How to create a management structure for transport corridors

Maria Öberg\textsuperscript{a}, Kristina L Nilsson\textsuperscript{b}, Charlotta Johansson\textsuperscript{c}

\textsuperscript{a,b,c}Luleå University of Technology, Luleå, Sweden

Abstract

The findings in this paper are part of a larger research study aiming to develop a methodology for creating customized management structures for transnational transport corridors. In the paper management structures in two EU transport initiatives and one interregional transport corridor have been analysed. A multi-level governance perspective is suggested to be more clearly adopted in transnational transport corridor initiatives. A multi-optional structure is introduced as an instrument for strengthening the participation of diverse stakeholders, providing differentiated structures for commitment to the initiative, still ensuring key stakeholders strong commitment.

Keywords: transport corridor; green corridor; multi-level governance; transport corridor management

Résumé

Les conclusions de cette étude font partie d'une étude plus large visant à développer une méthodologie pour la création de structures de gestion personnalisées pour les corridors de transport transnationaux. Dans ce papier, les structures de gestion de deux initiatives de transport de l'UE et un corridor de transport interrégionaux ont été analysés. Un point de vue de gouvernance multi-niveaux suggère alors qu'elles soient adaptées de manière plus claire dans les initiatives et corridors de transports transnationaux. Une structure multi-option est présentée comme un instrument pour renforcer la participation des diverses parties prenantes, en fournissant des structures différenciées pour l'engagement à l'initiative, et en assurant un fort engagement aux principales parties prenantes.

Mots-clés: axe de transport; corridor vert, gouvernance multi-niveaux, gestion de corridor de transport.
1. Introduction

The Bothnian Corridor is a transport corridor stretching around the Bothnian Gulf, the coastline of Finland and Sweden, down to the capital areas of Sweden and Finland. The Bothnian green logistic corridor project (BGLC) aims to develop sustainable and efficient transport possibilities and business concepts in the corridor and its connections. There are nearly 30 partners in the project, which to a large extent is financed by the EU. Luleå University of Technology (LTU) is a research partner in this project, and is responsible for suggesting an appropriate management structure for the BGLC transport corridor.

Management cultures in society change over time. Today it is generally recognised that issues traditionally handled by governments, like transport infrastructure development, are instead being handled in actions shared by authorities, private actors, non-governmental organizations etc. in various constellations (Giuliano, 2007; Romein et.al., 2003). With a strong interdependence between actors in decision-making processes, they become more challenging with collaborative, dialogue and network initiatives to support the process. (Nilsson, 2010; Szydarowski & Tallberg, 2013). The concept of multi-level governance is based on an increased interdependence in decision-making between formal authorities at different levels in a vertical dimension, and authorities and other actors in society in a horizontal level (Bach & Flinders, 2005).

LTU’s research is aiming for developing a methodology to create customised management structures for transnational transport corridors in general, and the Bothnian Corridor is one case where the outcome of the research has the potential of direct implementation in practice, adjusted in consent with concerned actors. To be able to suggest a suitable management structure many factors need to be considered such as which type of legal form it should have, who should participate, how does it relate to present management cultures, and which processes are crucial to make it work effectively.

The aim with this paper is to discuss how to develop management structures for transnational transport corridors by analysing management structures in EU transport initiatives and an interregional transport project, especially concerning the aspect of multi-level governance.

2. Research methodology and implementation

The overall research perspective of management structures in the BGLC project is based on qualitative methodology with a combination of literature and document studies together with interviews and direct and indirect observations (Danermark, 1997). This combination of methods creates a triangulation, where results from different sources and perspectives can corroborate with each other (Vidovich, 2003). Several studies of
management structures are conducted as a part of the on-going BGLC project. Literature reviews has been performed of previous research within the fields of governance and transport. A study of research experiences of transport projects regarding management structures has been made in collaboration with University of Thessaly in Greece (UTH) and VTT technical research centre in Finland (VTT) (Eckhardt, 2013). As a part of this study an open workshop was held in Örebro, in April 2013, where concerned actors from five countries and diverse sectors of society could discuss their views of transport corridor management structures. Öberg and Nilsson were participative observing the workshop. Knowledge and experiences from additional transport initiatives will be gathered partly by interviews, which are in progress. The empirical material will be analysed in an abductive way searching for tracks, similarities and differences in relation to the context (Strauss & Corbin, 1998). A framework will be developed for creating customised management structures for transnational transport corridors using the assembled information.

In this paper an analysis of three management structures is discussed, two recent EU transport corridor initiatives and an interregional transport corridor project. East west transport corridor II has been chosen as an example of interregional transport projects since it was finalised during 2012 and within the project it was considered in a transparent way how to proceed in regard to management structures.

3. Description of other management structures in transport corridor initiatives

In this section the management structures of the three initiatives are briefly described and a compared and combined analysis is discussed in section 4.

3.1. Rail network for competitive freight

The regulation for a European rail network (EU Regulation EC 913/2010, 2010) for competitive freight is an initiative towards seamless rail freight transport corridors in Europe, launched in 2010. How governance of these transport corridors should be performed is defined in the regulation. It is proposed to establish an executive board with representatives from concerned Member states. The executive board should set the objectives for the freight corridor and oversee the activities connected to those objectives. Next step is to establish a management board composed of the infrastructure managers, and the body allocating rail capacity to the operators, if such a body exists. A main task for the management board is to outline an implementation plan. The management board can be a separate entity, a European economic interest group (EEIG). Further the management board should set up two advisory groups, one for terminals and one for railway undertakings.

To avoid overlapping governance structures, already existing initiatives should be taken into consideration (EU Regulation EC 913/2010, 2010). Specifically mentioned initiatives are Trans-European transport network (TEN-T), see description below, regarding infrastructure development, European rail traffic management system (ERTMS) focusing on harmonization of traffic control systems, and rail net Europe (RNE) being a support in facilitating international rail traffic.

According to the handbook on the regulation concerning a European rail network for competitive freight (EU DG-MOVE staff working document, 2010) the ERTMS corridors are of high importance when establishing a governance structure for rail freight corridors since they in several cases comprise the same corridors as the rail freight corridors and they have a governance structure already in place.

3.2. Trans European network for transport (TEN-T), Core network corridors

A recent initiative is the review of the trans-European transport network TEN-T, where a proposal for new guidelines has been presented (European Commission, 2011a). It aims for a European well connected transport network, for freight and passenger transport, for rail, road, maritime and air transport. The overall network structure is divided into two layers, a comprehensive network and a core network. For the comprehensive network accessibility and cohesion in the European Union is in focus, while the core network consists of the strategically most important parts of the network. The Core network should constitute a backbone network for transport and serve large transport streams.

In the European Commission proposal for guidelines (European Commission, 2011a) it is stated that core network corridors will lead the implementation of the entire core network. The core network corridors will be managed by a coordinator, appointed by the European Commission, together with a corridor platform. Corridor
Platforms will be formed by involved member states. Participants in the corridor platform should be representatives of member states involved, and other public and private actors. Each corridor shall develop a plan for development of the corridor.

In the proposed guidelines (European Commission, 2011a) it is further mentioned that existing management structures for a European rail network for competitive freight and European deployment plan for ERTMS should be considered when core network corridors are being developed.

3.3 East West Transport corridor (EWTC)

The East west transport corridor project is a partly EU-financed project aiming to develop and work for efficient and environmentally friendly transport of goods in the east-west direction in the south Baltic region. Partners are representatives from local, regional and national levels in Denmark, Sweden, Germany, Lithuania and Belarus and Swedish and Lithuanian governments support it. The project was carried out during 2009 – 2012. One of the tasks in the project has led to the development of a structure for future cooperation in the corridor even after the project (East west transport corridor project website, 2012). In parallel there is the EWTC association that was founded 2010 with members from 12 countries, several outside EU (East west transport association website, 2013). One challenging characteristic for the EWTC project is a varied collection of stakeholders, geographically dispersed and from varying parts of society; Political actors, national and regional authorities, business life, pressure groups and academia (Källström, 2012). In relation to the EU initiatives the transport corridor is only partly a part of the European core network and not part of the rail freight corridors (ibid.).

In finding a suitable management organisation form for EWTC, Källström (2012) articulates four possible options for development of management structures. One option is a non-profit organisation or association, and such organisations can have diversified legal constitutions, but the members are in most cases considered as being equal in the sense of obligations and voting rights. An association is presumed to give small opportunities to encompass different members interests, especially regarding business actors. Further the large amount of inhomogeneous stakeholders might make managing demanding. The organisation also has to follow the laws of the country where it is registered, which can hamper the international focus. The second option, strategic alliance, is presented as an inter-firm cooperation and is therefore not considered to be a suitable option for a transport corridor management with stakeholders from many sectors in society. The third option refers to the EU initiative on rail freight corridors EC 913/2010, which is recognised with clear objectives and a given mandate from the European Union to involved member states to arrange a governance structure. There is no such current mandate from EU or national level regarding the EWTC corridor why it is not considered as an appropriate option.

The fourth option is to create a European economic interest grouping, EEIG. An EEIG offers a form of cooperation for legal bodies, companies or individuals in the EU member states and the European economic area (EEA), which also Iceland, Norway and Liechtenstein are part of and no investment capital is needed (Commission of the European Communities, 1999). The grouping is a separate entity that can act in its own name and the members have the power to construct how the grouping shall be run, for instance for voting rights. Källström (2012) suggests an EEIG. He argues that an EEIG could emerge from the existing association and be created under the circumstances of a firm commitment of stakeholders, national and regional authorities, major infrastructure owners and major operators. This report also presents the advantages of an EEIG as a steady structure, but at the same time flexible in the sense of easy procedures for changes in the memberships. Nevertheless, it also acknowledges that the need for setting up an EEIG needs preparation work where the partners have to formulate a common business scope and commit to the structure.

A way of working together in an EEIG in EWTC is suggested by Källström (2012) as follows: A high level policy board, for key organisations that might not want to join as members, is attached to the EEIG but not a part of it. The EEIG comprises a member assembly, a management board and a secretariat. The member assembly consists of both public and private actors. They should formulate general objectives together with a high level group, among other things. The management board appoints thematic advisory groups and ensures and controls the on-going activities. The members of the EEIG are suggested to be those with a direct interest in the transport corridor.
However, in the EWTC strategy Action plan (East west transport corridor project, 2012) some hesitation towards an EEIG is presented, mostly based on the fact that actors from outside EU and EEA cannot be full members. The EWTC governance structure is instead proposed to stay as an association, based on contractual relationships. The association concept is however planned to be evolved. According to this EWTC Strategy plan a small executive committee of three persons should be formed for taking decisions between annual meetings. An advisory board is being set up with a broad representation of 10-15 persons and acting as an idea generator and for guidance to the executive committee and secretariat. The secretariat will be strengthened, organized as a staffed central secretariat, and geographical regional secretariats. Regional secretariats are represented in the advisory board to address geographically specific issues contributing to the overall goals. To engage important key stakeholders that for some reason are not part of the organisation they can be invited as observers. Temporary workgroups with partners will be formed for issues of specific interest.

4. Reflections

4.1 Management in EU initiatives for transport corridors

The transport area is an active field within EU. This review gives an insight in the stream of initiatives that is constantly influencing the management structures. In the analysed initiatives existing management structures serves as a base for new structures, adjusted to changing and emerging demands. In this way earlier efforts are utilised. The national level of governance often plays a central role in the EU initiatives, Member states are given tasks they need to fulfill, which enhance the mandates for implementation of an initiative.

Many initiatives are focusing on rail traffic, and there is a common desire to strengthen the rail option for medium and long distances to reduce environmental impact (European Commission, 2011b). However, the TEN-T initiative holds a wider concept than just rail traffic, with all modes of transport including both passenger and freight transport, implicating that more stakeholders should be engaged in the processes. The proposed TEN-T guidelines recognize that infrastructure planning of today involves several actors like authorities from a national, regional and local level as well as transport operators and other public and private actors (European Commission, 2011a). The corridor platforms stated in the proposed TEN-T guidelines open for diverse stakeholder participation, despite that the guidelines per se does not provide details of the platform participation or work procedures.

The initiative for a rail network for competitive freight discussed above, foremost engage state authorities, infrastructure managers, bodies for allocating rail capacity to the operators, railway undertakings and responsible actors for terminals in the management structure. Key stakeholders of the different transport modes including both freight and passenger transport might also be attached to corridor platforms, suggested in the proposed TEN-T guidelines (European Commission, 2011a). They may be most important for decision-making in the current question at hand, but it is also of importance to interact in a broader sense. A broad interaction can have several purposes such as to increase knowledge about the efforts, to let other actors align their own goals with a common goal and increase the dialogue with stakeholders. There is a contradiction though, between many participants with various views to encompass, and few participants, being more flexible in decision-making and making adjustments.

4.2 Management in interregional transport initiatives

When regional or local governance levels are leading international and interregional transport projects there is a difficulty in the fact that the national level to a large extent holds the mandate to implement the outlined plans (Tallberg & Hansson Malm, 2013). This makes it important to engage authorities on the national levels of governance when interregional transport projects are performed. Another thing to be considered is differences in mandate for levels of governance in different countries (Tallberg & Hansson Malm, 2013).

Without national and EU directives, designing a governance structure is likely to be an issue for the participating stakeholders in an interregional initiative. In the case of EWTC there is a structural similarity between the EEIG concept described by Källström (2013) and the management structures for rail freight corridors and the proposed new TEN-T guidelines described in section 3.1-3.2. Developing a management structure with high similarity to
EU initiatives makes it easier to adapt to, or attach to such an initiative in a later stage. On the other hand the arguments brought forward in the strategy plan (East west transport corridor project, 2012) are understandable, about not being able to incorporate members outside the EEA. Keeping the association makes it easier to encompass stakeholders on an equal basis, and the association structure is shaping to stay flexible and action-oriented although consisting of many members. The proposal in this strategy plan is also building further on the existing structure, like in the EU initiatives. Still, another consideration is that even though an association works well for many stakeholders it might not be an option for others to commit to, for instance if the chances of fulfilling their own organisations goals by participating is perceived to be small.

4.3 Towards a Multi-optional structure

As discussed above, it is recognized that multi-level governance is a way of working together in society to achieve common goals and policies. Considering multi-level governance as both a vertical and horizontal combination where authorities from local, regional, national and EU levels work together with other actors from the different levels it can easily become too many participants which makes it unmanageable. It can also lead to attachment of many peripheral actors to the actual issue, unaware of present restrictions, mainly concerned about single objectives. On the other hand it rises opportunities for collective efforts to accomplish development by providing an arena for discussion, find best practices or compromises to move forward towards an overarching goal.

In a previous paper Öberg and Nilsson (2013) have discussed a multi-optional structure as an instrument to create transport corridor management structures suitable for all stakeholders. The key is to offer different types of commitment in the same overall structure as outlined in figure 2 below. Core stakeholders being the most engaged ones, could form a strong commitment in an EEIG or a contractual partnership. The core stakeholders can differ depending on the actual initiative. Strategic advisors are important to attach to the structure, especially from national and EU level, to involve important decision-makers, if they are not part of the core stakeholders. The strategic advisors could even function as a decision making board with participants from both concerned states and EU. Decision-making could be connected to the specific corridor for instance regarding harmonising of rules for transport in the corridor to strengthen the corridors performance, if the participants can be given mandate for this sort of decisions.

Thematic work can concern specific topics and be arranged in the form of alliances, partnerships, networks, discussion forums etc. Stakeholders can attach to the arrangements focusing on their area of knowledge and wish of structural connection. Stakeholders not actively participating in any thematic work can be attached to a looser network for the possibility of information exchange and perhaps later participation. A secretariat to facilitate and coordinate the work is suggested, in line with research made by Provan and Kenis (2007). They have studied network governance, and state that when there are a large number of participating actors combined with distinct objectives and need of high proficiency in the network, a separate network administrative organisation (NAO) can be appropriate to lead the work.

The multi-optional structure has similarities to the structures of the management models suggested in the handbook for rail freight corridors (EU DG-MOVE staff working document, 2010) and the proposed TEN-T guidelines (European Commission, 2011a). There is however a distinct difference, the multi-optional structure emphasises a broad participation from stakeholders by arranging the work into both loose and strong commitment opportunities. This way the participation can be widened in the sense of multi-level governance. Further the possibilities to form decision making boards with mandate to handle specific issues concerning the transnational transport corridor needs to be explored.
5. Conclusions

All examples of EU initiatives and the interregional project examined in this paper give insights in how the choice of management structure in new initiatives is clearly affected by existing structures. Existing structures are considered as an important starting point when a new progressed structure is needed according to new emerging demands. Earlier efforts and governance structures are therefore well utilised. In the analysed EU initiatives the governance structures are mentioned as a part of the implementation of the initiatives, involving the national level of governance. For interregional projects there are no such directives to consider and therefore more options available for choosing a governance structure. When these governance structures are formed it is important to remember that engagement from the national level of governance is of high importance, since financing and implementation of activities to develop transport corridors often need support from, or is controlled by this level of governance.

However, an inclusion of, and broad interaction with, interested stakeholders in management and implementation processes is important for both EU and interregional initiatives, since joint actions can support, and even adjust the objectives. Therefore, a multi-level governance perspective, both vertical and horizontal, should be adopted more clearly in transnational transport corridor initiatives. A multi-optional structure combining strong and loose structures for commitment emphasises a broad participation and accommodation of many stakeholders, still ensuring key stakeholders strong commitment. The multi-optional structure also suggests strategic advisors to be attached to the governance structure, where both EU and concerned states are represented. The possibility to also let such strategic advisors form a decision making board with mandate to strengthen transport options in the specific corridor should be further explored.

The multi-optional governance structure needs to be tested and evaluated in practice, before it can be accepted. It is a general structure and when using it in a particular transport corridor it must be customised to the context. The Bothnian Corridor will be used as an example to define, in a theoretical approach, important customising factors for the multi-optional structure. Focus groups are planned to be held the 7th of January 2014 with the partners of the BGLC project to encompass their views of the proposed multi-optional structure and the customizing factors. In the next steps the structure can be launched in practice by key stakeholders. During this
process it is important to be receptive to the stakeholder’s views and desires. Further research is then needed to follow the outcome of the management structure as well as stakeholders views, to capture the need of adjustments.

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