

Baltic – Adriatic Rail Freight Corridor 5

Executive Board and Management Board

Strategy Paper

CHANGE HISTORY

VERSION	AUTHOR	DATE	CHANGES
0.1	SDL	02.07.2021	First draft
0.2	SDL	28.07.2021	<p>Suggestions from JM included:</p> <p>Changes accepted</p> <p>Chapter 2 drafted</p> <p>Change order of table 1</p> <p>Addition of par.3.4.2</p> <p>Additions in par. 3.4.5</p> <p>Par. 3.4.6 drafted according to comment (including new table 2)</p> <p>Answer to comment to par.3.4.7</p> <p>Chapter 4 modified according to comment of ES</p> <p>Answer to Comment to <i>legenda</i> of new table 3</p>
0.3	SDL	06.08.2021	<p>Some draft attachments annexed</p> <p>Some typos corrected</p>
0.4	SDL	23/08/2021	Correction of table 3 (compliance with table 1)
0.5	PMO	02/11/2021	Revision of chapters 4, 6 and 7
0.5.1	AR	01/12/2021	Revision of wording and editing
Final	SDL		Editing

Content

1	Introduction	5
1.1	Foreword	5
1.2	Aim of the document.....	5
1.3	Structure of the document.....	5
1.4	Legal value	5
2	Strategy of the Corridor.....	6
2.1	Long perspective: strategic outlook of the Corridor	6
2.2	Medium Perspective: priority business areas	7
2.3	Short term: projects and activities	8
3	Projects Portfolio	9
3.1	Introduction.....	9
3.2	Structure of the Baltic-Adriatic RFC Project Portfolio	9
3.3	Offer and product improvement.....	11
3.3.1	TICO (Terminal Integrated Capacity Offer).....	11
3.3.2	Integrated TPM analysis and improvement	11
3.3.3	Premium Product Offer	12
3.3.4	Short-term product offer.....	12
3.4	Operation and Digitalisation	12
3.4.1	Integration of TIS with Terminals	12
3.4.2	Harmonisation and dwelling time at borders	13
3.4.3	Test of XBorder HB at Tarvis.....	13
3.4.4	Test field for the ETM approach.....	14
3.4.5	Improvement of TIS data quality.....	14
3.4.6	Improvement and development of RNE tools (PCS, NCI, CIP).....	15
3.4.7	Implementation of Innovative Market projects	15
3.5	Marketing and Communication.....	15
3.5.1	ILEA – Landbridge to Asia	15
3.5.2	Common marketing actions (including end users).....	16

3.6	Infrastructure and TCRs.....	16
4	Financing.....	17
5	Monitoring and Assessment.....	21
5.1	Introduction.....	21
5.2	Types of KPIs.....	21
5.3	List of KPIs.....	22
6	Commitment of the parties.....	23
6.1	Introduction.....	23
6.2	Commitment	25
7	Publication, validity and revision of the document.....	26
8	Annexes	27

1 Introduction

1.1 Foreword

The content of this document is the outcome of a twofold process:

- On the one hand, of two Strategic Sessions that took place at the end of 2020 and at the beginning of 2021, involving the Executive Board and the General Assembly of the Baltic-Adriatic RFC, where the partners exchanged their views on the future of the Corridor, given the context and considering the past experiences;
- The outcomes of two important studies that were concluded in 2021 under the umbrella of the PSA action: PSA-RFC05:
 - One carried out on behalf of the Slovenian Ministry of Transport: *“Study on measures for achieving the goals of the Transport market study”*
 - One carried out on behalf of the EEIG Baltic-Adriatic RFC: *“Capacity Study”*

1.2 Aim of the document

The aim of the document is to describe the outcomes of the above-mentioned process, which led to identification of the Strategic Goals of the Baltic-Adriatic RFC in the larger context of the European rail transport strategy. Moreover, the document will point out the business areas where the Baltic-Adriatic RFC should focus on to reach these goals and the methodology or actions to implement the mentioned strategy.

1.3 Structure of the document

As a first step, the strategy of the Baltic-Adriatic RFC will be illustrated (Chapter 2). Then, the projects and activities aimed at implementing such a strategy will be described in detail (Chapter 3). The possible financing sources for the projects and for the activities described above will be dealt with in Chapter 4, while the process for monitoring and assessing of the strategy will be explained in the following Chapter. The Parties will express their commitment in Chapter 6, while information on publication, validity and revision of the document can be found in the final Chapter 7.

1.4 Legal value

This document does not have a legal value from a strict point view. It is, instead, a living document. In other words, a tool that the Corridor will use to reach its goals and to cooperate more efficiently.

2 Strategy of the Corridor

As mentioned in the introduction to the document, Baltic-Adriatic RFC, between 2020 and 2021, undertook a significant effort aimed at defining in a structured and pragmatic manner, a new strategy for the corridor. The purpose of this effort was to identify:

- Goals and objectives, also with a long term perspective
- Priority business areas more suitable to pursue the above mentioned, including a medium term perspective
- Projects and activities to implement the ideas that came out from the first two bullet points and to be dealt with in a shorter term perspective

Two parallel tasks helped the Corridor to fulfil this mission:

- The two studies mentioned in Chapter 1
- Strategic Workshops where ideas and results of the studies were confronted

The synthesis of all these elements can be found in this chapter

2.1 Long-term perspective: strategic outlook of the Corridor

The Executive Board drafted the first version of the *Strategic Outlook of the Corridor* already in 2020. As soon as the results of the “*Study on measures for achieving the goals of the Transport market study*” were available, the content of the *Strategic Outlook* was confronted with the conclusions and recommendations of the study and adjusted accordingly. The following statements represent, in summary the results of the consolidation of the *Strategic Outlook*:

The objectives of the Baltic-Adriatic Rail Freight Corridor are:

- Promoting seamless and sustainable rail freight transport:

This is the general aim of the Corridor to efficiently meet region’s economic expectations and demand in a business-driven environment. Cooperation required among all the stakeholders on various Corridor levels in this regard will be aimed at achieving higher level of performance of rail freight transport in order to improve sustainability, combat climate change and assure rational use of energy.

- Enhancing transnational rail freight operations:

The RFC structures will seek possibilities for smooth, unhindered interoperability of railway operations on the Corridor by assessing the relevant guidelines and requirements, identifying infrastructural and operational possibilities through NIPs, dedicating efforts to cleaning and harmonising national rules, seeking innovative solutions.

- Involving and engaging stakeholders:

The Corridor governance bodies will assess complex logistics issues along the Corridor (incl. border-crossings) and prepare a separate view on possible solutions for infrastructure and legal barriers as well as barriers related to allocation of infrastructure capacity and traffic management. The activities should result in a commonly agreed strategy for achieving uninterrupted, smooth logistics services on the Corridor without unnecessary stops.

- Monitoring:

The results of the analyses of the above-mentioned activities will be included in the up-coming implementation plans, while the Annual Reports on the implementation of the strategic objectives will be evaluated by the Corridor governance bodies at regular common meetings.

The whole document *“Strategic Outlook and Expectations of the Corridor Activities”* is annexed to this paper.

2.2 Medium-term perspective: priority business areas

During the Strategic Session held at the end of 2020, the Executive Board and the General Assembly openly discussed which business areas the Corridor should focus on, in the next 3-4 years.

The business areas considered were: TCR, Offer improvement, Operation harmonisation, Punctuality, Communication & Marketing, Infrastructure, TTR, End Customer management

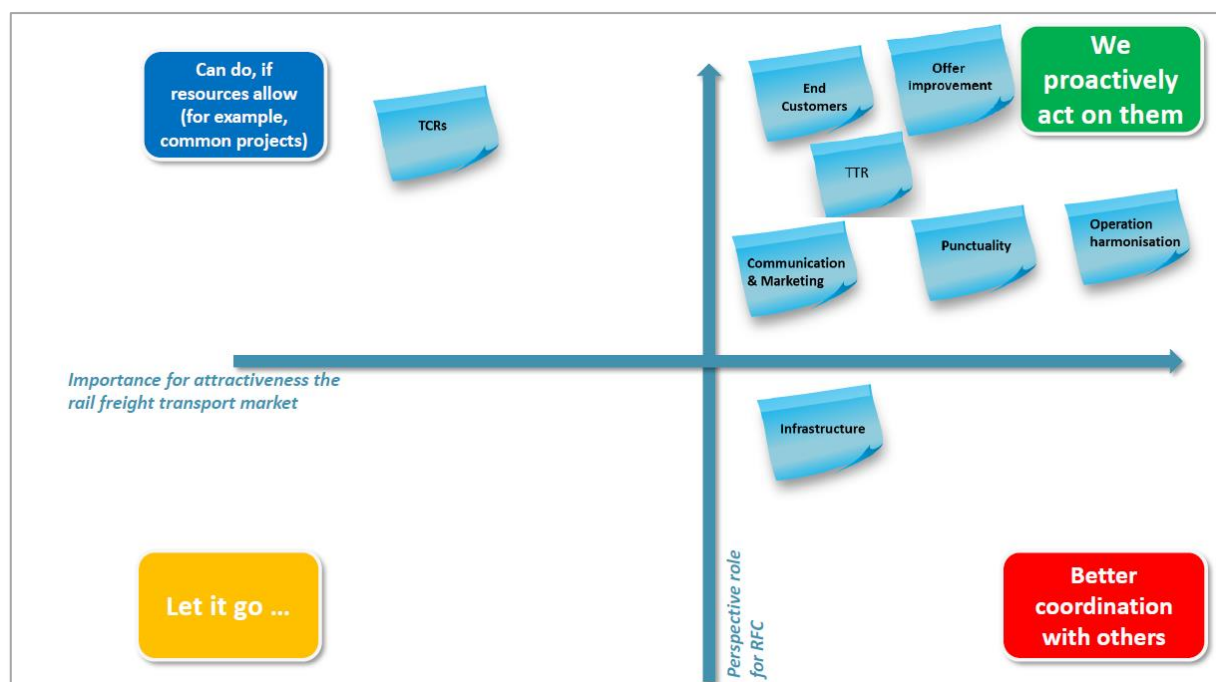
The bases of the evaluation were several:

- How do our customers evaluate our performance in each business areas (USS results, where available)?
- Do we already deal with this or that item (is it in the work plan 2021)?
- What is the level of cost (human resources) for the RFC?
- Would a project/activity be eligible (as far as we knew at that stage) under an EU Funding?

Taking into account these evaluations, the participants made an assessment based on two criteria:

- Importance of the business area for the attractiveness of the rail transport market
- Perspective role of the RFC

The results of this assessment are illustrated in picture 1



Picture 1 – Results of the brainstorming during the Strategic Meeting Session on 1 December 2020 – BAC ExBo and GA

2.3 Short term: projects and activities

The topic of which projects and activities Baltic-Adriatic RFC intends to carry out to fulfil its strategy will be dealt with in more details later (Chapter 3).

During the strategy meetings, some principles were anyway established:

- Before launching any projects availability of resources must be verified first
- Synergies with other Corridors shall be always looked for
- Easier solutions (low-hanging-fruit) are preferable to big committing projects, when possible
- Constant exchange of information within as well real commitment of all within Corridor Stakeholders are fundamental

3 Projects Portfolio

3.1 Introduction

The Project Portfolio of the Baltic-Adriatic RFC (BAC RFC) covers the short-medium-long terms. It was built on the basis of different input: analysis of the previous years measured performance (KPIs, User Satisfaction Survey), direct contact with partners (RAG-TAG) and the outcomes of both Studies carried out under the PSA Action as mentioned in the introduction (Chapter 1).

Summarizing, considering all the above input, it appeared advisable to concentrate the focus on the following business areas:



Picture 2 – Focus strategic business areas

3.2 Structure of the Baltic-Adriatic RFC Project Portfolio

The projects, in which BAC RFC is engaged, can be classified according different criteria, in addition to the one mentioned above (business area):

- Timeframe:
 - Recurring projects
 - “One spot” projects
- Actors:
 - Individual BAC RFC projects
 - Common Projects (mainly within the RFCs Network, but other stakeholders might be involved)
 - Participation to other entities projects

For the recurring projects, the description of the activities only requires a **project charter**, while for the “one spot” projects (which generally are larger projects, involving larger resources) a **project plan** is available. The following table summarizes the BAC RFC projects portfolio according to what explained above, while the following paragraph will give more information on the projects *per* business area. Annexes will give details for each project.

#	Business Area	Name	Actors involved	Type	Available document
01	OP	TICO (Terminal Integrated Capacity Offer)	Individual	Recurring	Project Charter
02	OP	Integrated TPM analysis and improvement	Individual	Recurring	Project Charter
03	OP	Premium Product Offer	Individual	Recurring	Project Charter
04	OP	Short term product offer	Individual	Recurring	Project Charter
05	OD	Integration of TIS with Terminals	Individual	Recurring	Project Charter
06	OD	Harmonisation and dwelling time at borders	Common	One spot	Project Plan
07	OD	Test of XBorder HB at Tarvis	Individual	One spot	Project Plan
08	OD	Test field for the ETM concept	Other entity (RNE)	One Spot	n.a
09	OD	Improvement of TIS data quality	Other entity (RNE)	Recurring	n.a
10	OD	Improvement and development of RNE tools (PCS, NCI, CIP)	Other entity (RNE)	Recurring	n.a
11	OD	Implementation of Innovative Market projects	Common	One spot	Project plan
12	MC	ILEA – Landbridge to Asia	Common	One spot	Project Charter
13	MC	Common marketing actions (including end users)	Other entity (RNE)	Recurring	n.a

Table 1 – Project Portfolio of Baltic Adriatic RFC

Legenda

Business Area:

OP: Offer and Product development

OD: Operations and Digitalisation

MC: Marketing and Communication

IT: Infrastructure and TCRs

3.3 Offer and product improvement

3.3.1 TICO (Terminal Integrated Capacity Offer)

According to the feedback of many stakeholders (RUs, end-users) one of the items that makes rail less attractive than road, is the lack of integration of the logistic chain. This is clear already from the moment of the planning, offer and booking of capacity. Terminals/Ports and Infrastructure Managers, plan their capacity, offer it and let the applicants, booking separately. The idea of an integrated offer was developed already in the ScanMed RFC and welcomed by the market. The BAC decided, also thanks to the presence of two common IMs with the ScanMed, to implement the already developed concept on our Corridor.

The positive side is that the phase of the concept, process and technical/administrative/IT tool steps phase was already developed by the ScanMed. On the other hand, the implementation differs from terminal to terminal and depends on each partner (Terminal/Port) planning procedure and timelines, as well as availability of IT tools.

The approach of the BAC was to present the project to the Terminal Advisory Group in an *ad-hoc* workshop in November 2020 and look for volunteers. Then, for the years to come, a small sample of volunteers would be involved and pilots implemented, with the goal of transforming a number of them in standard offer and to increase the involved Terminals and Ports

More information in the annexed Project Charter

3.3.2 Integrated TPM analysis and improvement

The importance of reliability and of punctuality as a driver for the choice of rail as transport mode is often highlighted during the exchanges with other stakeholders, under different umbrellas (RAG/TAG, SERAC, Conferences, Fairs ...). BAC RFC as such, as well as the IMs members, put relevant efforts in the production and publication of punctuality reports. On the other hand, also RUs on their side, and Terminals and Ports on the others, put in place their initiatives to monitor the performance of their trains. However, it seems that much less is done in terms of actual improvement of punctuality, at least looking at the relevant KPIs. This is mainly due, according to the BAC understanding to the already mentioned fragmentation of the logistic chain: in other words, instead of working in parallel, IMs, RUs and Terminals should work together as an industry, using the BAC RFC as a platform. This project as well was presented in an *ad-hoc* workshop in November 2020 and also in this case the idea is to set up, one or two small task forces (for 1-2 borders) and implement related pilots, each year. The aim is to extend the activity to the whole Corridor if the pilots are successful and make of this an ordinary activity of the Corridor.

More information in the annexed Project Charter

3.3.3 Premium Product Offer

According to the feedback of our customers (User Satisfaction Survey, RAG meetings), to make the Pre-Arranged Paths (PaPs) attractive, the fact that they can be booked in one place by addressing one unique C-OSS is important but not sufficient. From their business perspective, there should be additional benefits to change consolidated procedures for planning and booking from ordinary international paths to PaPs. Therefore, the BAC RFC put in place a process, according to which, each year, proposals of “premium features” are made, feasibility is analysed and, if positive outcomes from it derive, the feature is tested for one Timetable year (offered). Based on the response of the market. The goal is to increase the number of premium features and of the PaPs, which are characterised by these premium features.

The approach was already tested in the years 2019-2020 (for TT 2021-2023) and proved rather successful (at least figures are available for TT 2021-2022).

More information in the annexed Project Charter

3.3.4 Short-term product offer

Besides the PaPs offer, that is a yearly offer, BAC RFC, like all other RFCs, also offers the Reserve Capacity offer. This product is not appreciated by the market: the main reason, according to customers, is that it has to be requested 30 days before train run. This is clearly too much time for rail freight transport. Therefore, already starting from 2016 BAC decided to study a new product, which would be closer to the market need. The product and related processes were defined in 2017 and a pilot started. Because it was not as successful as needed, improvements were applied and the pilot was prolonged in 2018. With these improved features, the response of the market was better even if not as expected. The product is rather innovative but still there is room for improvement.

While, on the one hand, BAC decided to offer it as an official product of the Corridor, the work continues to improve it with the aim to have a better response from the customers, on the other.

More information in the annexed Project Charter

3.4 Operation and Digitalisation

3.4.1 Integration of TIS with Terminals

The project ideas that triggered this initiative, as well presented at the RAG and TAG meeting 2020 (as projects n. 01 and 02) have two origins: one, already mentioned in paragraphs 3.3.1 and 3.3.2, the willingness to solve the problem of the fragmentation of the logistic chain and on the other hand, the recognition that one of the main issue that hinders the sorting out of such problem is the difficulty of

data exchange between the concerned partners, in each phase of the production of the freight transport. Of course, with the awareness that only the IT and digital solutions have to be the focus of this kind of projects. The approach that the Baltic-Adriatic chose to tackle this issue, is the so-called “low-hanging-fruit”, i.e. not to look for new IT tools before ensuring that existing IT tools, available to involved partners, thus avoiding waste of financial resources already spent in the past and to be spent of the future (and also of the human resources who have worked on the development of the existing tool). Another benefit of this approach is to exploit the synergy with the historical partner of the RFCs, i.e. RailNetEurope. The project, in summary, aims at connecting as many Ports/Terminals to TIS as receiver/feeder of real time traffic data, starting from a few ones in the first year and increase their number in case of successful pilots year by year.

More information in the annexed Project Charter

3.4.2 Harmonisation and dwelling time at borders

National rules and processes for international rail are often different on each side of a border and difficult to harmonize. Therefore, crossing a border requires technical stops (dwelling time), which are resource-consuming both for RUs and for IMs (infrastructure capacity). Every stop at the border can also lead to delays. Other competing transport modes do not suffer from such cross-border issues; they are not known. The idea of this project, which is a multi-corridor project, is to create framework and processes to boost cross-border harmonization and hence to reduce dwelling time at the RFC borders. In practice, a small number (*per Corridor*) of border crossings will be selected; a coordination group will coordinate existing bilateral groups (if not existing, they will be created), who will analyze the major problems at their respective borders and propose (and where feasible implement) corrective actions.

More information in the annexed project plan

3.4.3 Test of XBorder HB at Tarvis

In order to address the issue of interoperability at borders, the so-called ECCO (Efficient Cross Corridor Organisation), Group at UIC, composed by the RAG Speakers of the different RFCs, initiated the Xborder project, the outcome of which in 2020 was a Handbook describing the “ideal” cross-border, where the operations should run smoother and more efficient. During an event held on [23 February 2021](#), the ECCO authors proposed to test the solutions proposed by the Handbook on a number of sections, among which was the Tarvis border section, belonging to BAC RFC.

Following this event, the BAC PMO and IMs started to work together with the involved RUs and set up a project aimed at implementing such a test.

More information in the project plan in Annex

3.4.4 Test field for the ETM approach

During the RNE General Assembly, on 19 May 2021, RNE presented the result of their project on a “Position Paper on the Virtual European Traffic Management (ETM) Network”. One of the contents of this document is a “concept” of virtual ETM. Within this concept, the RFCs are seen as one of the pillars, quote: *“A clear position and coordination role of RFCs will guarantee that the planned processes will strengthen the international cooperation among infrastructure managers and will reflect the railway customers' expectations at the highest level. The given role of the RFCs with supportive actions and pilots will allow the virtual network of ETM to deliver tangible results and follow customers' demands. The present abilities of RFCs in surveying, monitoring, piloting and providing support to the traffic management process create a strong pillar for a future virtual ETM network”*. Therefore, the RFCs should act as fields where to implement proofs of concept, *via* pilot and tests proposed by RNE, in order to strengthen and accelerate the process towards a virtual ETM. Moreover, RFCs should give support when it comes to monitoring of results and keeping contacts between different stakeholders. Baltic-Adriatic gave RNE its availability to participate in one of these activities.

More information in the annexed Project Charter

3.4.5 Improvement of TIS data quality

As mentioned in paragraph 3.4.1, data exchange is one of the pre-conditions to allow the different partners of the logistic chain to cooperate in the improvement of the service to the final customers. The issue at stake is not only that data must be easily available and exchangeable among all partners, but also that they have to be reliable. Data quality is a crucial aspect to be tackled. Again, Baltic-Adriatic followed the approach of looking for the best solution in terms of cost-benefit: focussing on the already existing tool (TIS), which already can count on an organisation taking care of maintenance and (when necessary further developments (RNE and partner IMs)), instead of searching for new IT tools.

Although it might seem that, this is a IMs' issue, as a matter of fact, TIS data quality is mainly a RFCs' issue: RFCs are in fact the major users of TIS (TPM reports) and are those who decide the requirements of the reports themselves. They are those who have the major interest in having reliable data coming out from TIS.

Baltic-Adriatic is therefore actively involved in RNE TIS Data quality Project. Attached, the Project Plan (copyright RNE)

3.4.6 Improvement and development of RNE tools (PCS, NCI, CIP)

Although these are not actual projects, these activities are worthwhile mentioning because they are perfectly fitting with the Strategy of the Corridor. As in the case of TIS data quality, also in the case of the other IT tools managed by RNE, Baltic-Adriatic RFC is actively involved with its resources in the maintenance (feeding of data, ensuring data quality) and further developments (improving user-friendliness for users and administrator, addition of new functions) of all those IT tools which are of interest for the Corridors, namely: Customer Information Platform (CIP)¹, Path Coordination System (PCS)², Network Statement & CID IT (NCI)³. The Governance and the technical management (Change Control Boards, Technical/development groups) are formed fully (CIP: CCB and Development Group) or partly (PCS, NCI) by RFCs' resources who take decisions on the way these tools should be further developed, used, improved and so on.

More information in the annexed Project Charter

3.4.7 Implementation of Innovative Market projects

A smart, competitive, safe, accessible and affordable transport system would surely contribute to the European Union objectives of the Green Deal, among which the reduction of CO₂ emission. For this purpose, innovation is without doubt a key word. To this end, several projects/initiatives, among which Shift2Rail, were launched to develop innovative solutions aimed at making rail transport more modern and thus more competitive. The project idea is to select, among the mature or finalised solutions coming out from shift to rail, those, which the RFCs (or some of them) consider feasible and implement them. In other words, to act as test field for the solutions studied by Shift2Rail or other initiatives.

More information in the Annexed project plan

3.5 Marketing and Communication

3.5.1 ILEA – Landbridge to Asia

This is one of the most important projects, with a long-term perspective. The starting point is the acknowledgement that several RFCs are leading to border crossing points at EU Eastern border and while they are ending/beginning on those borders, freight traffic continues. These implies therefore an important feeder function of the RFCs, which cover the first/last leg of Euro-Asian transport chains. Moreover, many market studies forecast growing volumes from the far Eastern countries showing

¹ Annex: [CIP strategy presentation](#); [CIP Public Login](#)

² Link [PCS](#)

³ Link NCI will be provided in a later update

business potential for the Euro-Asian rail freight transport. This business potential can be translated in increasing volumes of goods transported, number of destinations of Euro-Asian train services and of customers engaging in Euro-Asian rail freight transport. It is clear that there is a potential for RFCs to facilitate the customers to develop their business. In order to reach this goal, a number of issues have to be dealt with, covering areas going from infrastructure, market studies and operation. On this basis, the multi-corridor project *“Improving Links to Euro-Asian (ILEA) Landbridges”* was set-up. It is composed by different sub-projects and Baltic-Adriatic RFC participates in some of them.

More information in the annexed Project Charter

3.5.2 Common marketing actions (including end users)

This activity is similar to the ones mentioned in paragraph 3.4.5: it is not a project but a recurring activity organised under the umbrella of the RFCs Network and led by the RFCs Network Assistant. It consists on the coordination of common marketing actions, among which there are:

- Participation to events and fair (common stand, coordination of intervention to panel discussion or presentations ...)
- Organisation of common events
- Creation of common marketing materials (roll-ups, brochures, presentations, videos ...)
- On-line events (webinar, workshops, quizzes, surveys)

The benefit of this activity is varied: financial (costs are reduced by economy of scale), of image (we present ourselves as a “Network”) and operational (many persons, many ideas, there is always someone available, the leader of the Group is skilled in such kind of activities, also by education)

More information in the annexed Project Charter

3.6 Infrastructure and TCRs

At the moment, although no structured projects regarding Temporary Capacity Restrictions (TCRs) are in the portfolio of Baltic-Adriatic Corridor, some initiatives are in our pipeline.

In addition to the regular coordination (at bi-tri lateral level) of harmonisation the international TCRs and of their publication, the following initiatives are being discussed:

	Short/Medium Term	Medium Term	Long Term
What?	Streamline of current procedures	TCR Tool Pilot	Improving the coordination procedure involving RUs
How?	Ensuring compliance with the TCR Guidelines/Annex VII; streamline the internal tools and deadlines	Participation of RFC 5 in pilot	Common workshop of RFC 3, and other intersted RFCs with customers
Who?	WG TCR with support from PMO	WG TCR with support from PMO + RNE	Representatives from RFCs with their RAG speakers + PMO

Table 2 – ideas for improving TCRs management in Baltic-Adriatic RFC

Some initiatives were already taken, aimed at **providing better information to the customers**:

- Publication of a calendar (on the Corridor Website) with exact deadlines connected with the publication of TCRs
- Providing possibility for RUs to comment on published TCRs in a form of small questionnaire

Other initiatives were delayed due to the impossibility of physical meetings, but when these will become possible again, more focus will be dedicated to these issues.

As far as infrastructure initiatives or projects are concerned, no specific initiatives are for the moment envisaged. However, some of the projects included in the portfolio might suggest some proposals as outcomes of their activities (for example projects n.2, n.6, n.7 or 12). Moreover, the revision of EU Regulation 913/2010 might have an impact on the role of the RFC in this field.

4 Financing

The Baltic-Adriatic RFC finances its activities from two sources:

- Contributions from the members of the European Economic Interest Grouping – EEIG (membership fees), the Infrastructure Managers
- Contributions, when possible and available, from European Funding projects

It has to be underlined that the costs to carry out the basic activities (those who are mandatory according to the Regulation), in the legal setting of the Corridor (the above-mentioned EEIG, which has a physical office in Italy) are relevant. The impact on the financial possibilities of the Members States (and as a consequences of the Infrastructure Managers) due to the Covid crisis, as well as the fact that

all the members of the Baltic-Adriatic RFC are also Members (and therefore financial contributors) of other RFCs are more critical issues to be taken into account.

Another important element to be considered is that the costs for the Members of the Baltic-Adriatic RFC consist also in the making available, for the activities of the EEIG, of their own human resources. These human resources are part time dedicated to the task of the Corridor both in the Governance Bodies (Executive Board, Management Board, Coordination Group) and Working Groups. Very often, these resources have to be shared with other Corridors, of which our Members are also Members. Therefore, in order to be able to implement the described project portfolio, among the conditions to be met, there is the need for the IMs to be able to make these resources available and to sustain the related costs.

Taking all the above into account, financial contributions of the European Union are **fundamental** for the Baltic-Adriatic RFC for the implementation of the strategy here described. In other words, some of the projects described in the project portfolio, would not be possible without EU financial contribution and other activities shall be resized in order to match with the availability of human and financial resources.

Having said so, at the moment of the drafting of this document, the potential availability of resources for the RFCs other than the Members' contribution looks as follows

- Under the so-called "Technical Assistance" dedicated to Member States and IMs⁴:
 - Contribution for the labour and travel costs of the Members of the Executive Board in a form of a lump sum (see table 3);
 - Contribution for the cost of the permanent staff of the Corridor and for the Members of the General Assembly/Management board in a form of a lump sum (181.793,00 Euro/year; 727.172,00 Euro total for four years – see table 17 of the mentioned decision - footnote 4);

⁴ Described in the Decision of the European Commission of 23/07/2021 (ref. ARES(2021)4750083) "Authorising the use of lump sum contributions for Technical Assistance under the Connecting Europe Facility – Transport Sector" in particular Work Packages 4 and 6.

Member State	Yearly Lump Sum (Euro) for all RFCs			Total Lump Sum for four years for all RFCs (Euro)
	Work	Travel	Total	Grand Total
PL	9.766,00	2.787,00	12.533,00	50.211,00
CZ	15.639,00	2.444,00	18.083,00	72.332,00
SK	14.206,00	2.777,00	16.982,00	67.930,00
SL	23.018,00	2.784,00	25.802,00	103.209,00
AT	49.980,00	3.366,00	53.346,00	213.386,00
IT	33.664,00	3.833,00	37.497,00	149.989,00

Table 3 - Annual lump sum contributions per Member State established for the Technical Assistance (summary of table 7 of the Decision European Commission of 23/07/2021 – ref. ARES (2021) 4750083)

- Under the Technical Assistance dedicated to RNE
- Under the CEF competitive calls published on 16 September 2021.

As far the latter two bullet points are concerned, some open points are still to be clarified, in particular:

- The modality of cooperation with RNE for the common tasks. The maintenance and development of CIP, the activities carried out in cooperation under the umbrella of the so-called “RFCs Network” as well as a common TMS (or TRIMODE), might fall into this category;
- Which of the numerous calls published on 16 September is more suitable for a possible Baltic-Adriatic application, in terms of eligible activities (i.e. which activities that are described as eligible in the different calls correspond to the one planned in the Corridor’s projects portfolio) and if there is one such call or if more calls would be needed
- The modality of application (mono or multi-beneficiary)

#	Activity	Financing	Note
00	Ordinary tasks	TS for RFCs/ MS	PMO/GA staff costs; Staff and travel costs for ExBo
01	TICO (Terminal Integrated Capacity Offer)	TS for RFCs	If no Financing, can be carried out but only the PMO managers can be financed (see #00)
02	Integrated TPM analysis and improvement	TS for RFCs	
03	Premium Product Offer	TS for RFCs	PMO/GA staff costs
04	Short term product offer	TS for RFCs	PMO/GA staff costs
05	Integration of TIS with Terminals	TS for RFCs	If no Financing, can be carried out but only the PMO managers can be financed (see #00)
06	Harmonisation and dwelling time at borders	CEF	If no Financing, no project or downsizing (for example: one border only)
07	Test of XBorder HB at Tarvis	CEF	
08	Test field for the ETM approach	TS for RFCs	PMO/GA staff costs
09	Improvement of TIS data quality	TS for RFCs	PMO/GA staff costs
10	Improvement and development of RNE tools (PCS, NCI, CIP)	TS for RFCs	PMO/GA staff costs (excl. CIP→ TS for RNE)
11	Implementation of Innovative Market projects	CEF	If no financing, no project
12	ILEA – Landbridge to Asia	CEF	
13	Common marketing actions (including end users)	TS for RNE	

Table 4 – Baltic-Adriatic RFC's tasks and their financing

5 Monitoring and Assessment

5.1 Introduction

Once a strategy of an organisation has been set and a methodology for its implementation agreed upon, it goes without saying that the same organisation needs to verify the results of such methodology in a regular way, in order to ensure the meeting of the goals set in the mentioned strategy and/or to put in place corrective actions in case of non-compliance.

The Baltic-Adriatic decided to carry out the following process for monitoring and assessing the success of its strategy: see diagram below.

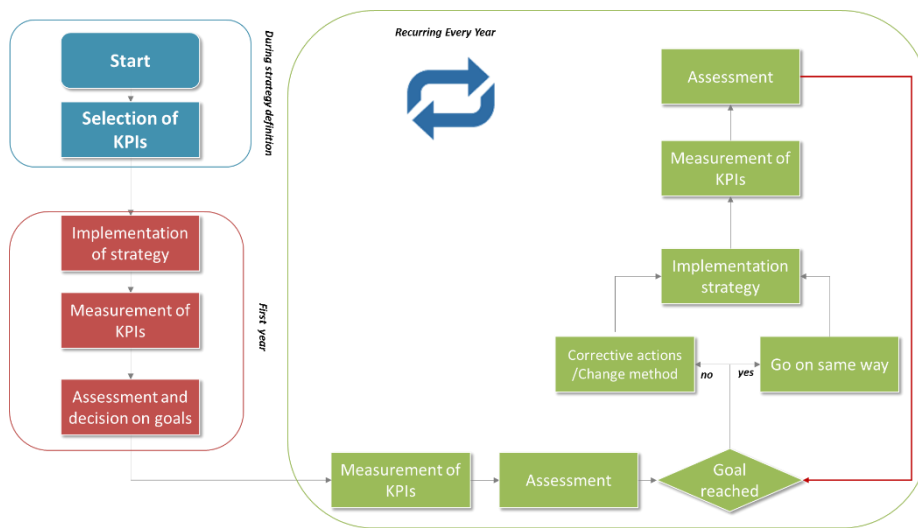


Diagram 1 – KPIs monitoring and assessment process

5.2 Types of KPIs

For the purposes of the Strategy Assessment, Baltic-Adriatic RFC measures different types of KPIs, such as:

- KPIs linked to the different usual activities of the Corridors, both deriving and not deriving from the EU Regulation 913/2010. Some of these KPIs are commonly measured by the RFCs Community (supported by RNE), others are only measured by Baltic-Adriatic RFC⁵.
- KPIs that assess if the projects listed in Chapter 3 (project portfolio) are successfully proceeding
- General KPIs

⁵ As a matter of fact Baltic-Adriatic RFC measures more KPIs than those indicated here (see “Corridor KPIs overview” in one of the [KPIs yearly Reports](#)), but for the purposes of the Strategy Assessment a selection was made

5.3 List of KPIs

Type	Area/ Project	Name	Calculation	Other info
BAC Activities	Capacity	Volume of offered capacity (PaPs)	Km*days offered	Common RFCs KPIs
		Capacity Requests rate	Km*days requested / Km*days offered (%)	
		Average planned speed of PaPs	average planned speed of PaPs on selected O/Ds along RFC5	
	Market development	Cumulated gross ton of freight trains crossing borders of RFC5 (data <i>per</i> border and <i>per</i> year)	Cumulated gross ton of freight trains crossing borders of RFC5 (data per border and per year)	
	Operation	Punctuality at Origin (RFC entry)	RNE TPM yearly KPI report	Common RFCs KPIs
		Punctuality at Destination (RFC exit)	RNE TPM yearly KPI report	
Projects' Portfolio	TICO	Integrated PaPs	Number of integrated PaPs offered (level 3 and 4) in the yearly TT	
	Integrated TPM	Punctuality at Destination (RFC exit)	% of on time trains (selected sample) at selected O/Ds	
	Integration of TIS with Terminals	Integrated Terminals	Number of Terminals integrated with TIS	
	ILEA	<i>To be defined</i>	<i>To be defined</i>	
	Harmonisation and dwelling time at borders/ XBorder test	<i>The project envisage the identification of a specific KPI</i>	-	
	Premium Products Offer	Quantity of Premium offer	Number of PaPs with a premium feature offered	
		Premium Offer: market response	Premium PaPs booked / Premium PaPs booked offered (%)	
	Short Term Product Offer	Short Term Product Offer: market response	Short term Path booked	
	Common Marketing Actions	<i>To be defined</i>	<i>To be defined</i>	
	Improvement TIS Data Quality	<i>To be defined with RNE</i>	<i>To be defined with RNE</i>	
	Improvement of IT Tools	CIP user satisfaction/NCI satisfaction	CIP/NCI visits (focus on RFC 5)	
	Implementation of Innovative Market projects	<i>To be defined</i>	<i>To be defined</i>	
General KPIs	USS: General Satisfaction	Results of the USS	Response to the General Satisfaction question of the USS	
	Market share of rail on road along RFC	Market share	Yearly share of freight transport compared to road	

Table 5 – List of KPIs of Baltic-Adriatic RFC (Strategy Assessment Purpose only)

6 Commitment of the parties

6.1 Introduction

The aim of this chapter is to explain how the parties authors of this document intend to ensure that the strategy described in Section 2 above will be implemented, as far as possible.

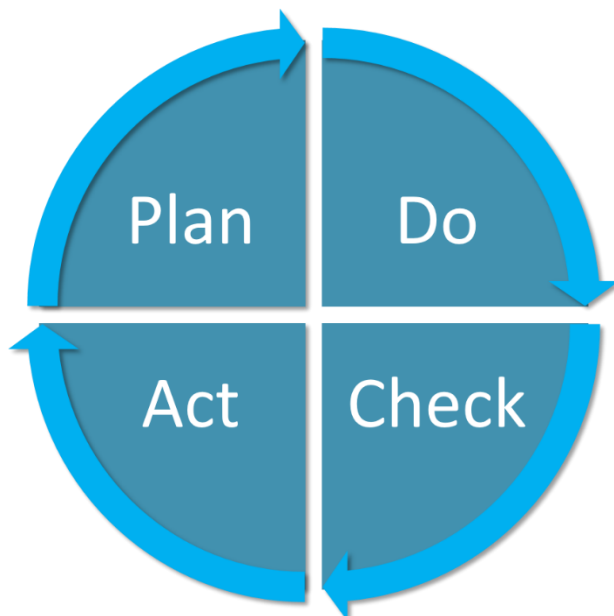
The first step is to identify **who** the parties in charge are. The answer to the question is as follows:

- Executive Board Members (Ministries) of the Rail Freight Corridor Baltic-Adriatic
- Management Board/ General Assembly Members (IMs) of the Rail Freight Corridor Baltic-Adriatic
- Permanent Management Office of the Rail Freight Corridor Baltic-Adriatic

The second step of the process is to identify **what** the above listed parties should commit to.

This will be done by displaying the different phases of the working process and the tasks that the above listed parties have within these phases.

Using the classical model as depicted in Picture 3, a responsibility matrix as displayed in table 6 can be drawn up.



Picture 3 - Working Process at BAC

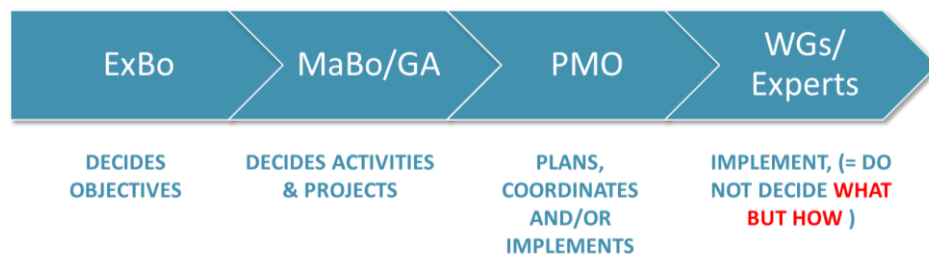
Partner	Plan	Do	Check	Act
Executive Board	Defines objectives	Takes decisions when needed	Internal escalation when needed	<ul style="list-style-type: none"> External escalation when needed Revise objectives if needed
Management Board/ General Assembly	<ul style="list-style-type: none"> Decides Projects and Activities Defines priorities 	<ul style="list-style-type: none"> Makes (financial & human) resources available Takes decisions 	Internal escalation when needed	<ul style="list-style-type: none"> Revise availability of resources Approves corrective actions and if needed, promotes internal implementation
Permanent Management Office	<ul style="list-style-type: none"> Identifies potential projects and activities Plans implementation 	<ul style="list-style-type: none"> Implement activities PMO Coordinates activities WGs 	<ul style="list-style-type: none"> Monitors and reports Escalates when needed 	<ul style="list-style-type: none"> Proposes corrective actions & implements them if approved Re-planning when requested Revise resources needs

Table 6 – Responsibility matrix

6.2 Commitment

Considering the above considerations, the parties to this document commit to the following:

- **All parties:** to revise this Strategy Paper each year in order to keep both the objectives and their implementation instruments up-to-date;
- **Executive Board:** to promote, as far as possible, any initiatives that, following pilots, studies or projects carried out under the umbrella of the Corridor's strategy, may suggest the requirement of governmental actions to reach the goals set up by this paper (such as legislative modifications, infrastructure investments, etc.);
- **Management Board/ General Assembly (IMs):**
 - To actively involve internal stakeholders by promoting the importance of participating in the Corridor's activities and projects;
 - To make available all the needed financial and human resources, once a project/pilot/activity has been approved by the GA;
 - To stick to the **strategic top-down** approach in the working method of the Corridor's, both in order to respect the Statute and Internal rules provisions and most of all for the sake of efficiency. By strategic top-down approach, the following process is meant:



Picture 4 – Strategic top-down approach

- **Permanent Management Office:**
 - To implement the strategy in the way it is decided by the ExBo and MaBo/GA;
 - To monitor in a constant and comprehensive manner the Corridor's activities, and consequently reporting them to the higher bodies;
 - To escalate immediately when critical issues arise;
 - To suggest downsizing of the activities' portfolio if they realise that the workload is not sustainable with the resources available, in case the MaBo/GA cannot provide for more resources;
 - To manage the financial resources in a responsible and lawful way.

7 Publication, validity and revision of the document

This document will be published on the website of the Baltic-Adriatic RFC (www.rfc5.eu) and will become valid starting from December 7th 2022.

The document will be revised yearly (in connection with the assessment of the KPIs – see chapters 5 and 6) and whenever the Executive Board and/or the Management Board would see it fit. In particular, the activities and projects displayed in section 3 represent the strategic view of the Corridor, which does not mean that they will all be activated at the publication of the document. Their activation might depend on different factors, some of which external, such as availability of EU funding and the revision of EU Regulation 913/2010.

8 Annexes

- Project Charters⁶
- Project Plans⁷
- [Executive Summaries of the studies](#)

⁶ Internal use

⁷ Internal use <https://www.rfc5.eu/studies/>