Towards sustainable and smart mobility in WB - role of digitalisation and multimodality

Sixth Technical Cooperation Workshop for the Western Balkans
EU ELECTRONIC FREIGHT TRANSPORT INFORMATION REGULATION AND THE USE OF UN/CEFACT SEMANTIC STANDARDS AND MULTIMODAL TRANSPORT REFERENCE DATA MODEL IN THE WESTERN BALKANS

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Content

• State of play: Climate change, transport, multimodality

• Sustainable and Smart Mobility Strategy
  • Multimodality
  • Digitalization

• TCT digitalization projects
Climate change

GHG emissions

• Sources of GHG emissions in WB- energy and transport, 2/3 of overall share

• Transport sector
  • 12% share of these emissions in 1990
  • 16% share of these emissions in 2018

Source: JRC, “Status of air pollutants and greenhouse gases in the Western Balkans”, 2020
Climate change and transport

On air quality

• Particulate matter (PM10 and PM2.5), SO2, O3 and NO2 concentrations are often above the yearly average, daily maximum and hourly maximum limits

• 8 out of 15 most polluted cities in Europe are in Western Balkans according to the Air Quality report

• Air pollution contributes
  • between 4 per cent and 19 per cent of total premature mortality
  • reduces life expectancy by between 0.4 and 1.3 years

Source: UN environment, “Air Pollution and Human Health: The Case of the Western Balkans”, 2019
Climate change and transport

- The EU has set a target that all Member States (MS) will be climate neutral by 2050

- 90% of pollution comes from road sector

- 80% of investments in the last 20 years were in the road sector => rail sector underinvested

- Multimodal transportation on initial stage as well digitalisation

- Underused inland waterways
Logistics performance index & LSCI

Liner shipping connectivity index,

<table>
<thead>
<tr>
<th>Economy /quarter</th>
<th>Q4 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td>Albania</td>
<td>160</td>
</tr>
<tr>
<td>Italy</td>
<td>15</td>
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<tr>
<td>Montenegro</td>
<td>152</td>
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</tbody>
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Border crossing delays

- around 26 million hours – almost 3,000 years – of truck drivers’ time are wasted at border crossings in the Western Balkans.

- reducing average wait times at the border by 3h - > add 3% to GDP in each of the six economies over the medium term.

Source: World Bank: More Economic Integration Would Help Unleash the Potential of the Western Balkans
Investment needs

• 74 transport projects (26 roads, 23 railway, 2 for ports, 1 IWW & 2 for airports)
• Total investment needed is €23 billion,
  • €8.67 billion for mature projects
  • €14.33 billion for projects under preparation
• Funding needs
  • road sector €15.46 billion,
  • rail € 7.37 billion,
  • inland waterways € 8.1 million,
  • ports € 26.3 million
  • & airports € 138.4 million
Policy framework

- Paris Agreement (2016)
- Economic and Investment Plan for the Western Balkans (2019)
- Green agenda for Western Balkans (2020)
- Sustainable and Smart Mobility Strategy for Western Balkans perspective (2020)
- European Green Deal (2016)
- Transport Community Modal Action Plans (2020)
- EU Sustainable and Smart Mobility Strategy (2021)
The Sustainable and Smart Mobility Strategy for the Western Balkans (SSMS) was developed to mirror the European Union’s (EU) Sustainable and Smart Mobility Strategy.

67 Actions in 10 Flagship that are grouped in three objectives for mobility:

- Sustainable mobility,
- Smart mobility, and
- Resilient mobility.

The Actions include a wide variety of policy and investment initiatives - move towards a sustainable transport system.

The purpose of the SSMS for the WB6 - provide the region with a roadmap for the decarbonisation and digitalisation of its transport sector.
Flagship 1 - boosting uptake of zero-emission vehicles, renewable & low-carbon fuels and related infrastructure
Flagship 2 - creating zero-emission airports and ports
Flagship 3 - making interurban and urban mobility more sustainable and healthy
Flagship 4 - greening freight transport
Flagship 5 - pricing carbon and providing better incentives for users

Flagship 6 - making connected and automated multimodal mobility a reality
Flagship 7 - innovation, data and AI for smart mobility

Flagship 8 – working towards the single market
Flagship 9 - making mobility fair and just for all
Flagship 10 - enhancing transport safety and security
## Roadmap Multimodal measures

<table>
<thead>
<tr>
<th>Flagship 4 - Greening Freight Transport</th>
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</thead>
<tbody>
<tr>
<td>Improving multimodality through transposition of intermodal/multimodal legislative framework</td>
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<tr>
<td>Assessment of bottlenecks in modal interconnections and the current incentive system in place</td>
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<tr>
<td>Ensuring road/rail connections to TEN-T ports/airports, freight terminals, and removing bottlenecks for intermodal transport</td>
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<tr>
<td>Construction of intermodal terminals and purchase of related equipment</td>
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<tr>
<td>Participation in the NAIADIES III Programme as observers, potential participation in Inland waterway and MoS Projects through CEF II</td>
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<tr>
<td>Rail Corridor Initiative – Western Balkans to join the Rail Freight Corridors.</td>
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</tbody>
</table>
## Roadmap Smart Mobility

<table>
<thead>
<tr>
<th>SMART MOBILITY</th>
<th>FLAGSHIP 6 - MAKING CONNECTED AND AUTOMATED MULTIMODAL MOBILITY A REALITY</th>
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</thead>
<tbody>
<tr>
<td>Enable B2A multimodal data exchange through implementation of the e-FTI Regulation and Maritime Single Window environment</td>
<td>L</td>
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<tr>
<td>Use of modern software at border crossing points /common crossing points (such as e-qms, NCTS, SEED, NSW, Galileo app)</td>
<td>I</td>
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<tr>
<td>Initiative</td>
<td>L, S, I</td>
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<tr>
<td>----------------------------------------------------------------------------</td>
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<tr>
<td>Deployment of ITS through transposition of EU directives, standards, preparation of project documentation and deployment</td>
<td>L, S, I</td>
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<tr>
<td>Initiation of deployment of VTMIS and e maritime services through transposition of EU directives, standards, preparation of project documentation and deployment</td>
<td>L, S, I</td>
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<tr>
<td>Initiation of deployment of RIS through transposition of EU directives, standards, preparation of project documentation and deployment</td>
<td>L, S, I</td>
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<tr>
<td>Deployment of Mobility as a Service (pax and freight) applications and digital transport corridors, smart mobility solutions and multimodal travel information services</td>
<td>S, I</td>
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<td>P, I</td>
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<tr>
<td>Enable environment for multimodal ticketing in passenger transport and transpose relevant legislation.</td>
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<tr>
<td>Assess the needs for setting up agencies or other bodies to support safe, smart and sustainable road transport operations</td>
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<tr>
<td>Transpose the EU legal framework on the approval of connected and automated vehicles</td>
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Strategy implementation
• **AIM OF THE REGULATION**

  The regulation establishes a legal framework that allows economic operators to share with enforcement authorities information in an electronic format concerning the transport of goods by road, rail, inland waterways and air.

  Electronic freight transport information (eFTI) is a set of data elements processed electronically for the purpose of exchanging regulatory information among economic operators (mainly companies involved in freight transport and logistics) and between operators and competent authorities.

  Operators are not obliged to make regulatory information available electronically to a competent authority. However, when they choose to make this information available electronically, operators must:
  • use data processed on a certified eFTI platform and, if applicable, by a certified eFTI service provider;
  • make data available in machine-readable format via an authenticated and secure connection to the data source of an eFTI platform, and, when the data is requested for inspection, communicate to the authorities a unique identifying link to that data;
  • present data in human-readable format if requested by the competent authority, on the spot, on the operator's device.
Project summary  e-freight

- **Implemented by** EY and local and global expert team
- **Timeline:** February 2022 - December 2022
- **Client:** Permanent Secretariat of the Transport Community
- **Geography:** Western Balkans
- **Stakeholders:**
  1. The ministries of transport (and other ministries based on need)
  2. Road, railway and inland waterways authorities / associations in the Regional Partners, as well as commerce associations
  3. CEFTA representatives
  4. Regional Cooperation Council representatives
  5. And others
- **Transport modes covered:** road, rail and inland waterways
- **Objective:** to enable an interoperable electronic freight information exchange system in the region, reducing administrative burden for logistics operators, and facilitating multimodal transport. Special focus - to be expandable to neighbouring EU MSs
- **Ultimate result:** develop the implementation plan and pilot projects to deploy e-freight and implement the eFTI Regulation in the Western Balkans
Key facts about impact assessment

Object: economic and environmental impact assessment of e-freight in the Western Balkans as per Regional Partner / Economies readiness.

Analysed options:

- **Baseline** - reflects developments under current trends and policies, without intervention by the national governments and regional organisations in the area of electronic transport documents.
- **Option 1 (O1)** - electronic freight information accepted by the authorities within the Western Balkans only.
- **Option 2 (O2)** – electronic freight information accepted by the EU and the Western Balkan authorities.
- **100% uptake of e-freight information exchange** - electronic freight information accepted by the EU and the Western Balkan authorities and all businesses exchange information digitally.

Analysed years:
- 2025
- 2028
- 2030

Analysed impact

**Economic impact on businesses:**
- Administrative costs
- Printing and archiving costs
- Compliance costs

**Economic impact on authorities:**
- Compliance costs
- Certification costs
- Enforcement costs

**Environmental impact:**
- Emissions
- Use of Natural resources (saved trees)
Benefits and costs

2025 – 2030 in the Western Balkans:

► EUR 26.5 million would be saved under option 1
► EUR 80.2 million would be saved under option 2
► EUR 163.5 million would be saved under 100% uptake of e-freight information exchange
► Full digitisation would save more than 1/3 of current expenses on administrative matters (EUR 467.7 million under baseline option)

Cost for authorities

► If authorities developed eFTI gates and platforms from the beginning, they would spend EUR 18.6 million in total under option 2
► If authorities developed eFTI gates and platforms based on the previous solution (SEED), they would spend EUR 11.1 million in total under option 2

Administrative burden reduction: salaries of the employees working on freight related documents preparation.
The 'North Star' – Target State by 2030:

- Regional multimodal E-freight Living Lab including eFTI gates and platforms is live and being scaled
- Connected to the EU
- Ongoing harmonisation with eFTI Regulation and concept
- Responsible authorities and working groups active on national, regional and EU level and cooperate
- 100% uptake of e-freight information exchange in the Western Balkans
- Administrative burden reduction - EUR 163.5 M
- Saved trees - 159.5k trees
Current status

• On our Connectivity Summit 2023, 15-16 May, Ministers of Transport and director of Customs endorsed Joint CEFTA-TCT Declaration “Taking Forward the Green Lanes”

• Several possible instruments for financing: New Growth plan, Sustainable and Safe Transport Programme, TTFP
Way forward

• Piloting the 1st phase

• Transposition of Regulation (EU) 2020/1056 on electronic freight transport information

• Agreement on data sets and data exchange

• Ratification of international conventions
Thank you for your attention