

Multidisciplinary approach and solutions to development of intermodal transport in region



T 2.1.2 Guidelines for the establishment of new Promotion Centres
Detailed guidelines for the establishment in Slovenia, Montenegro and
Albania.

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Abstract

Among the objectives of MultiAPPRO there is the empowerment of regional transport actors towards a more efficient freight transport and promotion of multimodal transport solutions in the program area. On this account, we will examine existing promotion centres for multimodality in Italy, Croatia and Greece and develop a model that could be implemented in the project target countries. Promotion centres, based on existing successful examples will enhance the promotion of multimodality in Albania, Montenegro and Slovenia. New centres to be established will need to learn and implement all best practice experiences on intermodal transport promotion, carry out activities to be performed, in order to ensure successful impact.

For the purpose of this study a survey of existing promotion centres and organizations is performed and results are presented in order to collect and use the experience and standpoints of existing initiatives.

We have gathered a comprehensive overview of existing centres and their activities. After surveying the centres, we compared them in structure, activities, funding, policy-making involvement.

The presence of necessary infrastructures (namely seaports and hubs, some of which already offer sea-rail links) and the availability of shortsea services, as well as the rising external costs of transport in the target countries can all be strong drivers towards a multimodal transport shift in target countries.

The concept of the multimodality promotion centres is intended to support the EU's modal shift policy, addressing stakeholders with activities ranging from awareness-raising, promotion and information up to specific intermodal services and transport alternatives, identifying and removing bottlenecks. They should also actively produce synergies through co-operation and networking, as catalysts working on the development intermodal freight solutions along European corridors with a high intermodal potential, overcoming barriers, improving communication among stakeholders and, in general, foster a shift towards more environmentally friendly and more sustainable modes of transport.

Since the inception of the first Short Sea Shipping Promotion Centre (in 1997 in the Netherlands), the push towards a modal shift from road to sea has been successfully been given the work of subsequently established national Short Sea Promotion Centres in most EU coastal member countries.

1. Proposed methodology for MultiAPPRO Interviews

Existing promotion centres and target stakeholders have been surveyed by means of an open questionnaire, that was submitted in form of a structured interview. This was in order to collect information that may reach beyond the specific topic of the questions.

Survey of existing centres from project partner countries was performed in order to draw conclusions about what are current methods in the development of multimodality.

Promotion centres for intermodality and short-shipping that have been contacted are: SPC *Hellenic Shortsea Promotion Centre* in Greece, KIP (*Intermodal Transport Cluster*), founded in 2005 as a Croatian Shortsea Promotion Centre, RAM (*Rete Autostrade Mediterranee*) and ALIS (*Association for Intermodality and Sustainable Logistics*) in Italy.

The interviews cover topics ranging from the centres' various activities, their relationship with public body and institutions, as well as policy makers. Centres will give an overview on their own history and experiences, funding procedures, participation in EU projects and relationship with their funding members and associates.

Interviews in target Countries (Slovenia, Albania, Montenegro), where new promotion centres still have to be established, was aimed to understand the level of competence of initiatives for the enhancement of intermodality, financing possibilities, local incentives and stakeholders that would be recommended to involve in the centre creation and activities.

Existing promotion centres in Italy, Croatia and Greece will be compared through a benchmark analysis based on similarities and differences, with regard to the activities they carry out, how they are structured and financed, and their involvement with public bodies.

1.1. Interviews structure

The structure of the interview is attached below:

Questionnaire for target Countries for the establishment of Intermodal Promotion Centres

- What are (if any) the policies for fostering multimodality in your area?
- Who should be designated to create a promotion centre for multimodality?
- How could be the intermodal promotion centre funded and by who? Could it be self-sufficient in regard to funding?
- What could be the main activities to fostering multimodality?
- Which could be the main stakeholders you could work with?

For the interviews, we contacted the following entities:

Entity	Name	Interview date
Institute of Transport (Albania)	Florian Xhelilaj	3 rd May 2019
Port of Bar / Development Division (Montenegro)	Rade Stanišić	23 rd May 2019
Ministry of Infrastructure / Maritime division (Slovenia)	Martina Lužar Polonca Marčetić	23 rd May 2019

Table 1: entities' name and interviews' date

2. Interviews

2.1. Interview with Institute of Transport (Albania)

- **What are (if any) the policies for fostering multimodality in your area?**

Regarding existing policies in Albania there aren't specific policies to foster multimodality, but in the National Albanian Plan and in the Strategic Document for the Development of Transport it is mentioned the possibility to create a promotion centre and multimodal terminals and how to promote them.

Regarding new possible policies they need to look at the good practices in other countries (They know that exist a promotion centre in Croatia).

- **Who should be designated to create a promotion centre for multimodality?**

The best possibility in Albania should be involve the Ministry of Infrastructure and Energies and the Instituti i Transportit (that is part of the Ministry). In particular the Instituti could be able to draft the baseline and maybe a business plan for a promotion centre.

After that, it should be possible to involve private partners too.

- **How could be the intermodal promotion centre funded and by who? Could it be self-sufficient in regard to funding?**

In the beginning the intermodal promotion centre should be founded by the Government, because it is difficult in Albania to find funds. Some funds could arrive thanks to EU Projects.

- **What could be the main activities to fostering multimodality?**

They need to look at the good practices in other countries to understand what kind of activities could be useful to foster multimodality.

A promotion centre in Albania could be useful for the shipping and transport companies, because they don't have enough information about multimodality and the benefits they could receive using multimodal solution. Regarding the impact, it is something to evaluate after.

They worked in other EU project, as IntermodAdria and AdriaticMos. The EU projects have left good and important results regarding multimodality in Albania, but there wasn't a way to elaborate and to implement the results to go further, because of the missing funds.

- **Which could be the main stakeholders you could work with?**

They have to see that. They don't know yet.

2.2. Interview with Port of Bar / Development Division (Montenegro)

- **What are (if any) the policies for fostering multimodality in your area?**

The key document that represents the base for supporting modal shift from road to rail/sea network transport is Transport development strategy of Montenegro. In addition, Railway Development Strategy for the period 2017-2027 among other themes treats new terminals for the combined transport in railway stations Bar, Podgorica and Bijelo Polje.

Also, at the beginning of 2014, Law on combined transport was put into force. ("Law on combined mode of transport of goods " was published in "Official gazette of Montenegro" in December 2013)

The key elements of the Montenegrin Law on combined transport with the goal of supporting modal shift from road to rail/sea network are

- Reduce the traffic disruption and improve the road safety in the most critical areas;
- Improve the air quality by limiting the emissions of particulate matter and CO²;
- Encourage the development of intermodal road-rail and ship-rail-road.

These elements represent incentives for introducing combined mode of transport of goods and include exemptions from:

- Annual fee for using public roads payable at registration of motor or attachment vehicles,
- Licence for transport of goods,
- Restrictions in road transport.

The purpose of these measures will be as follows:

- Encouraging users and senders to use combined transport;
- Achieving competitiveness of combined transport to road transport;
- Encouraging use of combined transport for long distances, particularly use of exchangeable boxes, containers and transport without escort;
- Improvement of speed and safety of combined transport, and particularly: increase of convoy frequency toward needs of users and senders; reduce of waiting hours on terminals and increase of its productivity; removal, in appropriate manner, of all obstacles from approaching directions in order to improve access to combined transport; harmonization, where necessary, of weight, dimension and technical characteristics of specialized equipment, and particularly in order to ensure necessary compatibility of platforms, as well as coordinated action aimed at ordering and installing equipment required by the level of transport.

Ministry of transport and Maritime affairs is the key actor for implementing mentioned measures. Also, all the subjects taking part into the logistic chain should be involved.

- **Who should be designated to create a promotion centre for multimodality?**

It is an open question. Best practice in this field could help to prepare basis for establishment of the promotion centre in Montenegro.

- **How could be the intermodal promotion centre funded and by who? Could it be self-sufficient in regard to funding?**

It is not defined and this could be the main issue and obstacles regarding establishment of the promotion centres. It is important to point out that Montenegro is small country with small numbers of the transport stakeholders compared with other countries.

- **What could be the main activities to fostering multimodality?**

- *The most important activity that should have impact on enhancing intermodal shift is the concretization of the measures defined by the adopted legislatives.*
- *Incentive that referring to improving national legislatives directed to harmonization with EU legislation*

- **Which could be the main stakeholders you could work with?**

The main subjects in Montenegro will be Ministry of transport and maritime affairs (as the Maritime Safety Department and Port Authority of Montenegro are part of the ministry) and other partners from the maritime community (agents, forwarders, etc.). In addition, for international cooperation it could be also promotion centres in other countries.

2.3. Interview with Ministry of Infrastructure / Maritime division (Slovenia)

- **What are (if any) the policies for fostering multimodality in your area?**

Slovenia, geographically, is a part of large European regions – Alpine, Mediterranean, Danube and Central European and its location makes this country as an intensive transport and transit area. Slovenia consolidates its role in this part of Europe mainly with the port in Koper (Luka Koper). Among other things, the port in Koper offers an excellent connection with Eastern Europe and so as a transit country, Slovenia plays a major role in freight transport for all Europe.

*Slovenia is determined by the crossroad of two major transport **Pan-European corridors**, i.e. corridor V (CEMT, Crete, 1994) and X (CEMT, Helsinki, 1997) which include both, road and rail connections across Slovenia. These Pan-European corridors contribute to the modern transport connections of Slovenia with neighbour countries - Italy, Austria, Croatia and Hungary.*

*The Pan-European Transport Network is part of the larger **Trans-European Transport Network (TEN-T)**, which was first defined by the Maastricht Treaty in 1992. Slovenia is included in 2 of all TEN-T corridors in two ways, in Mediterranean and in Baltic-Adriatic Corridor.*

***The Resolution on the Transport Policy of the Republic of Slovenia** adopted in 2006 indicates the significant trends in the development of the transport industry and modified values in planning transport policy. This document includes four areas of classic transport infrastructure: roads, railways, and the maritime and aviation industries and as well as economic supply (transport logistics, intermodal hubs etc.). Logistical centres should be located in appropriate locations, because rationality and cost-efficiency depend on the appropriate comprehension of needs (economy) and the appropriate localisation of hubs next to major Slovenian transport corridors.*

*To develop this infrastructure Slovenian parliament in December 2016 adopted the **National Program for the development of transport until 2030**. This strategic document is first multimodal transport strategic document which based on a study of traffic flows with a goal to fulfil today and future transport demands. The document forms several key projects. In rail traffic the main target is the second rail track between the port of Koper and the Divača and brother the modernization of railway infrastructure on the Pan-European network.*

The Port of Koper has a strategic geographic position in the North Adriatic region and therefore important opportunities for servicing its Central European markets. It represents the shortest link from the Far East via Suez to Europe with a distance that is about 2,000 nautical miles shorter compared to other North-European ports and consequently enabling around 5 days shorter transit time. The consequent advantage is the optimization of the whole supply chain, making it more efficient and lean, with substantial cost and time savings for the customer. The majority of the port's throughput is destined for the hinterland countries, namely: Austria, Hungary, Italy, Slovakia, Czech Republic, Germany and others. Port's connectivity shows a very high dependency on railway support as 60% of all cargo handled in the port is transported by rail with daily container trains departures to main business centres in central Europe. Maritime connections include

Mediterranean feeder and other short sea trade services. Koper has especially good container connections with Far East and South-East Asia, with weekly arrivals and competitive transit times.

Ministry of Infrastructure of the Republic of Slovenia emphasizes the importance of intermodal transport and the role of railway transport within, especially within freight transport. For this reason actually we decided to join the project MultiAPPRO. Transport policy in Slovenia are changing. Today, development of intermodality (co-modality), which means the efficient use of transport modes operating on their own or in multimodal integration, has become very important transport sector development trend.

- **Who should be designated to create a promotion centre for multimodality?**

According to the EU policies, the promotion of intermodal transport is a central concern. Slovenia's policies are more and more convinced, that intermodal transports do not only need a capable rail infrastructure and powerful terminals, but also supporting measures.

The basic conditions for a good working Intermodal Promotion Center are: guarantees neutrality of informations, financial independence, supporting by the regional/national administration; and neutral location (not one operator based).

The promotion centre for multimodality in Slovenia should be designated and founded on the initiative of the Slovenian Ministry of Infrastructure and its members should be maritime port authority (Luka Koper d.d.), operators, Slovenian railways, bigger agents and transporters as well as other transport stakeholders.

- **How could be the intermodal promotion centre funded and by who? Could it be self-sufficient in regard to funding?**

After establishment the intermodal promotion centre, it should immediately started implementing the activities necessary to acquire appropriate EU funds. The intermodal promotion center conducted these activities as an agent of the state and shall be financed by EU funds and by participation of included members (stakeholders in intermodal transport). It could be self-sufficient regard to private participation of its members and in succeeding to acquire EU funds (for example INTERREG projects).

- **What could be the main activities to fostering multimodality?**

Promotion of multimodality is one of important trend of European transport policy. An Intermodal Promotion Center should be a new framework of co-operation among different transport actors (on regional and national level) to improve knowledge, management and information system for

intermodal transport, as well as to prepare and to support an effective intermodal transport solutions.

The main activities to fostering multimodality in Slovenia could be:

- *First of all, **The Promotion Centre for Multimodality** in Slovenia should be founded*
- *increase awareness of intermodal transport not only among shippers and forwarding agents and logistic providers, but in general in Slovenia with preparing **Slovenian intermodal transport strategy** and present it to the governmental institutions for approval.*
- *Developing multimodal network in Slovenia (in line with Europe network) based on **Intermodal transport action plan**, as a strategic document for performing common promotion of multimodality*
- *to support co-operation among the interested actors of transport sector (transport, logistics companies, municipalities, governmental and research institutions);*
- *to adopt information on intermodal transport and logistics technologies development trends as well as innovation and best practices in the EU countries*
- *to promote the co-operation between intermodal transport hubs and logistics centres both on national and international level*
- *to take part in the establishment of the effective common intermodal transport communication network in Adriatic-Ionian Region*

All activities in general should be based on the main aim - Slovenia's Intermodal Promotion Centre is an efficient partner of Intermodal transport network on European level.

- **Which could be the main stakeholders you could work with?**

There are eight potential stakeholders which Slovenian's Intermodal Promotion Centre could work with:

- *The Slovenian Ministry of Infrastructure*
- *The Slovenian Infrastructure Agency (DRSI)*
- *The Public Agency of the Republic of Slovenia for Railway Transport*
- *Motorway Company in the Republic of Slovenia (DARS)*
- *The company Luka Koper d.d. which provides port and logistics services in the port of Koper*
- *Slovenian Maritime Administration*
- *The Faculty of Maritime Studies and Transport*

The Faculty of Civil Engineering, Transportation Engineering and Architecture at the University of Maribor.

3. Objectives and activities of new promotion centres for multimodality

The concept of the multimodality promotion centres is intended to support the EU's modal shift policy, addressing stakeholders with activities ranging from awareness-raising, promotion and information up to specific intermodal services and transport alternatives, identifying and removing bottlenecks. They should also actively produce synergies through co-operation and networking, as catalysts working on the development intermodal freight solutions along European corridors with a high intermodal potential, overcoming barriers, improving communication among stakeholders and, in general, foster a shift towards more environmentally friendly and more sustainable modes of transport. Activities should include:

- increase awareness of intermodal transport among transporters, shippers and forwarding agents and logistic providers;
- provide transport stakeholders with information on the many and varied possibilities of intermodal transport, especially with regard to intermodal door-to-door transport;
- analyse the problems which might affect intermodal transport;
- set up and maintain a database on intermodal transport services;
- be a source of freight and transport information for trade, industry, as well as for municipalities governmental institutions;
- organize round table discussions, seminars, conferences on topic;
- promotion of intermodality;
- disseminate information on intermodal transport developments and innovations;
- promote co-operation between intermodal transport hubs and logistic centres both at national and at transnational level;
- participate in EU/national projects.

Promotion centres should also offer added-value services such as consulting, training or other services that are not offered by the market in the project's target area.

4. Proposed model for implementation of promotion centres in target countries (Slovenia, Albania, Montenegro)

From interviews in the target countries, it emerged that there is a general need to create new intermodal promotion centres in order to improve the efficiency of the transport system, using intermodal solutions. Each country is interested in the development of the promotion centres, in fact in the last few years they have adopted guideline documents, in which the possibility to create a promotion centre is mentioned, and in some cases it is also mentioned how to carry out activities.

For the creation of the promotion centres, we have identified five main steps, that target countries should follow:

STEP	ACTIVITY	EXPECTED RESULT
1. Establishment of a legal entity	Identification of a public body to originate the promotion centre from. Selection of the most appropriate legal entity.	Formal creation of the centre.
2. Finding an expert	Appointment of an official with strong expertise and in the transport sector and European projects	Coordination of start-up activities for the promotion centre.
3. Involve stakeholders	Summoning stakeholders directly interested in multimodal transport. Meetings and actions to explain the economic opportunities of multimodality.	Create a board comprising founding members for the centre.
4. Initial funding	Draft a budget plan for developing the new centre. Allocate funds for the first 2 years. Provide premises free of charge for the first 2 years.	Cover costs for start-up activities and short-term sustainability.
5. Aim at independence	Participation to EU projects, collection of membership fees, providing of value-added services and research reports.	Gradually move towards a financial independence of the promotion centre.

Table 2: The main steps for the creation and the start-up of a promotion centre for multimodality

3.1. Establishing a legal entity and appointing an expert

It emerged from interviews with and surveys of existing promotion centres that such entities are either:

- in-house structures of public bodies, who the finance and control the centre or
- associations of stakeholders with a specific interest in intermodality.

Provided that target countries are relatively small, they may not have strong enough stakeholders or trade associations from the private sector that could spontaneously join forces to create a centre for multimodality (such as ALIS in Italy, for instance).

With this in mind, we suggest that the creation of new centres should be kick-started by a public entity (such as a Port Authority or a branch of the Ministry of Transport), who would involve relevant stakeholders and have them join the centres as founding members.

We think the involvement of a Port Authority would be advisable in all cases, since target countries all seem to be characterized by a single major seaport (Bar for Montenegro, Koper for Slovenia, Dürres for Albania) where the advantages of multimodality would be clearly visible, with economic opportunities that would then be extended to freight agents and transport actors.

While contemplating the organizational aspects of creating the legal entity, it will also be necessary to draft a budget plan for developing the new centre, in order to have a realistic forecast of initial costs and necessary funding.

The first step would be to establish an entity (in the legal form that is more appropriate for each Country) and the appointing of a person (ideally but not necessarily from the public administration sector) that must have a strong expertise and experience in both the transport sector but also in the implementation of European projects, since the latter has proven to be a successful way for promotion centres to fund and implement their activities for multimodality.

3.2. Involving stakeholders as funding members of the centre

In order to make the new legal entity grow into an active promotion centre, the originating public body and the appointed expert should immediately summon those stakeholders bearing a potential interest in multimodal transport. Meetings and fertilization actions would help explain the economic opportunities that multimodality can bring, as well as the other advantages arising from having a competence centre dedicated to those issues.

Stakeholders that can be founding members should promptly be involved. These should be: terminal operators, shipping lines, freight forwarders, rail and road transport operators (and/or their trade associations, when possible).

Other very important stakeholders would be large manufacturers and shippers who are already interested in the optimization of their transport activities. Large companies are also often guided by corporate social responsibility whitepapers and need to care about environmental issues and thus about transport sector externalities. These issues are strictly connected with multimodality.

3.3. Initial funding for starting activities

Research on target countries has revealed that the creation of a new centre would require some public funding, at least for kick-starting activities – for which we forecast a period of about two years.

The centre's premises should be (at least initially) provided by the Ministry or Port Authority, so not to impact on budget for start-up activities. It can be simply a dedicated a room/office to be provided free of charge for the first two years.

Additional funding should come from membership fees: each member will pay a yearly fee, which could be proportional to the member's business size or annual turnover. This would allow to admit both large and small stakeholder as members. The payment of an annual fee means the direct participation of the members to the centre's management and promotion activities, research reports, since members are expected to be the first and main beneficiaries of the activities, and economic opportunities that multimodality can bring.

Later on, centres can aim at financial independence by means of participating to EU projects and by providing value-added services to their members (consultancy, research and reports; if possible even the organization and booking of multimodal services for members).

5. Multimodal solutions and railway networks

Provided that all three target countries have a single major seaport where the advantages of a multimodality promotion centre could be put to use (Bar for Montenegro, Koper for Slovenia and Dürres for Albania), they differ greatly with regard to the availability and the infrastructure of rail networks.

Slovenia is the target country that is most interested in developing and promoting intermodal solutions. In particular, the Ministry of Infrastructure of the Republic of Slovenia underlines the importance of intermodal transport solutions and the important role of railway transport in their country. Port of Koper represents the main entry door for goods via Suez Canal and, thanks to its strategic geographic position, it could be considered the shortest link from the Far East to Europe. The majority of goods are destined to the hinterland countries, such as: Austria, Hungary, Italy, Slovakia, Czech Republic, Germany and others in central Europe. The Divača – Koper railway link connects the Port of Koper to the Slovenian railway network. In December 2016 the Slovenian Parliament adopted the National Program for the Development of Transport until 2030, which plans the modernization of the railway infrastructure between Port of Koper and Divača, in order to implement the Pan-European network.

In Montenegro the situation of the railway network is quite different. This country would like to develop its network, in order to use the railway system in a more efficient way; to do that, it's required to eliminate all the bottlenecks, both technical and administrative/institutional. This kind of policy was intensified, in order to develop the harmonization of Western Balkan railway network and to link this Region to TEN-T network and corridors. The most important railroad connection in Montenegro is that between the Port of Bar and Belgrade (Serbia). According to its characteristics, this railway may be designated as port railway: for this reason its improvement is closely linked to the development of the Port of Bar and vice versa.

In both Slovenia and Montenegro, for the implementation of the railway network, the new promotion centre should support the activities in policy making and promote the use of the railway network. The promotion centre could also organize training courses, to support the improvement of the railway service. Moreover, the promotion centre could strengthen and implement the policy defined by the legislators.