbor building heritage, as an opportunity for the sustainable development of the cities from an economic, social and urban point of view. It is built on an agreement with many Mediterranean and not only sea towns: from Generalitat Valenciana to Alicante, Rhodes, Trieste, Matosinhos, Varna, Rostock, Helsinki and Dublin, finishing with Istanbul with a role of "observer partner" and availing of the participation of AIVP (*Association Internationale Villes et Ports*), the Worldwide Network of Port Cities of Le Havre.

The exchange of knowledge and experiences will be focussed on the elaboration of Local Action Plans, one for each partner involved, with the objective of the sustainable urban development of sea towns.

The dissemination of the results of the network and of good practices implemented by the partners is essential to involve all stakeholders. The wish of our Institution is that "CTUR CITYNEWS" newsletter will contribute to strengthen the friendly relationships and collaboration between Naples and other European and non European cities and that this initiative could be followed by other international ones.



R. Iervolino Russo

WHY A CTUR *citynews*

CTUR Lead Partner, Gaetano Mollura

This first issue of **CTUR citynews** is meant to be the first of a series of 'tributes' to cities that have hosted the meetings of the thematic network as CTUR members.

Bringing those cities and their backgrounds to the fore (along with the initiatives that have been taken and/or should be taken so that such cities can benefit from the impact of cruise tourism), serves primarily the purpose of **promoting those cities** by means of the **URBACT II Programme**.

At the same time, on the basis of the various workshops, CTUR aims at offering the political and technical representatives of each hosting city an overview of the state of the art by providing contributions and views of people who are actively employed there and of external observers and experts. This is done on the basis of the projects that are discussed, of the site visits that are carried out and of the development opportunities that are analysed during the seminar.

Another aim is collecting material about CTUR cities that can be made available and read by those who wish to deal with certain themes in specific political and territorial contexts either in Europe or elsewhere. Finally, **CTUR citynews** aims at maximizing the **capitalization and dissemination** of the results of the activities that the CTUR thematic network of the URBACT II Programme has planned for the entire duration of the project (**January 2009 - July 2011**) in a short and easily accessible way.

After this first 'experimental' issue others will follow: a new issue will be drafted whenever a partner hosts a CTUR seminar. Obviously, each issue can be improved and expanded with the help of the partners involved by adding interviews and/or contributions made by the various 'stakeholders' interested in cruise traffic and in its impact on cities in terms of urban regeneration and, in general, in sustainable urban development of city-ports.

This first issue will provide a short introduction to the thematic network, its goals and to the partners involved.

Finally, I hope that this initiative will contribute to highlight the strategic role of the cities and their representatives/citizens involvement for the success of URBACT II Programme.



THE CTUR THEMATIC NETWORK IN THE URBACT II PROGRAMME

Cruises offer an opportunity of tourist development to port cities: the basis of the CTUR project

As stated by the 'Baseline Study' of the CTUR project (<http://urbact.eu/en/projects/port-cities/ctur/our-outputs/>), which was drawn up by the late Rachel Rodrigues Malta, lead expert of the CTUR First Phase, the far-reaching changes of maritime transport economy and the strong trends towards the centralization of activities caused great difficulties to many port cities in the 1980's and 1990's, and affected first smaller size cities, where employment rates and the added value determined by port activities decreased as traffics moved away from historical ports. This structural change offered many cities the chance to launch innovative projects that aimed at redeveloping and revitalizing waterfronts in order to exploit the new opportunities offered by the evolution and growth of tourist demand and by the growing interest in quality space coming from the very population of port cities. As is well known, this situation brought about a completely new way of structuring relationships between cities and ports so as to reshape the image and dynamism of cities. One of the various development possibilities for these cities is taking advantage of the potential offered by cruise tourism, which has been one of the most dynamic and expanding tourist markets in Europe since the mid - 1990's.

The relationship between cities and cruise tourism was thus identified as the core development priority of various cities, as project SUDEST (Sustainable Development of Sea Cities), which was carried out by Naples as leading city within the framework of the URBACT II Program between 2005 and 2007, proved to be the case. That project revolved around the study of the sustainable development of port cities (http://urbact.eu/fileadmin/general_library/impaginato/ing.pdf).

The relationship between cities and ports: from 'Cruise Clubs' to 'CTUR Local Support Groups'

The themes underlying the connection between cruises and cities and on which the CTUR project is based are multifaceted: governance, image of port cities, infrastructural systems, urban tourism, creation of cultural attractions through new types of architecture, re-launching urban/port historical heritage, commercial and general economic development with positive effects on employment and social welfare (for example, specific professional training for the tourist sector). In order to identify and use this potential, it is necessary to group the parties operating within cities together and have them pursue a common goal so as to have integrated and shared proposals. As the baseline study states, the formula used in order to establish cooperation and define actions is mostly the 'Cruise Club', which can group together port authorities, municipalities, chambers of commerce, shipping company, tourist offices, tourist companies and transport companies (public transport and taxis) and traders' associations.

Therefore, in line with the URBACT II programme, which requires every partner to draw up a local action plan by setting up a local support group, project groups called 'Local Support Groups' were created within the CTUR network. They in-

teract with the main players, which are typically municipalities and port authorities, and include key players (stakeholders), and in particular 'Cruise Clubs'. Their goal is to help towns in the implementation of local action plans focused on precise goals and based on a strong partnership between towns and ports. Finally, URBACT II Programme recommends sharing information with the managing authorities of European funds in order to involve them directly in the projects, which have a chance of being financed by 2007 - 2013 ERDF Funds.

Key themes in CTUR that help Local Action Plans take off

Information sharing in terms of experiences and good practices concerns planning and spatial organisation, governance and management, economic and social development, tourist promotion of the port, of the city and of the neighbourhood, enhancement of the port and urban heritage, improvement of the quality of life and of the environment. Therefore, urban planning is the core of CTUR strategies. The key elements in the CTUR philosophy are redefining the inter-



face between city and port, using the port urban heritage for tourist services and functions, creating the drive for a social and functional “*mixité*” both at horizontal (several functions within the same area) and vertical (within the same building) level, improving transport and accessibility, using port structures with urban functions, promoting cities and ports as tourist destinations, and improving cities’ tourist services for cruise tourism. Cities are to exchange experiences but most of all to set up local action plans in an accurate and structured way by drawing up far-reaching projects supported by European funds. This is the real challenge that the meeting in Varna launched (GM/VT).

CTUR partners: different experiences as an asset

These are the members of the CTUR project: Naples (Italy) - lead

partner and theme promoter, Alicante (Spain), APDL (Port Authority of Leixoes - Portugal), Dublin (Ireland), Helsinki (Finland), Istanbul (Turkey), Matosinhos (Portugal), Port Authority of Naples (Italy), Generalitat Valenciana (Spain), Rhodes (Greece), Rostock (Germany), Trieste (Italy) and Varna (Bulgaria). The international Association of Cities and Ports (AIVP), which has been trying to set up a world cities and ports network that promotes the sharing of experiences and good practices concerning the relationship between cities and ports, is also a partner. Obviously, the cities that are partners of the CTUR project are different and heterogeneous. For example, there are cities that have the potential to carry out the function of ‘home ports’ in the cruise sector or already do it, there are

cities that have the function of ‘port of call’ and some that can be both. Every city has different needs and potential, but they can all share experiences and information. The overall relationship between city and port changes considerably depending on the city in question, but all partners have a few elements in common: they all perceive the port to be an important identifying factor and a key element in the development of the city; they all believe cruises to offer a real growth potential and that there is an important cultural heritage in the historical centres close to ports, or even in ports themselves, and that cruise tourism can help bring such heritage to the fore.

THE AIVP SUPPORTING AND COLLABORATING WITH THE CTUR PROJECT

AIVP General Manager, Olivier Lemaire



The AIVP, the worldwide network of port cities, was founded in France in the port-city of Le Havre in 1988. The Association includes today nearly 200 ports, cities, business firms or public organisations. The AIVP international network covers 37 countries. The active members

of AIVP all share the same will: to improve the dialogue between the cities and the ports and to advantage exchanges of experience between port city communities.

It is therefore more than obvious for AIVP to support and to collaborate with the members of the CTUR project, which is dealing with issues having an important impact on the port city relationships.

Already associated to the launching seminar in Varna, AIVP is happy to provide CTUR network with

complementary examples of good practices in fields as diversified as the issues of urban development at the city-port interfaces, territorial development policies, sustainable development and the environment, the particular economies of port communities...

More specifically, cruise tourism and urban development can be linked in a strong way and we do observe in many port cities all around the world, that cruise industry has a strong social and economic impact on the territory. Transport connections, infrastructures, security strategies, but also cultural and leisure services are some of the many items which need to receive a lot of attention when implemented and developed. We do particularly draw the attention on the fact that action and strategic development plans have to be discussed and put forward with the collaboration of all stakeholders: port and city. Without dialogue and mutual understanding, projects will face many difficulties in obtaining a global approval. The project CTUR invites each partner of the network to gather together a Local Support Group, which should be probably seen as one of the key tools for the good implementation of the Local Action Plans.

AIVP is happy to continue and contribute in this specific network by presenting complementary case studies during the workshop meetings, helping with providing with special documentary reports, exchanging appraisals, but also by disseminating and promoting the different results and projects of the partners and the works in general. At last but not least, each meeting, starting with the first one in Varna, represents a great occasion to discover the particularity and the specificities of a port city together with the local stakeholders and gives us the opportunity of strengthening our relationships.

www.aivp.org



CTUR PARTNERS IN VARNA



All CTUR Network participants

Gaetano Mollura Lead Partner City of Naples, **Raffaele Barbato** URBACT Secretariat, **Joseph Tomatis** CTUR Lead expert, **Carine Guidali**, CTUR Thematic expert, **Pauline Geoghegan**, CTUR Thematic expert, **Olivier Lemaire** General Manager AIVP, **Sara Prieto Vidal**, City of Alicante, **Joana Cristina da Costa Moreira**, City of Matosinhos, **Nicola Morelli**, City of Naples, **Fiorinda Corradino**, Naples Port Authority, **Amélia Castro**, APDL, **Elisabetta Boglich**, City of Trieste, **Sergio Nardini**, Port Authority of Trieste, **Marianna Kajantie**, City of Helsinki, **Jari Huhtaniemi**, City of Helsinki, **César Jiménez Alcaniz**, Valencia Region, **Marta Galbis Rocher**, Valencia Region, and **Eileen Quinlivan**, Dublin City Council.

Rhodes, Rostock and Istanbul apology for their absence.

URBACT II
CTUR
Cruise Traffic and Urban Regeneration
of city port heritage
as a key for the sustainable economic,
social and urban development
Kick Off Conference
Varna: port as gateway to 1500 years of history
2nd and 3rd April 2009

Naples - lead partner (Italy)
Varna - host city (Bulgaria)
Alicante (Spain)
Rhodes (Greece)
Matosinhos (Portugal)
Port Authority of Naples (Italy)
Port Authority of Touraj eixelles (P)
Rostock (Germany)
Dublin (Ireland)
Trieste (Italy)
Helsinki (Finland)
Valencia Region (Spain)
Istanbul - observer partner (Turkey)

Project co-financed by the
EUROPEAN UNION
European regional development fund

The welcome of the Varna Municipal Authority: “CTUR to make the city a better place for living” - First CTUR seminar April 2nd and 3rd 2009

The Deputy Mayor of Varna, Svilen Kraichev, welcomed the CTUR participants to “sunny Varna” on behalf of the Mayor of the city. The aim of their participation of the city in the CTUR project is to make the city a “better place for living”. For the second time, in recent years, Varna has been named “Best city for living in Bulgaria”.

Participants of the CTUR hosting city

Svilen Kraichev, Deputy Mayor of Varna, **Miaia Tvetkova**, Expert Department “International Relations, Programs and Projects”, Varna City, **George Gilev**, Chief expert on Maritime Policy, Varna City, **Kremena Sarieva**, representing the Bulgarian Ministry of Regional Development (Managing Authority), **Andriyan Evtimov**, Vice Chairman Bulgarian Chamber of Shipping, Varna, **Kosta Donev**, Port of Varna, **Valentin Enchev**, Naval academy, **Ivan Tabakov**, Chairman of Varna Chamber of Commerce, **Bozhil Bozhilov**, expert of Varna Chamber of Commerce, Other LSG members, **Asen Marinov**, Marine Cluster, **Svetlan Tsvetkov**, **Vasil Vasilev**, Technical University, **George Shipkovenski**, Varna Chamber of Tourism, **Lyudmil Ikonmov**.

VARNA (BULGARIA): A GATEWAY TO 3500 YEARS OF HISTORY

The presentation of the City of Varna, by the local authorities during the opening meeting

Varna, the hosting city, is the second largest city in Bulgaria, with an area of 205 sq km, and is second most important in economic development.

The official population of Varna is 350. 000 (ten years ago as updated statistics are not available due to budgetary constraints), and is probably 0.5 million today. Varna is capital of the North east part of Bulgaria. The municipality produces around 5.4% of the Gross domestic product of the Republic of Bulgaria, with the industrial and services sectors mainly developed due to the investment climate and the possibilities for tourism.

Today 62% of income is derived from commerce and tourism. There is a well developed educational structure, with 5 universities in the city, as well as links with other universities, and language schools. Varna is one of the main cultural centres in the country, and hosts congresses, science and business forums. Festivals - music, theatre, film - have also been developed, notably around the port area.

The Varna Port and the cruise sector

The port is state owned and is in two locations: Varna East, close to Varna city, and Varna West, 30 km from Varna city. Ships take around 1h30 to reach Varna West from the sea. The port has a strategic importance historically: for example on the "silk road" route and more



recently on European transport corridors (corridor 7 to the Northern Sea, corridor 8 to the Adriatic Sea, corridor 9 to Baltic Sea and to Aegean Sea) and TRACECA corridor (linking Varna to Baku. It is also on the Eastern border of the EU. Varna West is surrounded by factories: chemicals/ fertilisers/phosphates and cement, silica?? and other goods. 18 out of the 20 top shipping companies are located in Varna. Traffic has been on the increase, but it is expected that it will reduce by 20% from here on.

Currently 1623 people are employed in the port.

Passenger vessels amount to 50 to 60 visits per year, between July and November, with capacities of between 300 and 1000 passengers, bringing up to 30 000 passengers, and with a depth limit of 11 metres. There are also regular links with Ilichevsk and Odessa / Ukraine, Poti / Georgia, Istanbul / Turkey, and Balchik, Nessebar, Pomorie and Sozopol / Bulgaria.



Figures of the city

Location: Bulgaria - Regional capital

Population: 350 661 (in increase)

Number of people in employment: n. k.

Unemployment rate: 2.34% (2007 i.e. 3 times less than the national rate)

Source: CTUR Baseline Study R.M.



Figures of the port

Ranking: international - regional ranking

Administrative statutes: owned by 3 public administrations (National Port authority, Military, Municipality)

Total traffic: 7,4 millions G.T.

Container traffic (EVP): 99 713 TEU (2007)

Total passengers: n.k.

Cruise passengers: n. k. - 30 calls (2007)

Direct employment: 1 600

Source: CTUR Baseline Study R.M.

Varna port's marina offers accommodation for 100 yachts: mainly 7m to 10m motor boats, belonging to Bulgarians (75%), Turkish, French.

At present there is a problem regarding locating fuel supplies in marinas but legislation is changing. Marina spaces are currently let for either one year or three years, or on a casual basis.

The existing Varna Cruise Terminal

"The existing terminal, well protected by a breakwater, it has a modern lounge to welcome the passengers, 2 berths for cruise vessels and small marina operated by the *Port of Varna Marina Club*. The Passenger Terminal allows for passenger ships with LOA 240 m up to 53,000 GT. The marina offers various services: maintenance and repairs, docking, power supply, fresh water, etc.

The Marina Club can serve as agent to the visiting boats, and it provides this service free of charge.

Every year the port welcomes and organizes local races and sea events.

Varna is also included in the route of Kayra International Black Sea Race".

Number of berths: 2

Quay length: 354 m

Max depth: 8.50 m

www.port-varna.bg

Varna's projects for the "old port": a cruise terminal as a core

Government has a plan to move the container terminal from Varna East to a location inside the river, by 2015 (800m quays; depth of up to 12.5m draft).

The project includes a container terminal on the Northern shore of Varna lake, a grain cargo terminal on the Northern Shore of Varna lake, a liquid cargo terminal in Konstantinovo on the Southern shore of Varna lake, enlargement of the container terminal at Varna West and the enlargement of the dangerous liquid cargoes terminal at Varna West.

When this plan would be achieved, Varna's project is to redevelop the 'old port' of Varna East (currently used), following the examples of Genoa, Barcelona or Hamburg ports renovations. A master plan for this project has been approved by the municipality and the Government. It includes a new passenger terminal, a 1,000 berths marina and a yacht terminal, a business/exhibition centre ("World trade centre") and an aquarium.

This location is 1.4km from the city centre. It is expected that an inter-



national design competition will be launched, and calls for a consultant have recently been launched and shortly a project manager will be appointed.

A memorandum was signed between the Government and the City, worth €1 billion for both projects (new container terminal and redevelopment of Varna East).

With this project, it is hoped that Varna will be included in cruise routes that include Istanbul, Nessebar, Varna, Constanza, Odessa, Sochi, Batumi, Samsun and other.

Companies are mainly US owned, making a trip around the Black Sea after trips on the Mediterranean Sea. Cruise passengers are mainly German, American, Israeli, and French. In 2010 the Cutty Sark is to visit Varna, and is expected to bring up to 100 cruise vessels (some up to 130 m long).

Source: meeting Report P.G.



The Varna Law Context

The new Bulgarian legislative framework

Funding port development through PPP and EU funding
Plans of the new port should be in place by 2015

In Bulgaria, at present, like in many Eastern European Countries, the state owns the ports (land and properties), not being individual port authorities. However, within the existing legal framework, ports are in fact “landlord” ports and operators can be Government or private companies. Concessions can last for up to 30 years, or even 50 in some cases. For the ‘Old port’ Varna East redevelopment, according to the memorandum, the land shall remain state owned and properties shall be private or Municipality. It is possible to build a private marina if land is private. With reference to the new container terminal, the land is municipality owned, at present, and according to the memorandum, it shall be transferred to the State. Properties shall be Government or private companies. All water is state owned, but land can be private. Land close to the water can be either state owned or private. New Bulgarian legislation is based on Belgian law. The project of the “redevelopment” will be

carried out jointly by the municipality and the private sector. Taxes from the port go to the Government, and in Varna’s case, only 20 to 22% are ceded back. In the new project, the plan is to keep all the taxes in Varna. EU Funding areas include the Black Sea Synergy programme (1.1 billion for all countries around the Black Sea), the Black Sea Operational Programme, and the Black Sea Euro region (some projects already applied for). There is a need for a defined national maritime policy, hence the importance of involving the Managing Authority. In Bulgaria national authorities are the ‘clean operators’ (stevedores, warehouses, maintenance). Currently the operators are 100% government. Within the next 2-3 years, private operators will take over the port of Varna as a concession. Since 2007 there is a 20 year strategy for all ports in the state. Port investments come only from their own funds. The government will build the new container terminal, with funding from a Japanese bank. The city has to find money for the ‘old port’ redevelopment project and for new investments, in particular EU funds available for municipalities. The plans for Varna Port plans should be in place by 2015.

Source: meeting report P.G.



The Varna Economic Context



“The production profile of Varna region is predominantly determined by metal and mechanical engineering and machine building, including shipbuilding and ship repairing, chemical industry, transportation by sea, as well as light and food industry, textile industry, and construction. Numerous companies are working in the fields of shipbuilding, ship repair, production of diesel engines, radar technology, medical technology, production of household appliances, building material and building, furniture production, textile production, canning of fruits and vegetables, alcoholic and alcohol-free beverages, meat products and dairy products”. “In September 2004, FDI Magazine (a Financial Times Business Ltd publication) proclaimed Varna South-eastern Europe City of the Future, citing its strategic location, fast-growing economy, rich cultural heritage and higher education (FDI magazine, 2004). With the nearby towns of Beloslav and Devnya, Varna forms the Varna-Devnya Industrial Complex, home to some of the largest chemical, power generating and manufacturing plants in Bulgaria, including the sites of the two largest cash privatization deals in recent history.”

Source: Metaxa, T. (2008) Attractive Investment Images in Southeastern Europe: the Case of Varna, Bulgaria, *South East European Journal of Economics and Business*, Volume 3, Number 1, April, 59-76

THE POINT OF VIEW OF THE CITY BY THE ELECTED MEMBER

CTUR Interview, collected by captain George Gilev, to the former vice-mayor of Varna, presently a **member of the National Parliament, leader of the Bulgarian LSG in CTUR project**
Mr. Svilen Kraichev

What is the importance and the priority level your city/port organization ascribes to the development of cruise tourism? What are the expectations and the expected benefits?

The development of the cruise tourism has always been of high importance for the city of Varna. It has always had first level priority in city development plans. Regrettably the possibilities of the city council and city administration are not at the level as to make our dreams about cruise traffic development come true. However our expectations in that field are positive and optimistic. We think that with the help of the EU institutions shall be able to construct a real European cruise terminal and the benefits we expect will be not only for Varna, but for the European Union as whole. And also I would like to point out that the benefits will not be only **economically expressed**. As you know Varna is now a border city of the EU and its achievements in the sphere of cruise tourism will benefit the image of the EU development in front of any foreign visitor.

What is the role played by your organization to develop the cruise tourism in the destination and what is, in general, the degree of strategic and operational cooperation with the port authority/city on the specific "Cruise tourism" issue?

What are the most positive and the problematic aspects of the city-port cooperation?

Varna municipality plays an important role in the development of the city infrastructure and I would say a decisive role. In this respect you can estimate yourselves whether such a branch of the Maritime industry as cruise tourism could be developed without the important role of the Varna municipality. We as local authorities contribute very much for the development of the cruise tourism in our city and in our region. And we do it, **because that is the wish of the people**. The citizens of Varna realize that this is a very important economic initiative of the local authorities and it should be developed. I think that the cooperation between Varna municipality and the port of Varna are really strategic and fruitful.

The aims of the port administration and the citizens of Varna fully coincide. We don't have problematic aspects of our cooperation so far. The positive aspects are that we meet mutual understanding in all our efforts to improve the level of tourist attractiveness of our city.

What the role - if any - that the development of cruise tourism could play to support urban regeneration(s) in your city and what could be the role of urban regeneration(s) to develop urban tourism?

In Varna tourism always have supported the urban regeneration of the city. Varna is well known as Black sea tourist destination for decades. Tourism has created the **European** urban image of our city in all of the world even in past years of communist rule. And as city on the Black sea seaside I am sure that the cruise tourism will be



very useful in this respect. The development of the cruise tourism will be one of our best advantages in our EU contribution process. I am sure it will play a very important role in the development of tourist industry not only on Bulgaria, but also in the other Balkan countries, members and non-members of the

What are your personal opinion and your suggestions about the LAP proposed/carried on within the CTUR framework?

I think that our Local Action Plan is a quite ambitious in some respect, but in the same moment I think that we do not have too many choices to deviate it. Bulgaria and Varna in particular have a lot of work to do in order to comply with the present EY tourist requisitions. And of course when the matter concerns cruise tourism this always means a lot of investments. Especially as we are planning to transfer the industrial port of Varna outside the city limits and situates it fully in the Varna Lake, and all the remaining part of the port of Varna-East to be converted into a passenger and yacht terminal. Our LAP describes objectively the present situation of the cruise tourism development level and also gives a good number of directives how to improve it. What is remaining now is to convince our EU partners that Varna is a reliable partner and a nice tourist destination.

Thank You from the CTUR Network for your contribution!!

THE POINT OF VIEW OF THE PORT BY THE EXECUTIVE DIRECTOR

CTUR Interview, collected by captain George Gilev, to the representative of the **executive director of the port of Varna - manager of "Port-consult" department / LSG Member in CTUR project Mr. Kosta Donev**

What is the importance and the priority level your city/port organization ascribes to the development of cruise tourism? What are the expectations and the expected benefits?

Cruise tourism is of high importance for the port of Varna. Port Varna management is investigating the Cruise tourism development in Eastern Europe with great attention and particular interest. Port of Varna however does not have the possibilities to accept the number of cruisers that we desire but our efforts in that field are fruitful and I am sure that in the near or more distant future our dreams will be realized. Our management is positive and optimistic about this. We also rely on the EU institutions for help in that respect. And of course we mainly rely on ourselves. Now we are taking special measures to reconstruct the building of the port Varna passenger terminal and to create possibilities for easily performing of customs and border control clearance. We hope that when the commercial port of Varna-East is moved inside the area of Varna Lake the cruise tourism in Varna will have much better perspectives.

What is the role played by your organization to develop the cruise tourism in the destination and what is, in general, the degree of strategic and operational cooperation

with the port authority/city on the specific "Cruise tourism" issue? What are the most positive and the problematic aspects of the city-port cooperation?

Port of Varna is the company that runs any kind of port service in the region of Varna including the cruise tourism activities. Cruise tourism is an important branch of the Maritime industry that's why we pay special attention on it. We together with the local authorities do our best for the development of the cruise tourism in our city and in our region. I would say that this is a very important branch in our port service however we have a lot of work to do in this respect and unfortunately we can not do it only ourselves. We definitely need the assistance of Varna municipality and other government and non-government organizations. The aims of the Port management and the citizens of Varna fully coincide. We don't have problematic aspects of our cooperation so far. The positive aspects are that we meet mutual understanding in our work and we hope that we can expect positive results.

What is the role - if any - that the development of cruise tourism could play to support urban regeneration(s) in your city and what could be the role of urban regeneration(s) to develop urban tourism?

Urban regeneration of the port heritage is very important for the Port of Varna. In our city tourism always has supported the urban attractiveness of the whole region. Varna is well known as Black sea tourist destination especially among the citizens of the ex-communist block countries - such as Poland, Romania, Czech and Slovak republics



etc. Tourism has played an important role in the formation of the European urban image of our city in the entire world even in past years of communist rule. Nowadays Varna is visited by many western countries tourists - mainly Germans and British. In this respect I would like to point out that many of them are joining the Eastern Mediterranean cruises and come to Varna by ships. Now as a member of the EU we can contribute very much for the variety and enrichment of the European cruise destinations as adding to that list the Black sea, which is very attractive and preferred by the tourist agencies all over the world.

What are your personal opinion and your suggestions about the LAP proposed/carried on within the CTUR framework?

In my opinion Local Action Plan is ambitious but it could be realized, I think that we do not have to change it. Our country and Varna in particular have a lot of work to do in order to comply with the present EU tourist requisitions. In this respect I would like to underline that the Port of Varna will always be a reliable partner in all the EU programs and projects directed to the improvement of the cruise tourism conditions for the Black sea countries newly accepted members of the EU.

Thank You from the CTUR Network for your contribution!!

THE VARNA CASE STUDY: A LOCAL COMMUNITY INVOLVED IN THE EUROPEAN MARITIME POLICY



CTUR Lead Expert Vittorio Torbianelli

The case study presented by the Municipality of Varna refers

to the local application of the UE maritime policy, with particular attention to the coastal management and the sea protection policy. Varna is a city which is demonstrating in general strong attention to the potential of being involved in European Projects, and it already took part in international projects focused on coastal management (e.g. "My coast" project - see the dedicated box). The strong commitment in developing, at a local level, the "EU maritime policy" framework - it also concerns port-and traffic safety/security - is rather evident for Varna. The Bulgarian city is adopting locally - as a fundamental part of its development strategy - the EU principles described in the 2007 *Blue Book*, "a manual for creation and application of the integrated maritime policy".

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2007:0575:FIN:EN:PDF>

Located in the Black Sea region, Varna became part of a strategic area, after the enlarging of Europe's borders and it is involved in several groups aimed at reinforcing international cooperation within the Black Sea region, such as the *Commission on the Protection of the Black Sea Against Pollution (BSC)*, the *Black Sea Economic Cooperation*, the *Black Sea MoU on Port State Control*, and *OSCE*.

The Varna case study is to be considered as a good practice especially for new the members of the EU. It underlines how important local communities can be in integrating the principles of EU legal framework within the urban development strategies. In this case, an efficient local application of the policy framework (the European Union port, maritime and environmental principles) could also have several positive impacts both for tourism and the cruise business.

Attracting investments, attracting cruise traffic: for Varna the strengths are the same...

The research "local economic development and cities competition in South-Eastern Europe", developed in the frame of "Heraclites-Studies in Basic Research", describes Varna as an attractive location for investments, thanks to the accessibility and urban quality: two factors which are essential also to attract cruise tourism

In the article "Attractive Investment Images in South-eastern Europe: the Case of Varna, Bulgaria" published in 2008 on the "South East European Journal of Economics and Business" by the Greek researcher Theodore Metaxas, a study on the potential of the City of Varna as an area for investments is presented. Through around 90 questionnaires answered both by local and foreign Small and Medium Enterprises operating in different productive sectors (30% of them in the tourist sector), the analysis has been carried on "in order to investigate whether Varna can become an attractive investment destination and what the distinctive characteristics of the city are based on, so that a city image as a potential investment destination can be produced and promoted to potential target markets".

The results of the research can be summarized as follows, using the author's words.

"First, both local and foreign firms participating in the research estimate that the main advantage of Varna is its geographical position,



Zoom on the core project: The new cruise terminal area

Varna proposes a regeneration project for the Eastern part of the city harbour: as a part of the new urban development plan, a new cruise terminal and a yachting pole are planned in the area. The project will be realized after moving the commercial port's terminals out of the city conurbation. The redevelopment project is based on the same strategy adopted in the last twenty years by several port cities. Emphasized by valuable architectures, the new cruise terminal will be located on the hook-shaped pier in the East-port. Further interventions and mooring places will be designed along the docks, to support yachting activities. Yachting and sailing already are an important sector for the Varna tourism, and through this facilities new possibilities of development will be offered. Sailing is to be considered as crucial as cruising in the framework of "maritime tourism", and it is very functional that facilities for both services are to be provided in the same area. Further investments, including hotels, will be located behind the waterfront, towards the city. These investments will increase attraction to the area and will also enhance the real-estate values on the adjacent areas which will improve their role of primary residential locations around the historical city core. The increase of real estate values was already clear before the economic downturn and kept growing also during the critical period. It is rather obvious that the project will modify the social and functional outline of that part of the city. The project introduced by Municipality of Varna during the meeting is integrated in a wider and more articulated planning activity, as defined by the strategic development plan and the urban plan (Municipal Plan for the Development of Varna 2007-2013).

<http://www.varna.bg/english/invest/sanaliz.htm>

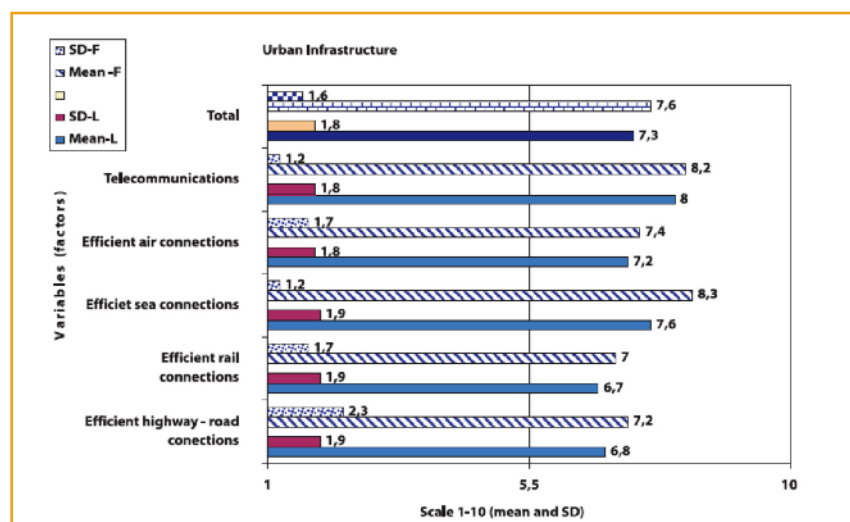
as the city has a port and is the main entrance to the Black Sea. This fact is able to allow the concentration of firms, mainly industrial and commercial ones, in the area". Air and sea connections were valued "as very important, proving the important role of the Varna port and airport", in particular by foreign firms, while land infrastructure "is considered less important". The research point out that Varna's international airport is the country's second largest airport after Sofia with connections to 35 countries and 101 cities around the world. As it is possible to know from data available on the web site of Varna, "Transport links to the city have already been improving, with gradual upgrades to the highway to Sofia, a five-hour drive away, and more frequent air connections via Bulgaria Air, which runs three flights daily to the capital in winter and four in summer. A German company is now running the city airport under a 35-year concession, investing in a runway refurbishment and expanded terminal facilities, and several international airlines, including low-cost operators, now fly to Varna from European hubs".

Another important aspect of geographic nature is that "all the firms recognize the importance of urban infrastructure for the city": it follows, for the authors, that combining the factors of urban infrastructure with those of agglomeration economies and those of access to European markets is possible "to assert that the geographical position of Varna is awarded the role of the main advantage of the city and constitutes the axis of its competitive image". In short, "the positive aspects in Varna's internal environment include its high accessibility (by air, sea, rail and road) and the large

size of the local market, an urban agglomeration with supranational significance".

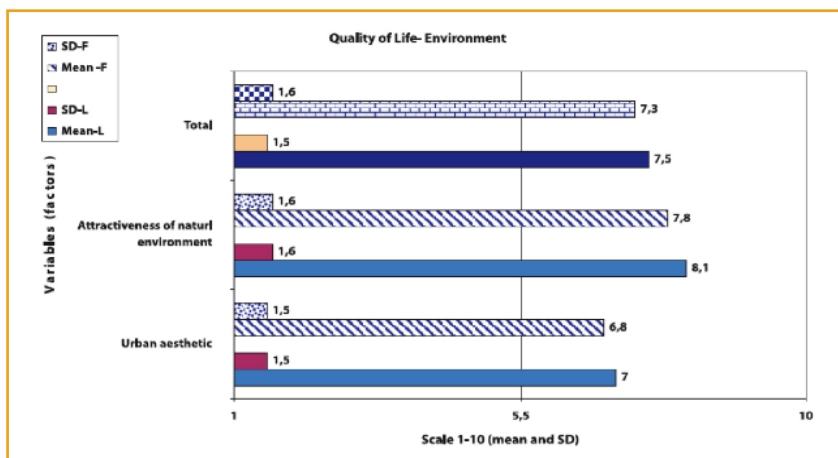
The high scoring of "urban infrastructure" parameters shows very clearly the significant role assigned to the good accessibility of Varna as a driver for potential investments. It is also remarkable that the indicator "efficient sea connection", related to the presence of the port, ranks at the top of all the values.

City of Varna: evaluations of "urban infrastructure" factors as a driver for investment



If spatial (connection and accessibility) factors top the list of the drivers for potential investments in the Varna area, the second position concerns “soft factors’ and, especially those related with urban aesthetic and the attractiveness of the natural environment”. The author appropriately remembers that these factors have received great attention especially in the last two decades by investors, proving their high importance both for cities and firms’ competitiveness. Scoring related to the quality of life and environment appears to be rather high, as it is possible to argue from the graph: means receive high values (≥ 6.8) and standard deviations are not particularly high.

City of Varna: evaluations of quality of life-environment factors as a driver for investment



(accessibility and quality of urban environment) completely correspond to the requirements that widely are recognized as of primary importance for the development of a cruise market in a port city. The first - geographic centrality and accessibility - is particularly relevant for cruise “home ports”, while the second - urban aesthetic and other soft values - is significant both for “ports of call” and home ports (or “hybrid” ones). It is not just a case that Varna has become an important cruise destination in the Black Sea region during the last years, exploiting the demand growth on the cruise market, and that the city is at the same time strongly oriented to attract productive investments on the area. It is also superfluous to remember that the core of the CTUR strategy specifically deals with the quality of urban environment, the quality of urban life and the “aesthetic” of the city and that the

is not deprived of infrastructure in research, development and education, but lags behind in issues concerning quality, specialization and know-how”. A further disadvantage pointed out by the research is the “absence of sound investment incentives. All firms in the research estimate that the total current business environment is not a factor for the attraction of new investments, a fact that is linked to the lack of experience and absence of know-how on the part of local authorities to plan and implement competitive and developmental policies”. Considering all the above mentioned characteristics “as the core of Varna’s image as an investment destination”, the research tries to propose a schematic graph to represent the four key drivers.

“A proposed image of Varna as investment destination”

If you would change the words “investment destination” with the words “cruise destination”, the meaning of the image would not change substantially: cruise traffics are like investments, in fact and if a port city wants to develop urban policies to attract investments is probable that the same strategy (in general terms) fits well also with a cruise tourism development strategy. Both need connections and accessibility, quality of life and of urban physical environment and skills available on the local market. Varna seems to be, of course, on the right way. (VT)

The clear message is that “firms - and in particular the foreign ones - understand that the current aesthetic image of the city but also the natural environment, combine to form a powerful city profile, capable of attracting new businesses and investments” and that “especially in the case of foreign firms, the combination of these factors constitutes a significant parameter for their development”. It is significant, as a first comment, that the two above mentioned factors

connection issue is one of the key “thematic focus” of the project. Turning to the research, not all the indicators rank for Varna at the top: for example, “the factors ‘research - development - education’ are regarded by the firms as advantages”; however, the research also finds “the negative assessment of the group ‘labor factors’ and especially those concerning the existence of qualitative and specialized human resources. The conclusion on the educational issue is that “Varna, on the one hand,



Source: Source: Metaxas, T., 2008

VARNA Initiatives: “My Coast” for Varna

The Municipality of Varna joined, in the last years, the international Project “My Coast” - Elaboration of a Vision and a strategy for Integrated Coastal Zone Management in Bulgaria (Integrated Maritime Spatial Planning in Varna Oblast).

The project has been funded by the Netherlands Ministry of Housing, Spatial Planning and Environment and executed by the EVD, Agency for International Business and Cooperation under the framework of the Environmental Facility of the PSO Pre-Accession Program.

The final report has been published in December 2008

“My Coast” key priorities:

- Business development
- Environment Quality of Life
- Identity

Objectives:

- Redevelopment of Port Varna
- Use historic past as value for the city
- Broad business development to cope with population growth
- Integrated urban and nature development to ensure high quality contact between humans and nature
- Good quality of bathing water
- Coastal zone protection from erosion and other negative impacts
- Broad improvement of the quality of living for everyone within Varna
- Oblast Preservation of the “Sea spirit”
- Varna is a clean, well ordered, green city with a blue sea Varna as the hub of international importance and outer boundary of the EU

<http://www.mycoast.eu/finalreport/english/Varna/>

WHO WE ARE: CAPTAIN GEORGE GILEV - VARNA CTUR PARTNER

The idea of this box is to introduce, by themselves and in a free way, for a wider audience the main actors of CTUR Host City Partner, that are contributing through their initiatives, discussions, involvement and passion to the best results of the CTUR seminars and, more generally, to the quality of the CTUR outputs forecasted as a shared and participated work.

“I was born in Varna, Bulgaria, the 16th February 1956, married with two children. I acquired the certificate “Ship Security Officer” after the qualifications on highest degree in navigation. The Maritime Sailing practice - 6 years and 6 months, has characterized my professional experiences, now I am Chief Expert “Maritime policy” in the Municipality of Varna and - PhD. Candidate in “Navigation” De-

partment in the Naval Academy in Varna. The knowledge of many languages as Bulgarian, English, Greek, Russian, German, French, Italian give to me and to the city of Varna the possibility to deal with people of Europe and all the World.

“My impressions of the CTUR work done in Varna, without curtesy, I would say are more than positive.

I was impressed by the interest shown on the matter of cruise tourism development expressed by all the participants of the kick-off meeting. And these positive impressions are shared also by our vice mayor and all the rest of the Local Support Group members. Especially good impression made on me the visit to the Port of Varna and the meeting with the Executive Manager - Mr. Danail Papazov, who in details showed the CTUR partners the plans for the transfer of the industrial port out of the city limits - inside the area of Varna lake and the



Captain Gilev during the Wine Fair Visit

creation of favourable conditions for the urban regeneration of the port heritage. Herewith I would like also to express my gratitude to the experts, especially to Mrs. Pauline Geoghegan, who showed us various ways and methods to find finance and support among the EU institutions. Also something which I would never forget is the care that CTUR participants showed to the problems of my city. As a newcomer in the European family this is very important for us, because it gives us hope and courage to continue on our way for the realization of our LAP”.

Sincerely Yours, Capt. G. Gilev



URBACT is a European exchange and learning programme promoting sustainable urban development.

It enables cities to work together to develop solutions to major urban challenges, reaffirming the key role they play in facing increasingly complex societal challenges. It helps them to develop pragmatic solutions that are new and sustainable, and that integrate economic, social and environmental dimensions. It enables cities to share good practices and lessons learned with all professionals involved in urban policy throughout Europe. URBACT is 181 cities, 29 countries, and 5,000 active participants.

URBACT is co-financed by the ERDF Funds and the Member States.

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