

## Transport & Logistics Conference 2016

3 March 2016

Rue du Commerce 44, Brussels

### Conference Conclusions

On 3 March 2016, the Slovenian Business & Research Association (SBRA) organized the Transport & Logistics Conference 2016 together with the Ministry of Infrastructure of the Republic of Slovenia and the European Commission's Directorate-General for Mobility and Transport. The high-level event was held at the premises of the Permanent Representation of the Republic of Slovenia to the European Union, and supported by the Embassy of Slovenia to the Kingdom of Belgium.

The conference brought together over 100 participants, including EU and national decision makers, members of both EU and national parliaments, SBRA members, experts from international transport organizations, transport attachés from EU Member States, European transport associations, ports and railway companies from Central Europe, representatives from intermodal logistic centers, NGOs, various regional representations to the EU, as well as civil society bodies and academics involved in transport & logistics issues.

The European Commissioner for Mobility and Transport Ms. Violeta Bulc was the keynote speaker, alongside Dr. Peter Gašperšič, the Slovenian Minister of Infrastructure. Presentations were also made from EU and national decision makers, including a host of experts representing some of the industry's leading voices.

The event covered the wider EU agenda on transport and logistics, while a special emphasis on the Central European region was given. The official media sponsor of the event was the Slovenian Press Agency.

The detailed programme of speakers and topics is available [here](#), the list of participants can be found [here](#).

On the following page, a brief summary of conclusions are presented ([in chronological order](#)).

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## **Violeta BULC**

**European Commissioner for Mobility & Transport**

### ***Short & Long-term EU Issues and Solutions in the Area of Transport and Logistics with Emphasis on Central and SE Europe***

In her keynote address, the European Commissioner for Mobility & Transport, Ms. Violeta Bulc pointed out the remarkable dynamics and changes unfolding in Europe today; especially in the area of transport and logistics. She emphasized the importance that the transport sector plays; directly employing 10 million people, in other words, one in 20 of all employees are directly employed in this sector. More so, transport and logistics represent 60% of costs of goods and services. Additionally, some 80% of people in the EU live in urban areas, and public transport is of immense importance. The recent migrant crisis was also touched upon; in fact, because of the tighter border controls, especially along the so-called “Balkan route”, the estimated costs amount to 5 – 18 billion EUR per year (freight alone between 1.7 to 7.5 billion EUR).

Currently, 9 major transport corridors act as the backbone for transportation, one of the most important being Baltic-Adriatic Core Network Corridor. It connects the Baltic with the Adriatic Sea, through industrialized areas between Southern Poland (Upper Silesia), Vienna and Bratislava, the Eastern Alpine region and Northern Italy and Slovenia. Within this is the important second track of Koper - Divača railway, port interconnections, and further development of multimodal platforms.

The most important issues facing transport and logistics globally and especially in EU are digitalization, globalization, sustainability and de-carbonization, electrification of ports, innovations, connectivity; which will all require huge investments. In fact, EU needs an estimated 500 billion EUR of investments to truly solve all of its issues in transport and infrastructure. Currently, there are only 26 billion EUR (of which 2 billion are through EFSI) ensured through the EU budget. Although the figure may seem inadequate, it's still a record within EU budgets so far. Finally, the EU wishes to transport its know-how and excellence in transport standards globally.

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## **Dr. Peter GAŠPERŠIČ**

**Slovenian Minister of Infrastructure**

### ***Panel discussion on Regional Infrastructure Challenges and Solutions***

Presentation available [here](#)

Minister of Infrastructure of the Republic of Slovenia, Dr. Peter Gašperšič presented an exhaustive overview of Slovenia and its geostrategic position and the current and future infrastructure investments in Slovenia. After the detailed presentation, a panel discussion followed (seated were Bojan Rosi from the University of Maribor, Faculty of Logistics; Johannes Urban from the Free State of Bavaria; Zeno Danner from the Representation of the State of Baden-Württemberg to the EU; Alberto Cozzi from the Central European Initiative; Blanka Bednářová from the Czech Ministry of Transport; and Jan Krak from the Permanent Representation of Slovakia to the EU). In January 2016 the Slovenian Government unanimously adopted an important decision regarding further steps for the construction of the second

track between Divača and Koper, and has tasked the Ministry of Infrastructure and the Ministry of Finance to draw up a draft Act on the construction of the new railway link; and to do so by 30 March 2016. The international panel welcomed the news, and wholeheartedly support the Slovenian government in their decision to support the promising infrastructure investment.

Dr. Peter Gašperšič explained how Slovenia sits on two of Europe's main transport corridors (Baltic – Adriatic and the Mediterranean), and the possibility of a third corridor connect Europe with Asia (via Istanbul). More so, Port of Koper is the shortest sea route from East Asia to central Europe. Thanks to investments made, this port is connected by a modern highway network (business centers of surrounding hinterland can be reached by road in less than 1 day and by train in less than 2 days). In fact, an average of 52 trains run per day from Port of Koper. The port has ambitious plans for the future too; in 2015 cargo throughput amounted to 20.7 million tons; in 2016 that is set to increase to 21.6 million tons; and hopes are that by 2030 it will double to 40 million tons.

One of the main strategic goals of Slovenia is thus 1. shifting of freight from roads to rails; 2. multimodality safe and efficient transport, and; 3. TEN-T railway standards. Since 1994, the management of all existing motorways & relevant road infrastructure transferred to DARS d.d. At the moment DARS manages and maintains a total of 606 km of motorways and expressways, 161 km of access roads and 27 km of rest areas. Development of road infrastructure is planned to solve the missing links on the TEN-T network (Draženci – Gruškovje, Karavanke tunnel) and invest in new connections between North and South Slovenia. Investment is estimated at 247 million EUR for Draženci – Gruškovje; and 117 million EUR for Karavanke tunnel.

For optimum results, Slovenia will build infrastructure through the cohesion funds, through public private partnerships and joint ventures with interested partners. Additionally, a selection of the best performers is planned for all enders and greater cooperation between countries in the region was emphasized. Lastly, the Intermodal Logistics Terminal in Ljubljana was also briefly presented. Slovenian Railways and the BTC Ltd. Are the main investors; and plan to double the size in warehouses (from current 79,000 m<sup>2</sup> to 161,000 m<sup>2</sup>).

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## **Stéphane OUAKI**

**Head of Unit, Connecting Europe – Infrastructure Investment Strategies, European Commission**

### ***Overall EU Funding Policy for Transport Infrastructure***

Presentation available [here](#)

Stéphane Ouaki presented a variety of financing possibilities and mechanism in place, including the use of EFSI. The Connecting Europe Facility (transport sector) was presented in great detail; a budget of 24 billion EUR in the 2014 – 2020 period. 80 – 85 % of available budget (~20.5 billion EUR) for the 9 core network corridors and important cross-border sections, bottlenecks and missing links. 15 – 20 % (~3.5 billion EUR) for other projects on the core network, projects on the comprehensive network (max 5%), financial instruments (10%). The CEF "Cohesion envelope" was also presented, in fact 11.3 billion EUR transferred from the Cohesion Fund to the CEF. Exclusively for transport projects in Member States eligible for the Cohesion Fund on the core network. Binding national allocations between 2014–2016 (exclusively grants), of which Slovenia allocation was 159 million EUR.

Key features of EFSI are: focus on investments in real economy (results on growth and jobs, market-driven, no geographic or sector pre-allocation), consistency with EU policies, economic and technical

viability and additionality versus existing instruments (market failures and sub-optimal investment, higher risk-taking than EIB normal activity in EFSI timeframe).

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### **Alain FLAUSCH**

**Secretary General, International Association of Public Transport**

#### ***Changing Mobility Landscape in Central & Eastern Europe***

Presentation available [here](#)

Alain Flausch, from the International Association of Public Transport (which has over 1400 member companies, located in 96 countries, and includes operators, authorities, public transport supply and service industry and research centers and universities) presented the changing mobility landscape in Central & Eastern Europe. The key mobility trends identified were: no progress without EU funds; ITS revolution getting smart cities moving; rise of railway infrastructure investments; electromobility's offensive. More so, public transport in Central and Eastern Europe is currently undergoing a major quality shift. The historic development gap between Western and Eastern Europe is slowly beginning to vanish – partly due to urban mobility rise. Eastern Europe especially lags behind in railway use and infrastructure and there is huge potential there (including from an ecological point of view).

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### **Dr. Libor LOCHMAN**

**Executive Director, Voice of European Railways**

#### ***Railway as the most reliable, clean and safe transport in the region***

Presentation available [here](#)

Dr. Libor Lochman from the Voice of European Railways (more than 70 members and partners) identified three principles for urgent action for Central and South East Europe: more investments on infrastructure; enhanced, committed regional cooperation, and; intelligent, pragmatic approach to implementation of the EU rail acquis. More so, rail investments bring positive effects on the economy at large. In fact, the economic size of Europe's rail sector is significant: 143 billion EUR. It indirectly employs 1.2 million people; and indirectly supports another 1.06 million. Furthermore, it is sustainable development: Rail only accounts for 2% of total energy consumption in transport although it carries 17.2% of inland freight and 7.4% of passengers in Europe.

Dr. Libor Lochman warned that the existing railway line connecting the Port of Koper is approaching full capacity. Saturation could occur btw 2018 and 2028, depending on traffic growth rate and operational capacity. If Koper experiences rail capacity crunch, up to 15% of additional traffic could remain for Koper but shift to road. The remaining 85% will move to Rijeka/Trieste. It was also stressed that, rail is vital for ensuring proper regional integration and trigger the potential for regional traffic. This is true for both passenger and freight. Coordination of national economies and the interplay of the comparative advantages should and eventually will restructure subregional economies along a coherent value chain. Lastly, administrative cooperation from different governmental branches is also needed (i.e. to speed up border crossing procedures).

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## **Alberto COZZI**

**Project Manager, Central European Initiative**

### ***ACROSEE Study: Transport Bottlenecks in Central & SE Europe***

Presentation available [here](#)

Alberto Cozzi from the Central European Initiative presented the ACROSEE study, which co-financed by the EU Transnational Cooperation Programme "South-East Europe", working in line with the new EU TEN-T Guidelines and aiming at improving cross-border accessibility in the South -East Europe Area. The objective was reached by promoting prioritization and optimization of the existing network and extending the EU transport network to the Western Balkans. .

The ACROSSEE project aimed at improving cross-border accessibility in the SEE area and at coordination enhancement among SEE national administrations, in the light of EU legislation with a threefold general objective: 1.) to contribute to the extension of the TEN-T network and optimise the existing SEE network implementation with the aim of fostering intermodality and co-modality on transnational corridors and of reaching the White Paper targets by linking different regional strategies of SEE, including the Western Balkans and the traffic generators from Russia/Ukraine, Turkey and Suez; 2.) to adopt a common transport model for the entire South East Area, integrated with the rest of Europe and compatible with the current EU system, adequate to be exploited also by public administrations and transport operators, and; 3.) to improve the cross-border accessibility of the freight flows and adopt concrete measures in order to cut the running time in the cross-border points and ease up the existing bottlenecks in the SEE area, as well as to increase operations' transparency.

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## **Marcial BUSTINDUY**

**Principal Sustainable Transport Specialist, European Bank for Reconstruction and Development**

### ***Financing efficient and sustainable transport networks***

Presentation available [here](#)

Marcial Bustinduy presented the EBRD and its achievements: 86.6 billion EUR invested in 3,700+ projects since 1991; across all business sectors including transport; and is private sector oriented (80%). In fact, the EBRD has provided over 13 billion EUR in investment in the transport sector alone. Challenges that the transport sector faces were also outlined, such as: infrastructure gap; severe constraints on public budgets; regional integration; increased risk of cross-border projects; sector reforms needed. More, sot transport is fundamental to deliver climate policies (COP-21): only major sector in the EU where GHG missions are still rising.

Over the last 5 years the EBRD has invested two billion EUR in 35 Projects about Intermodal Transport & Logistics. The demand for freight transport is growing and the EBRD aims to bridge the infrastructure gap and facilitate the sustainable development of the sector: logistics centres; intermodal terminals; road fleet modernization; port development; rolling stock and railcars; short-sea shipping & inland river transport; capital markets and financial restructuring (IPO, private placement, etc); modernization and green logistics. Lastly, the EBRD is also set to unveil the Green Logistics Programme (funded by EBRD and Global Environment Facility) in 2016. The programme is to facilitate implementation of Green Logistics and best practices in the region (non-EU countries).

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Dr. **Peter VERLIČ**

Director of the Institute of Traffic and Transport Ljubljana, Slovenian Railways

***Slovenian Railways and the South East Europe Strategic Alliance  
for Rail Innovation (SEESARI)***

Presentation available [here](#)

Dr. Peter Verlič presented the mission, vision and goals of the Slovenian Railways: to become an important regional transport operator and provider of integrated logistics services in Central and South-East Europe, a key provider of passenger services in Slovenian integrated public transport and manage to maintain modern, reliable and safe public rail infrastructure. To achieve this, Slovenian Railways has numerous major ongoing investments, including: reconstruction, electrification and upgrading of the Pragersko-Hodoš line to enable performance at speeds of up to 160 km/h – investment of 465.5 million EUR (of this, EU funds make up 231 million EUR); modernization of existing single-track rail line Divača - Koper – investment of 110 million EUR (of this, EU funds make up 68 million EUR); implementation of GSM-R System on Slovenian rail network – investment 145 million EUR (of this, EU funds total 100 million EUR); ERTMS/ETCS project on RFC 6 – investment 47.5 million EUR (of this, EU funds total 23 million EUR), and lastly; upgrading on line Zidani most-Šentilj on section Dolga Gora-Poljčane and Slovenska Bistrica-Pragersko to D4 axel load – investment 54 million EUR (of this, EU funds total 27 million EUR). In the future, Slovenian Railways plans to construct a new second track (27 km) on the Divača-Koper line by 2020; upgrading of the Divača-Ljubljana line., as well as, infrastructure upgrades to facilitate interoperability on rail freight corridors (ETCS, double-track lines, remote control traffic management system). More so, emphasis will be given to reconstructing the Ljubljana Traffic Node; and upgrading of the switch yard Ljubljana-Zalog; as well as the modernization and expansion of the Ljubljana Intermodal Terminal.

Lastly, the SEESARI initiative was presented, which literally stands for South East Europe Alliance for Railway Innovation. 27<sup>th</sup> of January 2016 officially marked the kick-off of the project in Belgrade, Serbia. The main goals of the Alliance are: clustering of interested stakeholders for identifying the innovative ideas/solutions/projects for railway development and transport; bring new ideas and solutions into reality; support the development of rail in South East Europe and support its contribution to the wider European railway system and more sustainable transport. The main SEESARI stakeholders: transport operators; infrastructure managers; manufacturers and suppliers of technical equipment; financial institutions; research institutions; associations and interest groups connected with (rail) transport; national and regional authorities; and other institutions and administrations from a wide range of interested stakeholders.

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**Sebastjan ŠIK**

PR Director, Port of Koper – Luka Koper

***Mission, Vision and Strategy of Port of Koper***

Presentation available [here](#)

Sebastjan Šik of Port of Koper – Luka Koper showcased the impressive results of Port of Koper in recent years and the very ambitious plans it has for the future. The so-called second railway track between Koper and Divača is of paramount importance for the future development of Port of Koper; which has achieved one of the highest growth rates among sea ports in Europe in the last few years. Some key

facts and statistics were also presented: Luka Koper, d. d. was established in 1957, a public limited company listed on the Ljubljana stock exchange and has a concession granted for the management of the port area until 2043. In 2011, the national spatial plan for the development of the port was adopted. It is the largest container terminal in the Adriatic, and the 2<sup>nd</sup> largest car terminal in the Mediterranean. Currently, Port of Koper employs over 1,000 employees. The port has ambitious plans for the future too; in 2015 cargo throughput amounted to 20.7 million tons; in 2016 that is set to increase to 21.6 million tons; and hopes are that by 2030 it will double to 40 million tons.

Port of Koper is the shortest sea route from East Asia to central Europe. Thanks to investments made, this port is connected by a modern highway network (business centers of surrounding hinterland can be reached by road in less than 1 day and by train in less than 2 days). In other words, this means that shipping 1 container (18 gross ton) from East Asia (Shanghai) to Port of Koper saves approximately 1,040 kg of CO<sub>2</sub>.

Lastly, despite the impressive growth and development of the port, and ambitious plans for the future, Port of Koper – Luka Koper is fully aware of its significance in relation to the natural and social environment in which it operates; consequently it maintains a responsible approach towards such issues in its business and development. In 2010 Luka Koper gained the **EMAS** certificate and became compliant with the very highest environment protection criteria. The company regularly monitors and supervises the environmental impacts of port activities in co-operation with the presiding expert institutions. At present, more than 70% of all waste in the port is collected separately and forwarded to recycling.

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**Sandra SODINI**

**Director, European Grouping of Territorial Cooperation**

***Top 15 Missing EU Transport Links:  
Intermodal Logistics Centre Gorizia (ITA)– Nova Gorica (SLO)***

Presentation available [here](#)

Sandra Sodini presented the need for Intermodal Logistics Center Gorizia – Nova Gorica, a small railway junction between Gorizia, Nova Gorica and Šempeter. The junction is of high significance because in case of disruptions/accidents no rail freight between the two countries would be able to operate. Logistics platform, with significant intermodal value to foster the shift of freight from roads to railways, reducing CO<sub>2</sub> emission and revitalizing the local economy in the area (more services – more competitiveness). Specific vocation to be the back area of Adriatic ports (Koper, Trieste, Monfalcone). More so, the area has the potential to be tourist corridor between Italy, Slovenia and Austria of great international appeal (Transalpina rail – Bohinjska Proga).

In short, the vision would be to have a cross-border public transport system with high environmental sustainability to create the basis for a better rail connection between railway Jesenice-Nova Gorica/Gorizia-Sežana and between airport of Trieste, hub cities of Venice and Ljubljana, passing through the urban area of the Gorizia (ITA) Nova Gorica (SLO) Šempeter – Vrtojba (SLO). The project is one of the 15 projects in EU which are believed to have been left out (European Parliament). European Commission recently financed a feasibility study for this junction but now it seems the money is no longer available (only 4.7 million EUR investment needed). Most likely, the project will have to be included in some plans and priorities of respective countries of Italy and Slovenia.

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## **William TODTS**

**Director of Freight & Climate, Transport & Environment**

### ***Environmental issues regarding transport in the EU, with emphasis on the region of Central & SE Europe***

William Todts presented detailed overview of the ecological footprint and environmental issues regarding the transportation in the EU. In spite of the existing legislation, air pollution remains one of the major environmental problems in Europe. In order to protect its citizens and its environment, Europe needs strict and enforced air pollution legislation. Sector-specific legislation, such as for road vehicles (cars, vans and trucks), diesel machinery (construction machinery, inland water vessels and locomotives) and seagoing ships, is key to achieving clean air in Europe. The EU urgently needs to tighten its road, diesel machine and ship emissions legislation. More so, aviation is one of the fastest growing sources of greenhouse gas emissions and the most climate-intensive form of transport. Aviation emissions have more than doubled in the last 20 years and the sector is responsible for an estimated 4.9% of man-made global warming. One of the most important steps Europe can take to save drivers money, combat climate change, and create high-tech jobs is to require carmakers to produce more efficient vehicles. In 2008, the EU introduced legally-binding CO2 standards, for the first time setting a goal that, on average, new cars sold in Europe in 2015 should emit 130 grammes of CO2 per kilometre. This weak target has been met early, and most carmakers are on track to meet the 2021 goal of 95g. Half the improvement results from carmakers manipulating the obsolete test that must be replaced in 2017. The Commission also needs to make a new proposal for 2025 standards for cars and vans in 2016.

More than once it was stressed that while the rail sector will benefit from the new EU spending rules, but both freight and passenger rail shares continue to decline in Europe as a whole. Some countries are the exceptions show promising growth. However, there is a serious problem with cross-border passenger rail in particular, where connections are being closed and services cancelled, despite passenger demand. The focus on expensive high-speed rail infrastructure and services, including beneficial treatment from EU funds, may be feeding this harmful trend.

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## **Marko GUČEK**

**CEO, GoOpti**

### ***Smart demand responsive transportation (DRT) in the digital single market***

Presentation available [here](#)

Marko Guček of GoOpti presented the future of transport and the potential of smart demand responsive transportation (DRT) in the digital single market. GoOpti currently operates in 540 cities and offers three types of services on 38 routes. In some ways, GoOpti, is an online sales platform and complimentary to Uber on long distance journeys. More so, GoOpti believes it is to ground transportation, to what Ryanair was to the flight industry 10 years ago. Additionally, GoOpti International takes care for online sales and regional centers, which exist in Slovenia and Croatia and to be opened in Poland, Italy, Germany and Spain. They work with local drivers and transportation companies. The GoOpti website can be accessed on a computer, a mobile phone, a smartphone, a tablet and on other portable devices with a web browser. It is available in eight languages and allows payment in 7 different currencies. GoOpti currently

transports over 15,000 passengers per month (transferred app. 400,000 passengers since its inception in 2011), has 187 vehicles in its fleet, 222 sales partners and 51 transportation companies.

However, there are many administrative obstacles still in the way, and – perhaps rightly so – Marko Guček asked himself and the audience, where is this so-called digital single market that is so often mentioned? For instance, every country has a different regulation on vehicles (for up to 8 passengers), no EU member licenses exist, pooling and DRT poorly regulated or not at all. It was stressed that mobility must become a service. GoOpti will look for innovative solutions in the future and better use of EU funds available (SME Instrument, Horizon 2020, bilateral projects and partnerships).

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