GOVERNANCE OF EAST BSR COUNTRIES COMMON TRANSPORT SYSTEM DEVELOPMENT

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Adequate transport provision is a pre-requisite for sound economic development. This is possible only when there is joint strategic transport planning process and close cooperation between the national authorities, and involvement of the market stakeholders. All stakeholders involved in transportation can expect to benefit from the upon common East BSR transport system development. The joint action plan must highlight the areas and components of the transport system which are important for the effective interconnectivity of the individual networks, and/or for absorbing the steadily increasing intraregional and transcontinental freight flows. New transport patterns will emerge, according to which larger volumes of freight must be carried jointly to their destination by the most efficient combination of transport modes.

Keywords: transport system, planning, infrastructure, coordination, stakeholders.

1. Introduction

Latvia, Lithuania and Estonia (East BSR countries) has been developing its transport system according to the national needs and pursuant to the common European transport development objectives and guides. These have been identified and amended in the Pan-European Transport Conferences, as well as by the Commission of the European Union and Economic Commission of United Nations (ECE). Large differences exist between the East BSR countries and other part of the BSR. The disparity in quality and availability of infrastructure in particular is seen in the East-West connections (backlog of transport infrastructure investments in the East).

The keynote of the development is effective integration of the East BSR countries transport sector into the European and BSR transport system and transport services market complying with the common criteria for transport development in the EU. East BSR counties territory is crossed by the International corridor No 1 (motorway “Via Baltica” and railway line Tallinn–Riga–Kaunas–Warsaw) in the North-South direction, and Lithuania by the International corridor 9 Branches 9B (Kiev–Minsk–Vilnius–Kaunas–Klaipėda) and 9D (Kaunas–Kaliningrad) in the West-East direction. The 3rd Pan-European Transport Conference (Helsinki, 1997) summarized the results of complex joint international efforts directed towards specifying the long-term plans for further European transport development perspectives. These decisions reconfirmed the priority status at the Pan-European level of both transport corridors of international importance, crossing the territory of East BSR countries. The focus in the Helsinki decisions was given to the better use of the existing infrastructure, “intelligent” management of traffic, networks and systems.

Due to the East BSR countries specific nature and needs and apart of TEN-T corridors, the region is covered by its own transport network. One of the biggest present problems is insufficient transport infrastructure and long border crossing procedures between East BSR countries and Belarus/Russia limiting international accessibility for goods and passengers.

To define a mission of public authorities in the field of development of the transport system, it is essential to analyse two most important segments of this broad system: the infrastructure and its users (carriers, operators) having different specific features of functioning and activity development. Within the transport system, carriers, operators and other transport service providers operating under market conditions have to work in a competitive environment. Here, the role of public authorities should be oriented to the creation and guaranteeing of equal competitive conditions for all transport service participants, usually acting on the basis of private ownership and initiative, whereas the efficiency of the transport infrastructure (mostly acting on the basis of public ownership) and benefits of its development in the civilised world are being assessed on the scale of an individual country or the whole region rather
than on that of an individual enterprise. Transport networks in BSR like in other regions, are a drive for competitiveness of a common market artery or even of markets. Therefore, the development and modernisation of transport infrastructure are one of the essential measures that ensure economic progress in working out national economy development strategies and programmes of both the EU and individual East BSR countries.

2. Current transport system development situation in the East BSR countries

Describing the current transport system development situation in the East BSR countries it’s possible to distinguish three integrated environments. Analyses of these environments, which directly affect transportation efficiency, describe main problems of transportation in the each East BSR country and in the region. The existing transportation management and development organization model of separate East BSR country is presented in Figure 1. Relations between the elements are shown in Figure 2.

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![Figure 1. Existing East BSR country transport system organization and development model](image1)

**Figure 1.** Existing East BSR country transport system organization and development model

![Figure 2. Links between East BSR country transport system organization and development model constituent elements](image2)

**Figure 2.** Links between East BSR country transport system organization and development model constituent elements
In the Fig. 2 arrows indicate the links between cells, which shows that these environments are interrelated and cannot be distinguished. The largest influence on other elements of the environment has EU and East BSR country and transport system development policy.

Common to all three environmental elements, is cost of transportation and investment in the transport system infrastructure development, customers of service efficiency and quality. One important aspect would be to interconnect individual transport networks of the Latvia, Lithuania, and Estonia, diminish infrastructural drawbacks and to harmonize various transport development priorities. This requires actions to overcome the impact of administrative borders on efficiency of transport flows within the East BSR countries and to reduce the remoteness of this area to main economic centers of Europe and other parts of the world. This requires better connections from the East BSR countries to the Russia, the Black Sea and the Mediterranean regions and Far East countries. The joint action plan must highlight the areas and components of the transport system which are important for the effective interconnectivity of the individual networks, and/or for absorbing the steadily increasing intraregional and transcontinental freight flows. A joint strategic transport planning process must support sustainable growth in the East Baltic Sea Region countries and requires close cooperation between the European, national, regional authorities, concerned professional associations and involvement of the public and private market stakeholders.

3. Benefits of East BSR countries common transport system development for all stakeholders

Transport is an integral part of most economic activities. Therefore, adequate transport provision is a prerequisite for sound economic development. When traffic volumes are increasing to the point that congestion arises, it is of greatest importance to ensure the accessibility of the major economic centers. This is possible only when there is joint strategic transport planning process and close cooperation between the national authorities, and involvement of the market stakeholders.

Table 1 contains the expected benefits for the different stakeholders, upon common transport system development. All stakeholders involved in transportation can expect to benefit from the upon common East BSR transport system development. It will contribute to a sustainable growth of transport capacity in parallel with the smaller energy consumption and emission.

Common transport system development is strongly supported by EU and BSR policy makers especially because of its socio-economic benefits for society as a whole. Currently users of transport systems base their choice of preferred mode or transport on the direct costs only. Common East BSR transport system development will stimulate intermodal transport development which will be cheaper than the alternatives and the quality of service will be higher.

Table 1. Benefits of East BSR countries common transport system development

<table>
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<tr>
<th>STAKEHOLDER</th>
<th>EXPECTED BENEFITS</th>
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<tr>
<td>(Inland) shipping companies</td>
<td>Higher quality of service and entering of new markets</td>
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<tr>
<td>Existing shippers</td>
<td>Lower transport costs, more transport opportunities/alternatives, greater reliability and safety</td>
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<tr>
<td>Potential (new) shippers</td>
<td>Better access to market, opening up of new markets, more transport opportunities/alternatives, lower transport costs</td>
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<tr>
<td>Railways</td>
<td>Higher quality of service and possibility to compete with the separate market segments</td>
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<tr>
<td>Road haulage industry</td>
<td>Higher quality of service, greater flexibility and reliability</td>
</tr>
<tr>
<td>Forwarding industry</td>
<td>Greater range of transport opportunities/alternatives, lower costs</td>
</tr>
<tr>
<td>Intermodal transport operators (MTO’s)</td>
<td>Better coordination of activities, higher quality of service, more transport alternatives, lower costs</td>
</tr>
<tr>
<td>Authorities, policy makers and the society at large</td>
<td>Efficient interfaces between transport networks, need-based approach to infrastructure investments, additional transport opportunities/alternatives, enabling limitation/control of traffic congestion, greening transport corridors. Increased competition, offering cost-effectiveness (and accelerated introduction of market principles)</td>
</tr>
</tbody>
</table>
One important aspect would be to interconnect individual transport networks of the East BSR countries, diminish infrastructural drawbacks and to harmonize various transport development priorities. Activities related to planning and development of the transport networks should be aligned with the regional development perspective. For this intention the establishment of formalised coordinating bodies (e.g. EGTC or other structures) for the regional transport systems and nodes connecting to TEN-T networks is essential. Those coordinating bodies should negotiate and identify most prominent bottlenecks and obstacles in transport connections to the major European and transnational corridors and aim at identification of most important investment necessities for transport corridors which cross various BSR countries.

This would allow bringing together a variety of stakeholders at all levels of administration, business and civil society along the corridor to address specific issues of green corridor development, attract funds for the corridor development and to ensure further corridor planning.

Furthermore, better integration as East BSR countries and all BSR countries transport networks TEN-T networks into the socio-economic development processes of the region is required. Bridging TEN-T, East BSR countries and whole BSR countries transport networks could increase the region’s accessibility.

4. Conclusions

Due to the East BSR countries specific nature and needs the region is covered by its own transport network. The transport policymaking process in the East BSR countries Region needs a pro-active and outward-looking approach and creation of mechanism of governance of East BSR countries common transport system development.

This would allow to bringing together a variety of stakeholders at all levels of administration, business and to address specific regional transport system development, identify the specific infrastructure bottlenecks in the network and border crossing points and to ensure further regional common planning system.

Measures must be jointly prepared to meet such challenges for the BSR transport system as: new global trading routes, concentration and consolidation of logistics supply chains, predicted capacity pressure on some parts of the road and rail network, demographic and migration trends etc.

References