Action Plan of Transnational Transport and Regional Development

BSR Access recommendations for actions

Background

The BSR Access platform project facilitated innovative and sustainable transport by creating linkages between traditional infrastructure nodes and smart transport solutions to further develop the TEN-T Core Network Corridors. Synergies were created by collecting, benchmarking and disseminating best practice cases in transport interoperability. By this the project platform contributed to sustainable growth in the Baltic Sea Region.

This document, in the form of an action plan, presents the project platform conclusions and recommendations for actions gained in the different activities of the platform during the implementation years 2019-2022.

The BSR Access platform project combined expertise from previous BSR Interreg programme projects NSB CoRe, TENTacle, Scandria®2Act and EMMA as well as the E12 Atlantica Transport of Interreg Botnia-Atlantica programme, the FinEst Link of Interreg Central Baltic programme, and Green Regions with Alternative Fuels for Transport, funded by the EU Connecting Europe Facility. The platform combined competences and geographies of the involved projects and organisations into one cooperation platform dealing with transport interoperability and regional development.

Furthermore, the platform combined viewpoints of three TEN-T European Coordinators (Scandinavian-Mediterranean, North Sea–Baltic and Baltic–Adriatic TEN-T core network corridors), EUSBSR Priority Area Transport and Horizontal Action Spatial Planning Coordinators, as well as a wide community of public and private transport stakeholders. BSR ACCESS supported the TEN-T European Coordinators and EUSBSR Priority Area and Horizontal Action Coordinators with knowledge on how to facilitate the high quality, innovative and sustainable services for transport and mobility along the corridors and how to make these the drivers for accessibility and economic, social and territorial cohesion.

BSR ACCESS strived to mobilise stakeholders to a more coherent, cross-sectoral and adaptive planning approach that would ensure a better access infrastructure to and an enhanced development of the TEN-T core network corridors, and thereby a sustainable regional growth.

In short, the objectives of the project were to:

- Create synergies between the involved projects by collecting, benchmarking and spreading their good practice in transport interoperability
- Break a silo-thinking in corridor planning by bringing together public and market stakeholders from various competence sectors and governance levels – to capitalise on the good practice accumulated by the projects and agree on transferable solutions
- Streamline political debate on durable policy and action proposals in interoperability based on the outcomes of cross-sectoral, multi-level and transnational stakeholder dialogue

Recommendations for actions from the project activities

The conclusions and recommendations for actions from all project platform work packages and actitivies are summarised in the following chapters. The full reports of each topic and the documentation of all activities are available in the project website at www.bsraccess.eu.

Enhancing corridor development

The first entity of activities is called *enhancing corridor development.* It includes the recommendations from four thematic areas; Regional development processes of mega-projects; Integrated planning along corridors; Enhanced Supply Chains through multimodal integration, and Clean Fuel Deployment.

Regional development processes of mega-projects

The *regional development processes of mega-projects* focused on describing and analysing the wider economic impacts of selected European cross-border transport mega-projects. The results are aimed to support development towards more comprehensive and standardized practice of impact assessment in large transport projects in the EU.

The key recommendations and policy points from the analyses are:

1. Political will is the most important asset for a mega-project to be realised.
2. Project organisations should have a clear strategy for furthering the mega-project bit by bit in the political system.
3. Credibility of analyses matter and can be used to collect political capital for the mega-project.
4. Analyses can and should be used to gain political capital for the projects.
5. Political pork barrel deals might matter when projects mostly benefit certain regions.
6. The over-estimation of the transport demand and under-estimation of the investment costs are major risks for the successful implementation of transport infrastructure project. Estimates of passenger and cargo volumes as well as investment costs should be verified by an expert body that is completely independent of the client, financiers and those responsible for the design and initial calculations.
7. Methodologies of appraisal in the Cost-Benefit Analysis should be more standardised or overseen. The usage of the infrastructure brings most benefits in the CBA and there might be incentives to overstate it in the appraisal.
8. Instructions for the evaluation of wider impacts should be produced including instructions for the spatial analysis of accessibility changes.
9. Projects with passenger transport having an important role should be required study the wider impact, from the viewpoint of regional changes of at least enterprises, labour markets, land use and population

Integrated planning along corridors

The purpose of the activities on *Integrated planning along transport corridors* was to identify transnational planning initiatives and processes as well as institutionalised cooperation models in transport development in the Baltic Sea Region and beyond. The collaboration networks were scanned and investigated in order to further enhance collaboration between stakeholders and exchange of best practices. The work consisted of the production of an empirical survey and a webinar. The key recommendations for actions and policy points drawn from the activities are:

1. Stakeholder cooperation networks have proven their strong voice underlying the importance of transport development in cross-border regions and on the transnational scale. When politicians and decision-makers typically have the responsibility to represent the viewpoint of either local, national or EU (emphasis on 'or'), stakeholder networks have the power to represent all of them. Those stakeholder networks, which have succeeded in building close ties with elected politicians in positions with professional or lobby organisations, have demonstrated an additional efficiency.

2. Stakeholder cooperation networks have proven their ability to step aside from competing against each other and cooperate. In the field of transnational transport development the list of dozens of projects is exceptionally strong and covers several of the EU's Programme Periods since their launch. The long commitment of the 'network champions' has been well received by their collaborators in decision-making authorities.

3. The continuity of stakeholder cooperation in cross-border and transnational matters has become increasingly important. Permanent structures such as European Grouping of Territorial Cooperation (EGTC) are gaining interest especially when transport development and policy-making are closely connected to each other. Short-term project funding is becoming less attractive to project initiators unless there is a more permanent collaboration structure involved in the project work. The idea 'from projects to process' is gaining momentum. However, in order to secure the benefits of dynamism and speed, which are advantages of a project-like structure, the importance of a bottom-up approach deserves to be underlined. Those stakeholder communication and cooperation networks which are best functioning seldom resemble any fixed structure given top-down.

4. The diversity of the European strategies means that every strategy has its own element of innovation. In transnational cooperation, multi-level governance between stakeholders is the tool to look for these innovations and apply them to new circumstances. Multi-level governance, in its most powerful format, is able to scan for innovations through several parallel strategies and lend best practices from one field to another. The strategic edge provided by multi-level governance is its ability to recognise innovations and apply them.

5. Multi-level governance benefits from data-driven governance. Eventually, knowledge serves decision-making for the good of citizens. The more we investigate and learn about the corridors, their internal dynamism and about what benefit they can bring to localities, regions and countries the more powerful message we are able to create for decision-making.

6. The first cases and evidence are already in place proving that a long-term commitment of partners in transnational and cross-border cooperation can build series of projects into a permanent process and above all develop into new permanent organisations. The influence of a permanent stakeholder organisation is

vastly greater when negotiating local questions in the national and/or EU context compared to a more temporary and loose organisation structure

Enhanced Supply Chains through multimodal integration

The activities on *Enhanced Supply Chains through multimodal integration* addressed the best practice examples of interoperability and integration of multimodal transport in supply chains, with a focus on untapped potential ensuring a better modal choice for business decisions. The key recommendations for actions and policy points from the analyses are:

1. Strengthening multimodal and interoperable transport solutions

For the transport sector to overcome its' challenges and to meet the targets set by the Transport White Paper (2011), the European Green Deal (2019), and EU Strategy on Sustainable & Smart Mobility (2020), it is of great importance that the sector shifts to sustainable modes of transport such as railway, inland waterway and river-sea shipping. This can ensure environmentally friendly, safe, and congestion-free transport and logistics, while at the same time upgrading the existing infrastructure and fleet. It is also essential for the transport sector to make efficient use of an integrated and intelligent multimodal network. A level playing field needs to be achieved between road and rail as well as inland waterways to be able to shift cargo to the more environmentally friendly transport mode. To make the intermodal/multimodal transport chain more attractive, easy availability and accessibility need to be guaranteed as well.

2. Improved investment coordination among corridors

The lack of a coherent approach in planning the corridor investments does not only manifest itself across the administrative borders. The EU Coordinators' Issues Papers point at the still pre-dominant silo-thinking and low level of synergies with existing initiatives as a drawback in delivering the large infrastructure investments on corridors.Furthermore, the stakeholder interaction processes must go beyond the final approval of the infrastructure construction. If stakeholder involvement is seen as a burdensome but necessary means of "enforcing" an infrastructure project, its true potential will not be realized.

3. Improved connectivity by linking rail and inland waterways to multimodal hubs

The overall long-term European goal is to create an interconnected and interoperable rail system that connects Central- and Eastern Europe with Scandinavia, and China. Additionally, capacity and bottleneck challenges in hinterland connections of ports are to be solved. Rail Baltica is one key project on the path to achieving these aims in the BSR. Its effective connections to the wider 1520 mm railway network will help to create new industrial zones and communication nodes, to create conditions for emerging business opportunities, and will affect the development of distribution centers in national markets. A network of cooperating multimodal (or at least) intermodal terminals covering the CNCs should be designed, and an integrated and coordinated strategy for terminal development considered. This is possible only in close partnerships between public and private actors in transportation sector across national borders. It is

important that the whole EU territory is given the same opportunity to be connected by rail, following the principle of cohesion and accessibility policy

4. Improved utilization of information and communication technology (ICT)

Digitalizing IWT and waterways must be a future priority in Europe to boost greening the entire transport sector. Without the European Rail Traffic Management System (ERTMS) the European rail sector cannot make further steps in digitalisation. However, while investment into digital innovation in the rail sector is essential to dramatically increase infrastructure capacity and improve efficiency, digitalization should also not be seen as a replacement of infrastructure investments. Taking into account the EU's modal shift objectives, while considering the congestion levels in large parts of the EU network today, one cannot realistically expect that digitalization alone will be the sole solution for congestion issues and that volumes will increase sufficiently. Investments into the maintenance of the existing rail network, especially on RFCs, will thus continue to be necessary.

5. Improved utilization of decarbonation potential

To speed up the deployment to reach the emission reduction goals in the IWT sector it is therefore of highest importance to provide the technical solutions, create and authorize specific aid schemes and fiscal incentives. The IWT sector therefore needs:

- Available and affordable technology to broadly deploy innovation in the sector
- Flexible goal based regulatory framework avoiding long term permission processes for innovative solutions
- Tailor made and dedicated funding combining national and EU funding schemes for engine renewals, retrofitting of engines in existing vessels with electric drive or propulsion (to make the energy source exchangeable for future green solutions) and innovative vessel design to reduce energy consumption and to make the fleet resilient towards climate change.

6. Vision for a multimodal and interoperable supply chain

The European infrastructure policy should be considered the backbone of the common European transport policy that supports all modes of transport. As a result, the transport and infrastructure policy of the Member States should build on and reinforce the strategy developed at the European level. Only then a smooth and fully integrated European transport chain can be developed. Same applies to rail transport, inland navigation, RSS and SSS which can develop to their full potential if sufficient preconditions are set and implemented

Clean fuel deployment

The deployment of clean fuels in road transport was one of the project platform's key objectives. The overall aim for these activities was to create better basis for integrated and interoperable clean fuel systems across the countries of the BSR, using the already existing experiences, knowledge and best practices with clean fuel deployment in the Baltic Sea Region. The results of these activities address the major challenges that exist in order to create good clean fuel systems along the core network corridors.

The BSR faces enormous changes with regards to alternatively fuelled passenger vehicles. In this context, clean fuel vehicles have gained an important market share in countries such as Sweden, Finland, Denmark, and Germany. However, there still is a high dependency on fossil fuel vehicles. Overall, the picture seems very scattered among the Baltic Sea Region states. For heavy goods vehicles, the situation is similarly challenging: the national frameworks present only low coherence in terms of all kinds of alternative fuels ambitions. Moreover, BSR countries still lack long-term perspectives and a comprehensive incentive framework. Therefore, more coordinated action is needed to boost clean fuel deployment in the Baltic Sea Region. Base on this, the following recommendations for actions and positions on measures needed to ensure the future development of clean fuel deployment in the BSR were drawn from the analyses:

Collaboratively governed transition to zero emission

1. Strengthen collaboration and interaction between public and private players (establishing a coordination and support platform – the BSR Clean Fuel Platform)

More ambitious and technology neutral policy

2. A common clean fuel vision
3. All BSR countries should revise and increase their ambition and targets for clean fuel deployment
4. Clean fuel deployment in TEN-T: more precise EU-goals/mandatory targets for Member States
5. Multi fuel perspective – technology neutral
6. Hydrogen strategy for BSR
7. Ban on distribution of fossil fuel vehicles

Harmonised and interoperable clean fuel infrastructure across borders

8. Coherent clean fuel infrastructure within the entire Baltic Sea Region
9. Harmonised EV roaming
10. Consistent and harmonised taxation

First and Last Mile access to core network corridors

The second entity of activities is called *First and Last Mile access to core network corridors*. It includes the recommendations from two thematic areas; First mile interoperability solutions; and Interoperability of Urban Nodes.

First mile interoperability solutions

BSR Access tackled challenges, needs and improvement proposals for interconnectivity between the European Core Network Corridors and so-called first mile areas. Such areas have never been defined or delineated in any of the EU-level policy documents. In BSR Access the first mile areas were defined as:

• areas located outside commuting distance of corridor hubs and nodes

• areas containing substantial export industries, thus dependent on international transport chains

• areas with scattered, low density, population settlement.

A survey of projects financed by Interreg programmes – and in one case Horizon 2020 – resulted in identification of 15 projects with possible relevance for first mile areas, whereof 11 were further analysed.

As a result the following recommendations were drawn as improvement proposals for interconnectivity between the European Core Network Corridors and first mile areas:

1. *Increase awareness*

Since first mile issues are rarely addressed improved knowledge is essential. Building knowledge can be made by identifying and analysing the first mile areas that might be affected by the implementation of CNCs. The challenges might be about boosting potentials as well as mitigate relatively decreased accessibility. Furthermore, both best practice and learning examples should be identified among national and regional projects which are not to be found with Interreg or Horizon funding.

2. *Develop the concept of first mile area*

Apart from "outside commuting distance from CNC hubs and nodes" is a criterion that is simple to calculate. Defining "substantial exporting industries" provides challenges to measure whether industries are to be regarded as substantial and to what extent production is aimed for non-domestic markets. At the same time the definition is excluding clusters of small and medium sized industries which together can be considered as substantial. Furthermore, the importance of freight hubs in first mile areas are not acknowledged. The perception of "dense population settlement" and "medium or large urban centres" might differ considerably between EU member states. Classifications as for example developed by ESPON can be misleading as they are often based on NUTS3 or NUTS2 administrative areas.

3. *Formulate first mile policy*

In EU policy urban core nodes are considered connecting CNCs to its hinterland. However, along the corridors several nodes have the function connecting to a larger geographical area, whether classified as TEN-T, national or regional infrastructure. In EU policy, and especially regarding the CNCs, first mile connections need to be acknowledged and addressed in policy documents.

4. *Clarify governance and responsibilities*

With the variety of preconditions in different areas first mile issue should be addressed with a bottom-up approach. The well-developed governance structures in the Baltic Sea Region provides a framework gathering national, regional and, many times, local actors. The interreg programmes can promote analysis of first mile issues by explicitly give priority to project applications with integrated first mile perspectives. Giving priority to first mile issues should be based on a clear policy formulation based on the interface between EU and national interests.

Interoperability of Urban Nodes

Within the BSR Access, the urban nodes in the Baltic Sea Region have been investigated to identify challenges associated with their role as interface between urban transport and trans-European transport. Consequently, measures have been recommended to support urban nodes in developing the transport function accordingly to meet future mobility requirements.

There are three key recommendations and policy points drawn from the activities:

1. A concise yet flexible definition of urban nodes, which takes into account the spatial dimension, multi-functionality, access points as well as first and last mile connections.
2. Smart financing of transport infrastructure development, which includes innovative financing instruments, pre-allocation of budget and synergies among funding programmes.
3. A multi-level governance approach, which refers to the expansion of the geographical scope of urban nodes, and the Baltic Sea Region as a platform for urban node development

BSR Access recommends to define urban nodes as follows: "*An urban node is a functional area where long distance, regional and local traffic is interconnected. It provides access from and to the trans-European network, for both freight and passengers including first and last mile connections*". Such urban node consists of:

- transport infrastructure in the urban node being part of the TEN-T network or being functionally linked, including bypasses that increase the performance of the TEN-T network,
- access points to the TEN-T network like multimodal railway stations, multimodal terminals, ports or airports irrespective of the fact, whether they are included in the TEN-T network or not, provided that they are relevant for the interaction of the urban node with the TEN-T network,
- first and last mile connections to these access points.

The mobility transition towards a sustainable transport system poses challenges in future, where urban nodes will play an important role as mobility hotspots but also as laboratories for innovative and sustainable

mobility solutions. In this context, urban nodes are facing similar challenges. Thus it is recommended to maintain a regular exchange on expert and political level about urban node development issues in the Baltic Sea Region, involving urban nodes in the Baltic Sea Region, the PA Transport of the EU Strategy for the Baltic Sea Region, European Commission – DG MOVE and DG REGIO, the EU-Coordinators for the core network corridors running within the Baltic Sea Region as well as relevant European networks, i.e. the CIVITAS network or the ELTIS platform.

The BSR could serve as a platform for future collaboration of urban nodes, developing solutions for tackling urban node issues like integrated urban node planning or financing of urban node transport infrastructure within joint projects

Transnational connectivity forum in multilevel governance structure

The third entity is called Transnational connectivity forum in multilevel governance structure. It contains the key recommendations and policy points from the project platforms' two major online events; the Multimodality Agora and the Clean Fuel Agora.

As a summary the following policy points and recommendations can be highlighted:

Multimodality Agora

1. Long-term commitment of partners in transnational and cross-border cooperation can build series of projects into a permanent process and above all develop into new permanent organisations. The influence of a permanent stakeholder organisation is vastly greater when negotiating local questions in the national and/or EU context compared to a more temporary and loose organisation structure.

2. In order to drive the use of big data (larger, more complex data sets) in governance and decision-making there is a need to increase the capacity building practices on different levels of corridor development (locally, in organisations, and on corridor level). This requires a mental change from data management to data-driven governance culture.

3. The continuity of stakeholder cooperation in cross-border and transnational matters has become increasingly important as permanent structures as for instance the RFCs and EGTCs and other Alliances have proven – especially when transport development and policy-making are closely connected to each other. The idea 'from projects to process' is gaining momentum.

4. Urban nodes are a key element of the transport system, where different development interests coincide. Efficient urban nodes are needed for a well-functioning, multimodal transport system. Transport planning in urban nodes requires a multi-level governance approach, reflecting functional relationships like first and last mile as well as stretching across administrative borders. Urban nodes provide a huge potential for innovation in terms of the transition to zero-emission transport.

Clean fuel Agora

1. The Baltic Sea Region is on the right track towards systematic transition. However, ambitions and measures vary a lot in the BSR countries and do not always meet the targets as per the Paris Agreement and as translated into European law.
2. On political level, there is a need for implementation of more precise regulations; with the upcoming revision of the AFID, specific and binding targets for all Member States are required.
3. investments in infrastructure, vehicles and public procurement need to significantly increase. There is a strong need for matching service and infrastructure. Besides the Connecting Europe Facility, there will be a strong funding source for clean fuel deployment, which is essential.
4. Clean vehicles are essential for decarbonising the transport sector. The market for clean fuel vehicles needs to be competitive and clean vehicles need to be affordable. The requirement for further market stimulation is an important aspect. Policy making should include the consumers' perspective and then expect the market reactions
5. Sustainable transformation requires acceptance on part of civil society and in public opinion. Moreover, cities and regions must be considered and supported. This requires instruments such as the Sustainable Urban Mobility Plans (SUMPs) and measures in urban nodes. In this regard, the network extensions of the Scan-Med corridor to Norway and the NSB corridor to Northern Finland and Sweden will more deeply integrate the corridors.