Grant Agreement No. TREN/FP7/TR/218621/"PROPS"

DELIVERABLE Work Package 4

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<tr>
<th>Project Start Date:</th>
<th>July 1st 2008</th>
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<tr>
<td>End Date:</td>
<td>June 30th 2011</td>
</tr>
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<td>Co-ordinator:</td>
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<td>Deliverable No:</td>
<td>4.1</td>
</tr>
<tr>
<td>WP No: 4</td>
<td>T4.1, T4.2, T4.3</td>
</tr>
<tr>
<td>Due date:</td>
<td>December 2009</td>
</tr>
<tr>
<td>Submission date:</td>
<td>22/12/2009</td>
</tr>
<tr>
<td>Document type:</td>
<td></td>
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<tr>
<td>WP Leader:</td>
<td>GPI</td>
</tr>
<tr>
<td>Dissemination Level:</td>
<td>Public</td>
</tr>
<tr>
<td>Distribution Group:</td>
<td>PROPS</td>
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A Project supported by the European Commission. Directorate-General for Energy and Transport.
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<tr>
<td>1.0</td>
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<td>September 2009</td>
<td>Comments provided</td>
</tr>
<tr>
<td>2.0</td>
<td>University of Turku</td>
<td>November 2009</td>
<td>Comments provided</td>
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<tr>
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<td>19/01/10</td>
<td>Comments provided</td>
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<tr>
<td>4.0</td>
<td>Land of Bremen</td>
<td>24/08/10</td>
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Quality Control

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ABSTRACT

Work Package 4 as an integral part of PROPS Project aims to strengthen the internal management capacity and operational processes of SPCs for improving the promotion of short sea shipping and intermodality. To achieve this, a thorough analysis of SPC strategic positions and operations was performed.

This D4.1 makes recommendations on a strategic and operational level for the SPC promotional role. All findings are based on evidence provided by SPC websites and SPC Directors. Piloting of core operational processes and indicators was undertaken by SPC Finland. Overall, PROPS findings aim to advise SPCs on how to improve their promotional role within the business network.

To implement these recommendations further support could be provided by the PROPS Consortium to the SPCs.

The planning for work on this Work Package began in September 2008; the actual work started in March 2009 and will continue until the end of the PROPS project in July 2011. During the final year WP4 will provide the final phase of the training programme.

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1. INTRODUCTION

The PROPS project aims to develop and promote short sea shipping (SSS) as part of intermodal transport. This includes the consideration of the promotion function of the Promotion Centres (SPCs). The work involves a theoretical analysis based on developed business networking models as well as a practical evaluation of existing networks. These existing logistic networks were discussed in Work Package 1. Now Work Package 4 evaluates how the SPCs could be better located within these regional and national business networks, and reviews their operational and management processes.

The overall objective is to improve the performance of the short sea promotional activities in the context of business networking. Therefore the focus is on defining and developing the 'promotional function'. To achieve this, the report discusses:

- core operational processes involved in any SPCs;
- the operation and management of the European Shortsea Network;
- the existing performance indicators provided for SPCs;
- the development of new indicators for SPCs.

Work Package 4 builds on previous EU project activities such as MTCP and CIPROC. In addition, SWOT analysis is performed to analyse the strategic identity and strategic position of existing SPCs. The conclusions lead to recommending a model template for SPCs, which with the application of the PROPS methodology, would improve the promotional function.

The report also discusses the operations and management of the European Shortsea Network.

The final section focuses on the existing performance indicators developed by the Commission in 2007/08. Work Package 4 suggests changes to these indicators based on a survey of SPCs and specifies them for each core process. Initially testing selected processes and performance indicators has been planned in cooperation with two other partners – SPC Finland and SPC Bulgaria. However, actual piloting of core processes and indicators was undertaken only by SPC Finland.
2. Core Processes of the Shortsea Promotion Centres

This section describes and analyses the core processes of the existing promotion centres. The analysis is based on the achievements and conclusions from previous EU work, a thorough examination of SPCs websites, ESN annual reports and a survey of SPCs use of performance indicators. Moreover, this chapter adds new insights through an application of SWOT analysis to an evaluation of the SPC promotional role.

The SWOT analysis has been chosen as a principal methodology for this report because of its widely recognised strength in evaluating the strategic factors that assist an organisation to reach its full potential. In fact, many companies are conducting a SWOT analysis as part of the strategic planning process in order to identify the organisations’ strengths, weaknesses, opportunities and threats. In the case of SPCs, the “promotional function” is optimised so that the analysis could offer an assistance to the actual centres in reaching their goals.

2.1. Information on Core Activities from Previous EU Studies

A number of EU projects have focused their attention on the development of the Shortsea Promotion Centres (SPCs). The first one – Maritime Transport Coordination Platform (MTCP), which was carried out in April 2007 – evaluated the possibility of the existing promotion centres including the promotion of intermodal transport. The second one – Cooperative Intermodal Promotion Centre (CIPROC), which was undertaken in 2008 – proposed to set up a model of an Intermodal Promotion Centre. PROPS builds on these projects and conducted further analysis in order to define the core processes of the existing centres.

2.1.1. Maritime Transport Coordination Platform (MTCP), an FP6 project supported by DG TREN

This pre-feasibility study was coordinated by SPC Finland, which is hosted by the University of Turku, Centre for Maritime Studies. The pre-feasibility study group, Task Force, consisted of 13 members of the ESN. The pre-feasibility study was subcontracted to SPC Finland by British...
Maritime Technology Ltd (BMT) and was conducted as part of the Maritime Transport Coordination Platform (MTCP), an FP6 project supported by DG TREN.

The members of the pre-feasibility study, Task Force, were SPCs from Croatia, Denmark, Finland, Flanders, France, Holland, Italy, Malta, Poland, Portugal, Spain, Sweden and U.K. SPC Finland chaired the Task Force. The aim of the task force was to support the co-ordination by SPC Finland, and to give specific input to the tasks. SPC Finland constructed the work plan and allocated tasks between the SPCs. Meetings of the Task Force were held in Pori June 6, 2006 and in London, September 11, 2006.

• Findings

  o The Report evaluates the possibility of extending the work of SPCs to include intermodal transport – considering whether this would be feasible and add value;
  o Although some SPCs are willing to expand in such a way, greater resources would be required to ensure financial stability;
  o Also the organisational structure would need to change to reflect all modes and wider group of stakeholders.

• Relevant information for PROPS

The study is useful for PROPS in that it considers:

  o the work of the SPCs and their activities;
  o the funding structure of SPCs;
  o promotional techniques that have been used (relevant to WP6).

• Functions and activities of SPCs

The study draws a few very important conclusions for our analysis:

  o The SPCs have already achieved coverage of the transport sector. For instance, the Irish Office is not funded on the basis of any SPC activities and covers the entire shipping and shipping services sector. The Danish Office also covers naval architecture and marine engineering. SPC Belgium is under the umbrella of Promotion Inland Navigation. Germany and the UK cover inland waterways as well. France and Malta try to be involved in all transport modes. Only 55% of those surveyed solely promote short sea shipping;
11 out of 18 were willing to cover national and European promotional activities. This means that 61% of the participants in the survey ran by MTCP were willing to have cross-border coverage while 33% preferred to be only the national coordinating bodies; The SPCs have different levels of development, expertise and knowledge, as well as various opinions about their interests and activities; when taking up new responsibilities 61% of the participated SPCs did not rely on their national governments for financial support; To generalise any information about the SPCs activities is a difficult task because of differing national interests, structure and financing; State authorities, companies and interest groups were asked about their involvement in (and use of) promotion centres. The 25 responses suggested that functions of the promotion centres should be information dissemination (publicly available - 18%), research (13%), lobbying (13%), internal information (for members only -12%), PR and marketing (11%), and education (9%).

The MTCP survey revealed the wide variety of promotional activities, functions and expertise of SPCs. Thus, one model of a promotion centre might be difficult to fit into different national market needs. PROPS will have to take into consideration the existing differences in SPCs when developing its marketing campaign.

- **Promotion methods used**
  
  - Websites: SPCs' websites and a joint ESN website;
  - Events: organisation of meetings, conferences and seminars at national and international levels;
  - Events: participation in meetings, conferences and seminars at national and international levels;
  - Media relations: contribution of articles to transport media;
  - Media relations: Responses to media queries and interviews.

It is interesting to see that except for the organisation of events, the most used methods are also the ones with the lowest or no costs. Advertising via poster, TV and radio are the least used methods. Compared to the other methods, these means of promotion are also the most expensive.

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3 6% did not respond
In summary, the MTCP study provides very significant information about the existing SPCs, their structure, funding and promotional methods.

2.1.2. Cooperative Intermodal Promotion Centres (CIPROC)

The other important study, CIPROC, investigated the feasibility of extending the activities of promotion centres to encompass other modes. In so doing it highlighted the main activities or core processes of these organisations and developed indicators for performance measurement.

The CIPROC project developed a vision for Intermodal Promotion Centres (IPC). Such a centre is a neutral organisation for promoting knowledge on intermodal transport. The proposed European Intermodal Promotion Centre network will be a platform that brings together main actors in the transport and logistic field. Its aims will be the promotion of sustainable solutions and better usage of railways, shortsea shipping and inland waterways.4

- **Participation**

Five SPCs participated in the demonstration phase of CIPROC. The demonstration covered the first level of intermodal promotion activities: information and promotion.

The SPCs examined in the study were:

- Shortsea Promotion Centre Holland (The Netherlands);
- Lithuanian Intermodal Transport Technology Platform (Lithuania);
- Romanian National Center for Promotion of Intermodal Transport (Romania);
- Shortsea Promotion Centre Finland (Finland);
- UK Centre now called Freight By Water (United Kingdom).

- **SPC Holland**

Since 2003 the main objectives of SPC Holland have been to:
- Maintain and upgrade its database (liner services and shippers);
- Promote short sea in conjunction with interest groups in the Netherlands;
- Support the lobby to solve bottlenecks;

---

4 Study on the feasibility of extending the activities of existing mode-specific promotion centres in Europe to encompass the wider concept of intermodal transport, 2008
Co-operate on a European level (in the European Shortsea Network) and with other (Dutch) promotion centres for other modalities such as rail and inland shipping.

**UK**

Key activities for the UK are to bring the different stakeholders together in order to promote short sea, coastal and inland shipping. The pillars of promotion are the need for sustainable transport and addressing the issue of congestion. This Centre organises events such as conferences, seminars and roundtables at various locations.

**Finland**

The general aim of SPC Finland is to contribute to an increase in waterborne transport in cooperation with other actors in the field of maritime transportation.

In addition, it campaigns for the special circumstances of Finland to be taken into account at European level.

In order to encourage “intermodality” and door-to-door transport chains, it uses roundtable events to bring together stakeholders from the transport sector, shippers and government.

Identification of bottlenecks and finding solutions is also a significant area of activity.

**Lithuania**

The Lithuanian Short Sea Promotion Centre (LSPC) was founded in 2004. Executive duties of LSPC were taken over by the Marketing Department of Klaipeda State Seaport. The Klaipeda Seaport Authority represents the LSPC at different conferences, exhibitions and seminars, deals with the media, and supplies data to the ESN.

However, an SPC with maritime-related activities did not satisfy the multimodal structure of the Lithuanian transport system. This was addressed by the establishment of the Lithuanian Intermodal Transport Technology Platform (ITTL) in March 2007. This was the result of a signed co-operation agreement among Lithuanian transport businesses, and research and administrative institutions. The core of this agreement was the development of intermodality and opening of new opportunities for promotion of intermodality in Lithuania.

The promotion platform brings together key transport stakeholders in order to address elements of transport development plans and
research initiatives. The main focus is on the development of the East West corridor to ensure adequate infrastructure, notably transshipment centres for intermodal transport.

- **Romania**

The Romanian Intermodal Association (RIA) was founded in December 2006, as a result of an initiative of the Romanian Ministry of Transport, Construction and Tourism together with public authorities and private transport companies.

Its objectives are:
- To promote high quality intermodal transport & logistic services;
- To facilitate better communication between different transport companies within the intermodal chain;
- To provide efficient solutions to bottlenecks, which impends smooth operation within the intermodal chain;
- To promote uniform training projects for personnel involved in intermodal transports;
- To attract relevant investments and EU financial programs for development of the intermodal transport in Romania;
- To integrate Romania into the European / international network of intermodal promotion centers;
- To promote the Danube as one of the principal traffic routes for goods in transit to and from central Europe.

It also aims to achieve a better balance between the modes of transport and to promote river transportation as an efficient alternative mode of transport.

### 2.1.3. Some conclusions

From this project, it becomes clear that the common activities of all these SPCs are:

- The promotion of shortsea shipping (intermodal);
- Bringing stakeholders together;
- Addressing issues of bottlenecks;
- European cooperation.

All of these 5 centres also have similar promotional activities that are discussed below.

- **Promotional Activities**

These fall into the following categories:
The CIPROC study revealed the following activities in the above categories:

• **Promotion material**

These consist of:
- Brochures on intermodal transport;
- Newsletters;
- Fact sheets;
- Standard multimedia presentation;
- Policy documents tailored to target groups;

• **Website and database**

Online availability of information is considered essential. The information consists of:
- A website explaining the different types of transport and services, and showing contact details;
- Database containing transport services and service providers;

• **Events**

The promotion entities organise and participate in events. The activities in this category consist of:
- Organising events, such as seminars, workshops and conferences;
- Presenting at events;
- Exhibits of promotion material at events;

• **Other**

The participating promotion entities each have their specific additional services and activities. The ones identified are:
- Broker function - bringing potential clients in contact with service transport and logistic service providers;
- Preparing national research agendas;
- Lobbying;

The CIPROC study emphasised that the SPCs typically promote short sea shipping through events or digital information (websites), as radio
or TV programmes are excluded by their cost. Therefore to improve their promotional role, the PROPS project needs to look carefully into strengths and weaknesses of the SPCs before making any recommendations.

- **Indicators**

To evaluate business activities companies usually apply different indicators to measure their performances. For example, indicators for the CIPROC project focused on intermodal areas, and indicators for the SKEMA (Sustainable Knowledge Platform for the European maritime and logistics industry) project focused on sustainability of transport companies. However, some of these could be used to evaluate the promotional activities of the SPCs as well.

**I. Promotion material**

- **Indicators:**
  - brochures
  - newsletters
  - fact sheets
  - multimedia presentations
  - external documents
  - numbers distributed
  - the recipients
  - feedback on material

**II. Events**

- **Indicators:**
  - Events that are attended and organised
  - Event number & type
  - Exhibitions where promotion material was presented

**III. Website and database**

- **Indicators:**
  - update frequency
  - website hits (not in the CIPROC study)

It is obvious that the CIPROC indicators fit well into the scope of marketing that a Centre can afford, but they do not reflect the link between the SPCs promotional activities and the market share of short sea shipping.

The CIPROC project concluded that the main advantages of the SPCs are neutrality and wide coverage, both nationally and internationally via the European Shortsea Network (ESN). Neutrality is reflected in the
organizational structure of SPCs as the stakeholders do not generally have direct business interests in the field of transport, and the information provided by the SPCs is available to all. Target groups are not precluded based their status. As SPCs are near to the markets and they can enhance dialogue between business and administrations. Co-operation with national administration is stable, because SPCs have liaisons with short sea shipping focal points, and contacts generally situated in transport ministries. In addition, SPCs provide their services in national languages as well as in English.

The CIPROC project managed to define effectively the promotional activities of the existing centres and performance indicators which will be the basis for our analysis. In fact, both EU projects have established the grounds for further development. The main conclusions of these studies are:

- There is diversification among the existing SPCs in terms of interests, sources of funding, budgets, number of personnel, promotional activities and expertise;
- The applied marketing tools are the lowest cost ones;
- The performance indicators reflect the restricted scope of SPCs promotional activities – at least in part this is a result of the limited project time that CIPROC was spread over.

2.2. Brief Overview of SPCs

Various member states and the transport industry wanted to contribute to the European Union transport policy. Shortsea Promotion Centres (SPC) are one of the actors that realise the European Union transport policy in practice. An initiative was taken in Holland in the early 1990 to assemble the involved parties and to see how best practices could be explored in order to promote short sea shipping. Shortsea Promotion Centre Holland was the first SPC in Europe established in 1997. At that time focus was only on this single mode. Subsequently, other SPCs were established in many of the European Union countries and Norway, Croatia and Turkey.

The general tasks of the SPCs are as follows:

- Information dissemination - websites, newsletters, seminars and workshops, reports and studies;
- Supplying information on transport solutions;
- Round table activities - bringing stakeholders together;
- Lobbying and influencing decision making.
More specifically, SPCs report ten areas of focus in their daily tasks, with the most reported being providing information and cooperation within the ESN (see Table 2.2.1).

**Table 2.2.1: The areas of focus in daily tasks**

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<tr>
<td></td>
<td>B</td>
</tr>
<tr>
<td>1 Marketing</td>
<td>x</td>
</tr>
<tr>
<td>2 Lobbying</td>
<td>x</td>
</tr>
<tr>
<td>3 Providing information</td>
<td>x</td>
</tr>
<tr>
<td>4 Addressing issues of bottlenecks</td>
<td></td>
</tr>
<tr>
<td>5 Bringing stakeholders together</td>
<td></td>
</tr>
<tr>
<td>6 Cooperation within the ESN</td>
<td>x</td>
</tr>
<tr>
<td>7 Reports and Studies</td>
<td></td>
</tr>
<tr>
<td>8 (Others)</td>
<td></td>
</tr>
<tr>
<td>8.1 EU funded projects</td>
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<tr>
<td>8.2 Advising on government policy</td>
<td></td>
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<tr>
<td>8.3 Conference, meetings and activities</td>
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<tr>
<td><strong>Total number of areas reported</strong></td>
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**Note:**

**Source:** The results were collected via a survey of all SPCs.5

Furthermore, the services of the SPCs are directed at industry. All the SPCs promote shortsea shipping as a viable transport mode as a part of the intermodal transport chain. SPCs form a platform with connections to all major actors in the field of shortsea shipping. SPCs are a channel of influence between business and authorities. In addition they have country specific tasks.

Most of the SPCs are member-based organisations with representatives from the industry on their boards. They are mainly set-up as associations, for example, SPC Italy began to function as an association in March 2001 in response to ship-owners’ desire to

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promote short sea shipping. In a few cases, such as SPC UK, SPC Netherlands and SPC Norway, they were established as independent offices funded by their national governments (under different ministries’ schemes) and subsequently financed partially by member-fees.

Usually members represent a wide range of shipping services on a national level as well as national authorities (see Diagram 2.2.1).

The promotion offices have personnel that liaise with all members and market players. The personnel is restricted to a maximum of 2 full time persons. In their communication with the members, the SPCs provide information and solutions to bottlenecks.

**Diagram 2.2.1: Organisational Structure**

SPCs work in collaboration with the Short Sea Shipping Focal Points in various member states. This cooperation has been developed as it was imperative that these offices worked together.

The SPCs funding is mainly secured by direct contributions from national governments, private members and universities. The funding is usually arranged on an annual basis.

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6 More details: [http://www.shortsea.it/Home/eng/ufficio/index.htm](http://www.shortsea.it/Home/eng/ufficio/index.htm)
7 More details: [http://www.freightbywater.org/content/whoweare](http://www.freightbywater.org/content/whoweare) and [www.shortsea.nl/aboutus](http://www.shortsea.nl/aboutus) and [www.shortseashipping.no/aboutus](http://www.shortseashipping.no/aboutus)

8 For more detail: See Annex 1 Financing of Short Sea Promotion Centres
2.3. Description of core service and core processes

A business process is a collection of related activities that produce a service or product to meet the needs of clients. There are a number of managerial approaches that in practice consider processes as strategic assets to the organisation such as Business Process Management (BPM), Total Quality Management (TQM) or Continuous Improvement Process (CIP). All of them promote business effectiveness and efficiency, however BPM goes further as it suggests support through technology to enable the viability of the managerial approach

The next part of the analysis focuses on the core service and operational processes of a centre as the technological support is provided externally by the PROPS tools.

2.3.1. Core Service

As concluded in previous projects and as the ESN Annual Report demonstrates, there is, for various reasons, a high level of diversity among all centres. However, the core service provided by them is to promote short sea shipping as part of the intermodal chain.

Diagram 2.3.1: Core Service

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10 [www.shortsea.info](http://www.shortsea.info)
• **Bring stakeholders together**
  
  o Communicate between customers and suppliers;
  o Database and providing information for commercial and educational purposes;
  o Liaise with the national authorities and influence policy decisions

• **Cooperation**
  
  o Address issues of bottlenecks;
  o Involvement in EU consultative process and/or EU projects, for example, reports and studies;
  o European cooperation – for example, European Short Sea Network

By performing all these activities summarised above, the existing SPCs define their core service and position themselves as a stakeholder in the intermodal chain (see Diagram 2.3.2)

**Diagram 2.3.2: SPCs Core Service positioned in the intermodal chain**

As identified by the survey of all SPCs, providing information to promote short sea shipping is a focus area. This activity includes responding to enquiries via telephone or email; and answering questions where particular information is required by shippers, forwarders or any other

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11 Diagram was produced as a result of the PROPS workshop in Varna, 6-7th, Oct. 2009, hosted by SPC Bulgaria
stakeholder. Promotion goes further as it includes also the distribution of promotional materials such as brochures via events or mailing to all stakeholders in the chain. Another focus is on marketing, which builds strong client relationships with shippers, cargo owners, port authorities, export associations, and local/regional/EU authorities in order to capture value in return.

The following SPCs could be easily described by Diagram 2.3.1 - SPC Belgium, Bulgaria, Croatia, Cyprus, Denmark, Finland, France, Germany, Greece, Italy, Lithuania, Netherlands, Norway, Portugal, Romania, Spain, Sweden, Turkey and the UK. The only exception is the Irish Office, which has a different organisational structure; focuses on different activities and provides a more general service.\(^\text{12}\)

### 2.3.2. Core Processes

The core service of promotion centres converts into core operational processes (Table 2.3.2.). The first four core processes were initially defined in the DoW (p.24). Our review of EU related projects about SPCs and the review of their activities confirmed the importance and definition of these operations and added a 5th Core Process – European Cooperation, defined as a separate one that would focus on the ESN work and other European networking. With this addition we are confident that the core operational processes cover all the activities necessary for the effective operation of an SPC and against which performance may be judged both internally and externally. This has been demonstrated by the piloting of all five core operational processes by SPC Finland.\(^\text{13}\) If fully operationalised the core processes provide a firm framework for SPCs to update and extend their competencies and knowledge of improvement within the intermodal chain, and utilise new tools appropriate for a particular stakeholder. In the absence of significant changes in the terms of reference for SPCs or their external circumstances, we can see no case for removing or adding core processes.

To perform these operations, SPCs interface with different client sectors such as government, public agencies, transport operators, shippers, port authorities and the general public.

\(^\text{12}\) The Irish Maritime Development Office (IMDO) is part of the Marine Institute in Ireland and is dedicated to development, promotion and marketing of the shipping services.

\(^\text{13}\) More details in Supplementary report: WP4-Pilot Process-SPC Finland 07-07-2010
Table 2.3.2: Core Processes

<table>
<thead>
<tr>
<th>Core Operational Processes(^{14})</th>
<th>Key Stakeholders (target groups)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Encourage users and potential users to choose shortsea shipping</td>
<td>Shippers (Retail, Machinery, Construction, Manufacturers, etc) Forwarders</td>
</tr>
<tr>
<td>Promote knowledge and innovation /improvement within the sector</td>
<td>Transport providers (Shipping, Rail, Road, Inland Waterways)</td>
</tr>
<tr>
<td>Influence policy decisions affecting the sector</td>
<td>EU and Governments (national and local authorities; parliamentary groups); NGOs and think-tanks</td>
</tr>
<tr>
<td>Identification of bottlenecks and their solutions</td>
<td>EU, national governments, shippers and transport operators</td>
</tr>
<tr>
<td>European Cooperation</td>
<td>ESN members; European Commission; other institutions;</td>
</tr>
</tbody>
</table>

- **Business Process Management Approach**

As already mentioned, the business process is an asset to an organisation. However, there are a number of definitions of a business process. For example, Hutton lists the following definitions\(^{15}\):

- A sequence of activities performed on one or more inputs to deliver an output to a customer;
- A set of (partially) ordered steps intended to reach some goal;
- A number of roles collaborating and interacting to achieve a goal;
- An organised collection of business behaviours that satisfies a defined business purpose and performs according to specified targets;
- A collection of business activities that create value for a customer;
- A systematic set of activities which take a ‘business event’ to a successful outcome;
- A way of linking people together.

The most general definition of business processes defines it as a set of partially ordered activities aimed at reaching a well-defined goal\(^{16}\). The goals could be:

\(^{14}\)Operational processes – processes that constitute the core business and create the primary value-added service, in the case of SPCs, they define the promotional service


\(^{16}\)
- reaching an agreement;
- preparing a development plan;
- closing a sale.

In addition, support processes ensure that the main processes have enough resources to work effectively.

When discussing business processes, two types of goals can be specified – strategic and operational. Strategic goals such as customer satisfaction, growth and profit are associated with the specific type of process. Analysis of strategic goals leads to the establishment of the rules and procedures. Operational goals show when a process instance is finished such as understanding customers’ needs; passing a decision on a senior level; and insuring all basic documents are collected.

Each process engages a number of participants, which can be roughly classified into artifacts, people and organisations. The notion of artifact is used to represent any physical or abstract object like a document, product or computer program. Furthermore, business process dynamics is considered to be one of the most important issues of business process modelling. There are many different approaches to representing process dynamics, however, they can be categorised into 4 separate groups:

1. Input/output flow

This flow can be represented as a diagram, where activities serve as nodes. The arrows connect the activities in accordance to results of one activity are being used in one or another way by the next activity. Such a diagram does not reflect the order of activities directly, it reflects the causal order. The causality establishes a partial order between activities indirectly, i.e. the results have to be produced before they could be used. The most common approach to represent this kind of flow is IDEF0\textsuperscript{17}.

Diagram 2.3.2.1 demonstrates input-output flow models, very often called “what do I do?” models. It portrays a schematic view of a process and its components – inputs, the control over the process, outputs and the mechanism acting on the process. The processes can be further decomposed to show lower-level activities.


\textsuperscript{17} Standard for Integration Definition for Function Modelling (IDEF0), National Institute of Standards and Technology (NIST), FIPS publication, 183, December 1993.
2. Workflow

The focus is on the order of activities in time. This flow can be represented as a diagram where arrows represent activities. Nodes show the results of one or more activities that end in a particular node. Typical notations for representing this kind of flow are IDEF3 process flow diagrams\(^\text{18}\).

3. Agent-related view

The focus is on the order in which agents receive and perform their part of work. The typical notation to represent this kind of flow is Role-Activity Diagrams\(^\text{19}\).

4. State flow

Each activity produces changes in the part of the real world that embraces the given process instance. Some changes may concern the state of passive participants, e.g. their form, shape, or physical location. Other changes may concern the state of active participants, e.g. the state of the mind of a human agent trying to find a solution for


\(^{19}\) Ould, M., Business Processes – Modelling and Analysis for Re-engineering and Improvement, John Willey & Sons, Chichester, 1995.
a complex problem. The focus of the state flow view is on changes produced in the part of the world that embraces the given process instance (see IDEF3).

The choice of the most appropriate view on the process dynamics depends on the nature of the processes being modelled, and the practical task that is going to be solved. For the purposes of this report, the input/output flow business model is by far the most relevant. In this way clear inputs and outputs of SPCs’ work can be delineated (see diagrams below) before these results are used in practice.

The model is recommended as a suitable business framework within which SPC can develop their promotional role in accordance with EU and national priorities.

During the joint workshop of ESN and PROPS in Turku, 15/06/2010, SPC Norway and SPC Croatia pointed out that they focus only on one or two processes due to different local priorities and available budgets. As a result of this discussion, we are inclined to recommend a more generic model where each process has its own role and contributes individually to the promotional function. In this respect, any SPC is to implement the model considering their capacity and capability for maintaining the chosen operational processes.

First, each of the 5 processes is presented as a standalone with input/output flows described. Then, business process dynamics is charted in order to present all processes’ contribution to the promotional function of SPC.

Based on the selected input/output flow business model, all 5 processes are discussed in the next part of the report. Each core process encompasses a variety of activities that SPCs have to carry out daily. This could be explained as follows:

---

20 For more detail see: Annex 2 Review Workshop on PROPS WP 4
• Encourage users and potential users to choose shortsea shipping

Diagram 2.3.2.2: First Operational Process

Input – case studies, promotional materials, industry data.

Mechanism – via meeting and events (seminars, trade shows, etc.).

Output – a plan to shift to intermodal services.

Activities performed under this process are:

• providing information;
• distribution of promotional materials;
• communication with current users and potential ones (shippers – retail, machinery, construction, manufacturers, etc.);
• bringing stakeholders together incl. an organisation of meetings and events (seminars, conferences).

Monitoring this process is a responsibility of the SPC director.

---

22 For example: Large retailers such as M&S, TESCO, Sainsbury’s, ASDA in the UK
• **Promote knowledge and innovation /improvement within the sector**

Diagram 2.3.2.3: Second Operational Process

**Input** – trade routes, trade data and transport innovations.

**Mechanism** – via meetings.

**Output** – a development plan for new intermodal services.

Activities performed under this process are:

- providing information about the transport sector;
- communication with operators;
- encouraging operators to develop new and existing shortsea and intermodal services;
- writing up reports and involvement in different studies (research);
- organising meetings and events to meet operators from different transport modes (rail, inland waterways, shortsea shipping).

**Monitoring** this process is a responsibility of the SPC director.
• **Influence policy decisions affecting the sector**

Diagram 2.3.2.4: Third Operational Process

**Input** – industry issues and case studies.

**Mechanism** – via meetings.

**Output** – an action plan to tackle issues and influence opinions.

**Activities** performed under this process are:

- providing information;
- lobbying via active communication with appropriate groups (NGOs, think-tanks, parliamentary groups\(^\text{23}\), media groups) and authorities (local, national, regional and EU);
- organising meetings and bringing all these groups together.

**Monitoring** this process is a responsibility of the SPC director.

---

\(^{23}\) For example: Transport Select Committee in any national or EU Parliament
• **Identification of bottlenecks**

Diagram 2.3.2.5: Fourth Operational Process

**Input** – existing and new bottlenecks, and operations data.

**Mechanism** – via meetings.

**Output** – a solution plan to resolve bottlenecks.

**Activities** performed under this process are:

- communication with transport operators, users and authorities;
- identifying bottlenecks (research) and addressing them;
- setting out proper solutions and involvement in consultative processes (national and EU).

**Monitoring** this process is a responsibility of the SPC director.
• **European Cooperation**

Diagram 2.3.2.6: Fifth Operational Process

- **Input** – transport sector contacts and other contacts.
- **Mechanism** – via meetings and events (trade shows, exhibitions, etc.).
- **Output** – a business network.

Activities performed under this process are:

- ESN meetings and events;
- meetings and discussions with the focal points and DG TREN;
- communication with other European stakeholders to resolve national issues;
- building-up a wide network beyond the transport sector.

Monitoring this business process is a responsibility of the SPC director.

If we combine all these five processes, they together provide materials for the promotional work. Diagram 2.3.2.7 presents the business process dynamics of a Promotion Centre and the basis for centre’s promotional campaign.
Piloting of all proposed processes was based on SPC Finland’s activities in 2009 and the ongoing action plan for 2010. Operationalising these processes proved to be essential for SPC Finland in order to develop more transparent services for its members\textsuperscript{24}.

\textsuperscript{24} More details in supplementary report: WP4-Pilot Process-SPC Finland 07-07-2010
By performing all these recommended operational processes, the actual promotion centres will be in a position to improve their promotional activities and fulfill the required promotional role. However, based on information on their services described online, currently only five SPCs appear to be so doing. The five are:

- SPC Belgium,
- SPC Finland,
- SPC Netherlands,
- SPC Norway and
- SPC UK.

While lobbying is only explicitly specified on the websites of SPC Holland and Norway, any of these SPCs could be explored as a model of a Promotion Centre.

Before we proceed with the model template of a Promotion Centre, our analysis will focus on the strengths and weaknesses of the existing centres. This exercise will be useful for the future development of SPCs, particularly to see where each of them is situated in relation to the required promotional role and what support is needed.

2.4. SWOT Analysis

2.4.1. The importance of SWOT Analysis

Every organisation is confronted with a variety of internal and external forces that comprise either potential stimulants, or potential limitations or both. Thus, the first step in the organisation’s strategic planning is to identify and evaluate the strategic factors that assist or hinder the organisation in reaching its full potential.\textsuperscript{25} That exercise is known as a SWOT analysis.\textsuperscript{26}

In recent times, organisations have increasingly used SWOT analysis to identify their strengths, weaknesses, opportunities and threats before formulating their strategy.

The SWOT approach is considered particularly suit to the understanding of the strategic issues faced by small and medium sized organisations.

As such it is well suited to our study of SPCs and their promotional role in the business network. The latter is defined as a group of interconnected organisations, e.g. strategic alliances, supply chain networks, joint ventures, clusters, etc.  

In this report, the SWOT analysis is based on gathered information from SPCs websites because:

- WP4’s objective is to optimise the “promotional function” of the existing promotion centres;
- to maximise this function and achieve maximum results from promotion, a larger audience needs to be reached;
- to reach such an audience, the website is the most effective means of promoting (see below).

The key features of SWOT are:

- **Strengths** are those potential factors that make a firm or an organisation more competitive than its direct competitors. Examples of such strengths include: patents, strong brand names, good reputation among customers, cost advantages from proprietary know-how, favourable access to distribution network, marketing expertise, etc.

- **Weaknesses** are both potential limitations and defects ingrained in an organisation and/or weak factors relative to direct competitors. These include lack of patent protection, of marketing expertise, or access to key distribution channels, a weak brand name, poor reputation among customers, high cost structure, location of business, poor quality goods or services, etc.

- **Opportunities** are future or/and external factors that allow the organisation to improve its relative competitive position. The examples of opportunities include: an unfulfilled customer need, the arrival of new technologies, developing markets, moving into attractive market segments, etc.

- **Threats** are those future and/or external factors that reduce the firm’s relative competitive position. Examples of threats include: shifts in customer taste from firm’s products, a new competitor moving into, the development of a new and high-quality product, losing customers to major competitors, etc.

---

Overall, SWOT analysis is a method used to reflect on, identify, review and evaluate the organisation’s internal resources and capabilities, that is its strengths and weaknesses, and external conditions, that is the opportunities and threats it has or faces. In other words, the purpose of SWOT analysis is to uncover the factors that are working well and identify the problems that need to be acknowledged and addressed. It helps the organisation to build on its strengths, minimise its weaknesses, take advantage of opportunities, and offset threats.\(^\text{28}\)

There are three steps or phases in the common SWOT analysis process:\(^\text{29}\)

- **Phase 1: Detecting strategic issues**
  - Identifying internal issues relevant to the firm's strategic position;
  - Identifying external issues relevant to the firm's strategic position in the industry and the general environment at large with the understanding that opportunities and threats are factors that management cannot directly influence;
  - Analysing and ranking the external issues according to probability and impact;
  - Listing the key strategic issues factors inside or outside the organisation that significantly impact the long-term competitive position in the SWOT matrix.

- **Phase 2: Determining the strategy**
  - Identifying firm's strategic fit given its internal capabilities and external environment;
  - Formulating alternative strategies to address key issues;
  - Developing additional strategies for any remaining "blind spots" in SWOT matrix, and selecting an appropriate strategy.

- **Phase 3: Implementing and monitoring the strategy**
  - Developing the action plan to implement strategy;
  - Assigning responsibilities and budgets;
  - Monitoring progress;
  - Starting review process from beginning.

\(^{29}\) SWOT Analysis, from http://www.lucintel.com/SWOT_analysis.asp
Strategic Identity of SPCs

In order to identify any Centre’s strategic fit with its business network, first it will be necessary to discuss the strategic identity of its promotional function. This is important to the understanding of the competitive position of any organisation. Thus, in establishing a SPC’s identity, we focus on:

- the state of website
- the definition of services
- developed a logo and provided a brand name
- signalled association with other organisations relevant to the strategic position of a Centre
- signalled association with the European Shortsea Network

All these factors are treated as strengths in a centre’s promotional identity.

To evaluate the strategic identity and position of any SPC, our analysis is primarily focused on the information available on their websites as this appears to be the most important source of information for independent visitors. The Promotion Centres are not expected to upload information which is for internal reporting to their boards.

It is widely recognised that a website has become an essential part of every organisation and critical to the promotion of its external image and the expansion of business. Websites have become the most effective means of promoting and advertising because they generate more awareness, interest and business than any other medium. A website can serve several different purposes: it can give customers a detailed description of an organisation, its products and activities; and it can also be used as a brochure to advertise these products and activities. In addition, an organisation can put an almost unlimited amount of information on its website. However, perhaps the biggest advantage is that it is available to view 24 hours a day for 365 days a year. That is why the website of an organisation is considered its ‘shop window’. According to Milagrow Business and Knowledge Solutions chief executive and founder, Rajeev Karwal, having such an online presence should be a priority because “internet domains are the most

30 http://ezinearticles.com/The-Importance-of-a-Web-Site&id=232366;
31 http://www.pegasusinfocorp.com/resources/articles/importance_of_website_business.html
cost-effective method of getting your message across to a huge audience”.  

While it is a must for an organisation to have a website, it is imperative that its website is well presented and effective. In order to achieve this it first needs to be eye-catching and be able to transmit the organisation’s message in a few seconds. Second, it needs to have enough content to convey the organisation’s message and what it does. In other world, it needs to explain the products and services offered as well as providing background and general contact information. Third, it must be clear to any viewer that the site is regularly updated. Last but not least, it needs be reliable, easy to navigate and look professional. Overall, any website needs to have at least the following information or pages:  

- homepage;  
- organisation profile;  
- service or product page;  
- achievements, clientele;  
- contact page;  
- and sitemap.  

2.4.2. Strengths  

To detect any strong strategic factors that support the identity of the SPCs promotional role, the following part focuses on the components that assist SPCs in achieving their full potential.  

- **Website**  

A dynamic website is distinguished from a static website. In that a static website has unchanging content or is “flat”.  

In this analysis, “dynamic website” is used in terms of how regularly the web content is updated regardless of the web technology on which it is based. Technologically the dynamic sites are more expensive to create whilst a static page is likely to be a piece of HTML.  

---  

### Table 2.4.1: Dynamic Content Website

<table>
<thead>
<tr>
<th>Shortsea Promotion Centre</th>
<th>Available Dynamic Website</th>
<th>News Content Monthly Update</th>
<th>Recent Case studies (from the last 2 years)</th>
<th>Database Updated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>No website</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Croatia</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Cyprus</td>
<td>Under construction</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Denmark</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>YES</td>
</tr>
<tr>
<td>Finland</td>
<td>YES</td>
<td>YES</td>
<td>No</td>
<td>ESN database</td>
</tr>
<tr>
<td>France</td>
<td>No</td>
<td>No</td>
<td>No</td>
<td>YES</td>
</tr>
<tr>
<td>Germany</td>
<td>YES – the German site</td>
<td>News only in German</td>
<td>Cases only in German</td>
<td>No database</td>
</tr>
<tr>
<td></td>
<td>NO – the English site</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Greece</td>
<td>No</td>
<td>No</td>
<td>No cases</td>
<td>No data</td>
</tr>
<tr>
<td>Ireland</td>
<td>YES</td>
<td>YES</td>
<td>No cases</td>
<td>YES</td>
</tr>
<tr>
<td>Italy</td>
<td>No</td>
<td>No</td>
<td>No cases</td>
<td>YES</td>
</tr>
<tr>
<td>Lithuania</td>
<td>YES</td>
<td>YES</td>
<td>No cases</td>
<td>No database</td>
</tr>
<tr>
<td>Malta</td>
<td>YES</td>
<td>YES</td>
<td>No cases</td>
<td>YES</td>
</tr>
<tr>
<td>Netherlands</td>
<td>YES</td>
<td>YES</td>
<td>YES34</td>
<td>YES</td>
</tr>
<tr>
<td>Norway</td>
<td>YES</td>
<td>YES</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Poland</td>
<td>No – the site only in Polish</td>
<td>YES – in Polish</td>
<td>No cases</td>
<td>No database</td>
</tr>
<tr>
<td>Portugal</td>
<td>No</td>
<td>No</td>
<td>No cases</td>
<td>No data</td>
</tr>
<tr>
<td>Romania</td>
<td>YES</td>
<td>YES</td>
<td>No cases</td>
<td>No data</td>
</tr>
<tr>
<td>Spain</td>
<td>YES – the site in Spanish</td>
<td>YES – news in Spanish</td>
<td>YES – cases in Spanish</td>
<td>ESN Database</td>
</tr>
<tr>
<td></td>
<td>No site in English</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sweden</td>
<td>No – in Swedish</td>
<td>YES – in Swedish</td>
<td>No cases</td>
<td>No data</td>
</tr>
<tr>
<td>Turkey</td>
<td>No</td>
<td>No</td>
<td>No cases</td>
<td>No data</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
<td>Restricted access</td>
</tr>
</tbody>
</table>

34 Short Sea Journal with Cases
As may be seen from Table 2.4.1 about 50% of the existing centres have developed dynamic content websites where it is easy to navigate and find the necessary up-to-date information.

- **Defining Services**

All of the centres define their services on the existing websites and have developed their own logo, which provides basic information about their identity (see Table 2.4.2).

In general, SPCs have relatively well-developed identities. However, available information is not in “client-oriented” shape, i.e. it is not provided to meet the needs of different target groups.

As already discussed, SPCs interface with different stakeholders in the process of exercising their promotional role.

These are:

- Shippers (Retail, Manufacturers, Machinery, Construction, etc.) 
  Forwarders;
- Transport operators (Shipping, Rail, Road, Inland Waterways);
- EU and national governments; other authorities, NGOs and media groups;
- ESN Members; other EU institutions.

Each of these has different expectations of SPCs. In other words, they use different criteria to determine if the service that any SPC provides is acceptable and useful to them.

To meet stakeholders’ needs SPCs have to understand their target groups very well and to provide specific information relevant to them for each core process.

**Table 2.4.2: Centre’s Identity**

<table>
<thead>
<tr>
<th>Shortsea Promotion Centre</th>
<th>Available definition of offered services</th>
<th>Brand Name</th>
<th>Centre’s own logo</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>YES</td>
<td>SPC</td>
<td>YES</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>No website</td>
<td>Intermodal and Short Sea Promotion Centre</td>
<td>Logo available</td>
</tr>
<tr>
<td>Croatia</td>
<td>YES</td>
<td>SPC</td>
<td>YES</td>
</tr>
<tr>
<td>Cyprus</td>
<td>No website</td>
<td>SPC</td>
<td>Logo available</td>
</tr>
<tr>
<td>Denmark</td>
<td>YES</td>
<td>SPC</td>
<td>YES</td>
</tr>
<tr>
<td>Country</td>
<td>YES</td>
<td>SPC</td>
<td>YES</td>
</tr>
<tr>
<td>------------</td>
<td>-----</td>
<td>------</td>
<td>-----</td>
</tr>
<tr>
<td>Finland</td>
<td></td>
<td>SPC</td>
<td>YES</td>
</tr>
<tr>
<td>France</td>
<td></td>
<td>SPC</td>
<td>YES</td>
</tr>
<tr>
<td>Germany</td>
<td></td>
<td>SPC</td>
<td>YES</td>
</tr>
<tr>
<td>Greece</td>
<td></td>
<td>SPC</td>
<td>YES</td>
</tr>
<tr>
<td>Ireland</td>
<td></td>
<td>IMDO</td>
<td>YES</td>
</tr>
<tr>
<td>Italy</td>
<td></td>
<td>SPC</td>
<td>YES</td>
</tr>
<tr>
<td>Lithuania</td>
<td></td>
<td>LSPC</td>
<td>YES</td>
</tr>
<tr>
<td>Malta</td>
<td></td>
<td>MSPC</td>
<td>YES</td>
</tr>
<tr>
<td>Netherlands</td>
<td></td>
<td>SPC</td>
<td>YES</td>
</tr>
<tr>
<td>Norway</td>
<td></td>
<td>SPC</td>
<td>YES</td>
</tr>
<tr>
<td>Poland</td>
<td></td>
<td>SPC</td>
<td>YES</td>
</tr>
<tr>
<td>Portugal</td>
<td></td>
<td>SPC</td>
<td>YES</td>
</tr>
<tr>
<td>Romania</td>
<td></td>
<td>Romanian Intermodal Association</td>
<td>YES</td>
</tr>
<tr>
<td>Spain</td>
<td></td>
<td>SPC</td>
<td>YES</td>
</tr>
<tr>
<td>Sweden</td>
<td></td>
<td>SPC</td>
<td>YES</td>
</tr>
<tr>
<td>Turkey</td>
<td></td>
<td>SPC</td>
<td>YES</td>
</tr>
<tr>
<td>United Kingdom</td>
<td></td>
<td>Freight by Water</td>
<td>YES</td>
</tr>
</tbody>
</table>

A review of Centres’ associations with other organisations is essential in terms of understanding where the centres are situated within their business network (Table 2.4.3).

In order to effectively exercise the “promotional function” SPCs need a business network that extends well beyond that provided by its memberships which in general only represents the supply side. Associations need to be established with groups of organisations that are relevant to all the core processes and target groups of SPCs.

However, in order to fulfill the required promotional role the SPCs need not only to have the necessary associations but be seen to have them. That is, it should be clear to anyone contacting them that they are “plugged into” the relevant networks. A simple indicator of this is the placing of logos of associated organisations (plus a list of members) on the website in an obvious and accessible manner.

Only 9 out of 22 Centres were found to have signed association agreements with other organisations. While all these nine had logos of associates on their website, in three cases they were difficult to find (see Table 2.4.3).

---

35 More details in D3.4 Report on SPC business networking
### Table 2.4.3: Signalled association with other organisations relevant to the Centre’s strategic position

<table>
<thead>
<tr>
<th>Shortsea Promotion Centre</th>
<th>Available logos of other organisations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>YES, but hard to see</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>No website</td>
</tr>
<tr>
<td>Croatia</td>
<td>YES</td>
</tr>
<tr>
<td>Cyprus</td>
<td>No website</td>
</tr>
<tr>
<td>Denmark</td>
<td>No</td>
</tr>
<tr>
<td>Finland</td>
<td>YES</td>
</tr>
<tr>
<td>France</td>
<td>YES</td>
</tr>
<tr>
<td>Germany</td>
<td>No</td>
</tr>
<tr>
<td>Greece</td>
<td>No</td>
</tr>
<tr>
<td>Ireland</td>
<td>No</td>
</tr>
<tr>
<td>Italy</td>
<td>YES</td>
</tr>
<tr>
<td>Lithuania</td>
<td>No</td>
</tr>
<tr>
<td>Malta</td>
<td>YES</td>
</tr>
<tr>
<td>Netherlands</td>
<td>YES, but hard to see</td>
</tr>
<tr>
<td>Norway</td>
<td>No</td>
</tr>
<tr>
<td>Poland</td>
<td>No</td>
</tr>
<tr>
<td>Portugal</td>
<td>No</td>
</tr>
<tr>
<td>Romania</td>
<td>No</td>
</tr>
<tr>
<td>Spain</td>
<td>YES, but hard to see</td>
</tr>
<tr>
<td>Sweden</td>
<td>No</td>
</tr>
<tr>
<td>Turkey</td>
<td>YES</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>No</td>
</tr>
</tbody>
</table>

However, all SPCs associate themselves with the European Shortsea Network as members (except Romania). Again in some of the cases, the logo was hard to see. The availability of the ESN logo on all SPCs websites is a sign of an existing contractual agreement (Memorandum of Understanding). The logo symbolises access to this wider group of associated organisations.
Table 2.4.4: Signalled association with the European Shortsea Network

<table>
<thead>
<tr>
<th>Shortsea Promotion Centre</th>
<th>Available ESN logo</th>
<th>Available explanation instead</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>No</td>
<td>Only text</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>No website</td>
<td></td>
</tr>
<tr>
<td><strong>Croatia</strong></td>
<td><strong>Yes</strong></td>
<td></td>
</tr>
<tr>
<td>Cyprus</td>
<td>No website</td>
<td></td>
</tr>
<tr>
<td><strong>Denmark</strong></td>
<td><strong>Yes</strong></td>
<td></td>
</tr>
<tr>
<td>Finland</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td><strong>France</strong></td>
<td><strong>Yes</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Germany</strong></td>
<td><strong>Yes</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Greece</strong></td>
<td><strong>Yes</strong></td>
<td></td>
</tr>
<tr>
<td>Ireland</td>
<td>No</td>
<td>Only text</td>
</tr>
<tr>
<td><strong>Italy</strong></td>
<td><strong>Yes</strong></td>
<td></td>
</tr>
<tr>
<td>Lithuania</td>
<td>No</td>
<td>Only text</td>
</tr>
<tr>
<td><strong>Malta</strong></td>
<td><strong>Yes</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Netherlands</strong></td>
<td><strong>Yes</strong></td>
<td></td>
</tr>
<tr>
<td>Norway</td>
<td>Yes</td>
<td></td>
</tr>
<tr>
<td><strong>Poland</strong></td>
<td><strong>Yes</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Portugal</strong></td>
<td><strong>Yes</strong></td>
<td></td>
</tr>
<tr>
<td>Romania</td>
<td>No</td>
<td>Not a member of ESN(^{36})</td>
</tr>
<tr>
<td><strong>Spain</strong></td>
<td><strong>Yes</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Sweden</strong></td>
<td><strong>Yes</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Turkey</strong></td>
<td><strong>Yes</strong></td>
<td></td>
</tr>
<tr>
<td><strong>United Kingdom</strong></td>
<td><strong>Yes</strong></td>
<td></td>
</tr>
</tbody>
</table>

Strategic Position of SPCs

The strategic position of an organisation is evaluated in relation to its business environment\(^{37}\). Strategic issues or forces that significantly impact on the long-term competitive position of a Promotion Centre within the business network are:

- Interaction with the business network
- Role of the SPC in this network
- Value-added achievements

Working carefully through the websites of all SPCs we detected a lack of information justifying the strategic position of their promotional role.

---

\(^{36}\) In December 2009, Romanian Intermodal Association was not a member of the ESN. It became such later in 2010.

\(^{37}\) Business environment – a set of external and internal forces that can potentially have both a positive and a negative impact on the business
In order to optimise the “promotional function” of SPCs, the next part of the analysis looks at potential strategic limitations that hinder the achievement of the required promotional role in the business network.

2.4.3. Weaknesses

To identify any weak factors relative to positioning the promotional role of SPCs, this section focuses on the described interaction with various players.

Specific information gaps detected are:

**Reporting:**
- Time spent on various activities, measurable achievements, details of reporting;

**Communication:**
- Interaction with various players? How? What is their marketing and communication strategy?;

**Business plan:**
- Who is part of the network? SPC role in this network? What are their goals? What is their business plan?.

These could be treated as weaknesses of all promotional centres with a few exceptions (see Table 2.4.5). It is noticeable that only one centre has a “business plan” available online. This is weakness in so far as there is no indicator of goals and means of achieving them. That is, for those making contact through the website there is no clear idea of how the SPC promotes short sea shipping, and why one should become an user of this transport mode or should make use of the SPCs services.

**Table 2.4.5: Business Plan Availability**

<table>
<thead>
<tr>
<th>Shortsea Promotion Centre</th>
<th>Available Business Plan online</th>
<th>Available Components</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>YES</td>
<td></td>
</tr>
<tr>
<td>Bulgaria</td>
<td>NO</td>
<td></td>
</tr>
<tr>
<td>Croatia</td>
<td>NO</td>
<td></td>
</tr>
<tr>
<td>Cyprus</td>
<td>NO</td>
<td></td>
</tr>
<tr>
<td>Denmark</td>
<td>NO</td>
<td>Only vision</td>
</tr>
<tr>
<td>Finland</td>
<td>NO</td>
<td>Only aims</td>
</tr>
<tr>
<td>France</td>
<td>NO</td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td>NO</td>
<td></td>
</tr>
<tr>
<td>Greece</td>
<td>NO</td>
<td></td>
</tr>
<tr>
<td>Ireland</td>
<td>NO</td>
<td></td>
</tr>
<tr>
<td>Italy</td>
<td>NO</td>
<td></td>
</tr>
</tbody>
</table>
None of the SPCs had a well defined marketing strategy (see Table 2.4.6).

It is fair to comment that the Belgium SPC at least specified the target groups in its business plan, which is supposed to be a component of the marketing strategy. It needs clarification and separation of the business plan from the marketing strategy since they have different purposes.

A business plan is a statement of goals, why the organisation believes that they are achievable and a plan for reaching these goals. On the other side, marketing strategy is a method of focusing an organisation’s resources on a course of actions. It determines the choice of target groups, positioning the organisation in the market and allocation of resources to each core process.

SPC Holland clearly defines the aims online but does not specify the target groups. Although these groups are implied when one reads the explanation on the website, from the marketing perspective, the target players need to be explicitly specified.

<table>
<thead>
<tr>
<th>Shortsea Promotion Centre</th>
<th>Available Marketing Strategy available</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>NO</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>No website</td>
</tr>
<tr>
<td>Croatia</td>
<td>NO</td>
</tr>
<tr>
<td>Cyprus</td>
<td>No website</td>
</tr>
<tr>
<td>Denmark</td>
<td>NO</td>
</tr>
<tr>
<td>Finland</td>
<td>NO</td>
</tr>
<tr>
<td>France</td>
<td>NO</td>
</tr>
<tr>
<td>Germany</td>
<td>NO</td>
</tr>
<tr>
<td>Greece</td>
<td>NO</td>
</tr>
</tbody>
</table>
Any organisation maintains internal and external reporting. The former is critical to an organisation’s effective operation by, for example, monitoring internal progress. The external reporting provides information to the public on what has been achieved and keeps the image of a company transparent. However, a few SPCs provide some sort of monthly reporting through newsletters or fact sheets distributed to members. Only SPC Netherlands has up-to-date annual reporting available on the website. It must be recognised that the Dutch SPC provides the best possible reporting online of all 22 Centres.

The Belgium SPC provided reporting up to 2006. However, for the last three years, the annual reports have not been made available online. Whatever the reasons for this, the lack of reporting weakens the strategic/promotional position. The rest of the SPCs do not provide any annual reporting on their websites where concrete measurable achievements are identified (see Table 2.4.7).

Table 2.4.7: Reporting

<table>
<thead>
<tr>
<th>Shortsea Promotion Centre</th>
<th>Available Annual Reports Online</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>YES, but not up-to-date</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>No website</td>
</tr>
<tr>
<td>Croatia</td>
<td>NO</td>
</tr>
<tr>
<td>Cyprus</td>
<td>No website</td>
</tr>
<tr>
<td>Denmark</td>
<td>NO</td>
</tr>
<tr>
<td>Finland</td>
<td>NO</td>
</tr>
<tr>
<td>France</td>
<td>NO</td>
</tr>
<tr>
<td>Germany</td>
<td>NO</td>
</tr>
<tr>
<td>Greece</td>
<td>NO</td>
</tr>
</tbody>
</table>

38 Any reporting done to the Board of a SPC is excluded from the external reporting
<table>
<thead>
<tr>
<th>Country</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ireland</td>
<td>NO</td>
</tr>
<tr>
<td>Italy</td>
<td>NO</td>
</tr>
<tr>
<td>Lithuania</td>
<td>NO</td>
</tr>
<tr>
<td>Malta</td>
<td>NO</td>
</tr>
<tr>
<td>Netherlands</td>
<td>YES</td>
</tr>
<tr>
<td>Norway</td>
<td>NO</td>
</tr>
<tr>
<td>Poland</td>
<td>NO</td>
</tr>
<tr>
<td>Portugal</td>
<td>NO</td>
</tr>
<tr>
<td>Romania</td>
<td>NO</td>
</tr>
<tr>
<td>Spain</td>
<td>NO</td>
</tr>
<tr>
<td>Sweden</td>
<td>NO</td>
</tr>
<tr>
<td>Turkey</td>
<td>NO</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>NO</td>
</tr>
</tbody>
</table>

Furthermore, none of the SPC websites indicated that they had a media partner (see Table 2.4.8). The main activities of any centre are promotional and it is difficult to believe that a Centre can have regular publications in newspapers without a media partner, no matter that they claim to have good media relations. Realistically, they only have news in the national newspapers from time to time or produce their own Journal/brochure (SPC Netherlands; SPC Flanders)\(^{40}\). The lack of a media partner’s logo on SPC websites signals a lack of wide access to a larger audience. This weakness usually makes an organisation’s position disadvantageous. In combination with external opportunities, the judgments for any improvement of the promotional role have to be made on individual effectiveness of gaining internal capabilities.

In the case of Promotion Centres, these weak points make their strategic position in the network *unclear*.

The lack of a business plan and a marketing strategy online suggests little awareness of the business links that contribute to the *value-added role* of a Promotion Centre.

With one or two exceptions, there is no proper planning and external reporting at SPC level (see Table 2.4.7)\(^{41}\).

**As a result the image of Short Sea Promotion Centres is that they have weak strategic/promotional positions in their business environment.**

\(^{40}\) See Short Sea Journal of SPC Netherlands: [http://www.shortsea.nl/main/attachements/Def_VSSjournaalsamenvatting03j09_01c2-eng.pdf](http://www.shortsea.nl/main/attachements/Def_VSSjournaalsamenvatting03j09_01c2-eng.pdf)


\(^{41}\) Any internal planning and reporting does not count since it is done for internal purposes, not for external information.
Table 2.4.8: Media Partnership

<table>
<thead>
<tr>
<th>Shortsea Promotion Centre</th>
<th>Available Media Partner’s logo</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>NO</td>
</tr>
<tr>
<td>Bulgaria</td>
<td>No website</td>
</tr>
<tr>
<td>Croatia</td>
<td>NO</td>
</tr>
<tr>
<td>Cyprus</td>
<td>No website</td>
</tr>
<tr>
<td>Denmark</td>
<td>NO</td>
</tr>
<tr>
<td>Finland</td>
<td>NO</td>
</tr>
<tr>
<td>France</td>
<td>NO</td>
</tr>
<tr>
<td>Germany</td>
<td>NO</td>
</tr>
<tr>
<td>Greece</td>
<td>NO</td>
</tr>
<tr>
<td>Ireland</td>
<td>NO</td>
</tr>
<tr>
<td>Italy</td>
<td>NO</td>
</tr>
<tr>
<td>Lithuania</td>
<td>NO</td>
</tr>
<tr>
<td>Malta</td>
<td>NO</td>
</tr>
<tr>
<td>Netherlands</td>
<td>NO</td>
</tr>
<tr>
<td>Norway</td>
<td>NO</td>
</tr>
<tr>
<td>Poland</td>
<td>NO</td>
</tr>
<tr>
<td>Portugal</td>
<td>NO</td>
</tr>
<tr>
<td>Romania</td>
<td>NO</td>
</tr>
<tr>
<td>Spain</td>
<td>NO</td>
</tr>
<tr>
<td>Sweden</td>
<td>NO</td>
</tr>
<tr>
<td>Turkey</td>
<td>NO</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>NO</td>
</tr>
</tbody>
</table>

2.4.4. Opportunities

Opportunities usually have an impact on the strategic position of a company. Combining external opportunities with internal strengths is the ideal mix for a solid strategic position. Opportunities could be:

- external (from the business environment)
- internal (from the internal working environment)

To improve a Centre’s relative role as a promotional body, New Media methods provide good external opportunities. This includes blogs, video clips, podcasts, RSS messaging, and social networking. Universal McCann’s international survey showed that from regular internet users 64% spend time managing social network profiles compared to 58% who spend time reading blogs and 79% who watch video online. 43

---

42 Media Partnership is a marketing technique that provides opportunities to reach a larger audience via established strategic partnerships usually on a contractual basis
43 www.universalmccann.co.uk
These new media techniques have to be considered in future promotional work (Table 2.4.9).

From the examination of the websites, it has been noticed that only SPC Belgium, Norway and Romania utilise some features of the new media.

**Table 2.4.9: New Media Methods** (blog; video clips; podcasts; RSS; social networking)

<table>
<thead>
<tr>
<th>Shortsea Promotion Centre</th>
<th>New Media</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Belgium</strong></td>
<td><strong>Film available</strong></td>
</tr>
<tr>
<td>Bulgaria</td>
<td>No website</td>
</tr>
<tr>
<td>Croatia</td>
<td>NO</td>
</tr>
<tr>
<td>Cyprus</td>
<td>No website</td>
</tr>
<tr>
<td>Denmark</td>
<td>NO</td>
</tr>
<tr>
<td>Finland</td>
<td>NO</td>
</tr>
<tr>
<td>France</td>
<td>NO</td>
</tr>
<tr>
<td>Germany</td>
<td>NO</td>
</tr>
<tr>
<td>Greece</td>
<td>NO</td>
</tr>
<tr>
<td>Ireland</td>
<td>NO</td>
</tr>
<tr>
<td>Italy</td>
<td>NO</td>
</tr>
<tr>
<td>Lithuania</td>
<td>NO</td>
</tr>
<tr>
<td>Malta</td>
<td>NO</td>
</tr>
<tr>
<td>Netherlands</td>
<td>NO</td>
</tr>
<tr>
<td><strong>Norway</strong></td>
<td><strong>Videos available</strong></td>
</tr>
<tr>
<td>Poland</td>
<td>NO</td>
</tr>
<tr>
<td>Portugal</td>
<td>NO</td>
</tr>
<tr>
<td><strong>Romania</strong></td>
<td><strong>RSS messaging</strong></td>
</tr>
<tr>
<td>Spain</td>
<td>NO</td>
</tr>
<tr>
<td>Sweden</td>
<td>NO</td>
</tr>
<tr>
<td>Turkey</td>
<td>NO</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>NO</td>
</tr>
</tbody>
</table>

**2.4.5. Threats**

Threats are factors that the Centre’s management can’t directly influence. They usually come from the external environment and include competitors, policy changes, economic circumstances, or external funding difficulties. The latter can limit the effectiveness and long-term sustainability of the SPCs.44

---

44 See: Survey Report from 5/11/2009 prepared by the Global Policy Institute
2.5. Model Template

Describing a model of a SPC seems vital for the PROPS project in order to make recommendations for improvement. Work Package 4 focuses on developing “the promotion function” in the context of the existence of actual promotion centres (SPCs). In this respect, the SWOT analysis facilitated the development of a framework within which the SPCs promotional processes could be assisted. In parallel, the section 2.4 analysed the national SPCs, to see where they are situated in relation to the desired promotional role (within the network) and whether, or with what support, they may fulfil the required role.

As already mentioned in terms of desired core operational processes performed by centres to meet the requirements of a promotional role, any of the five SPCs could be taken as a model template:

- SPC Belgium
- SPC Finland
- SPC Netherlands
- SPC Norway and
- SPC UK

If we take all of them and evaluate precisely their promotional performance by performed SWOT analysis, it will narrow the possibilities for recommendations for a model template.

To make this evaluation, the following strategic factors are considered:

- **Strategic Identity**
  - state of website
  - centre’s identity – definition and brand
  - signalled association with other relevant organisations

- **Strategic Position**
  - role of the SPC in the business network – available business planning
  - interactions with other agents – available marketing strategy
  - value-added achievements – available annual reporting
Table 2.5.1: SWOT table

<table>
<thead>
<tr>
<th>Centre</th>
<th>dynamic website</th>
<th>own identity</th>
<th>signalled association</th>
<th>annual reporting</th>
<th>business plan</th>
<th>marketing strategy</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
<td>NO</td>
</tr>
<tr>
<td>Holland</td>
<td>YES</td>
<td>YES</td>
<td>YES</td>
<td>NO</td>
<td>NO</td>
<td>NO</td>
</tr>
<tr>
<td>Finland</td>
<td>YES</td>
<td>YES</td>
<td>NO</td>
<td>NO</td>
<td>NO</td>
<td>NO</td>
</tr>
<tr>
<td>Norway</td>
<td>YES</td>
<td>YES</td>
<td>NO</td>
<td>NO</td>
<td>NO</td>
<td>NO</td>
</tr>
<tr>
<td>UK</td>
<td>YES</td>
<td>YES</td>
<td>NO</td>
<td>NO</td>
<td>NO</td>
<td>NO</td>
</tr>
</tbody>
</table>

Table 2.5.1 shows that the SPC Belgium and SPC Holland are better situated in relation to the required promotional role than the other three centres. If we take SPC Finland as an indicative centre which represents an organisation with a strong identity as a Promotion Centre but a weak strategic position in its business network, the other two - SPC Belgium and SPC Holland – need little support to accomplish the required role. Oppositely, SPC Norway and UK have relatively good promotional identity but a weak strategic position in the business network - they will need much more external support.

Table 2.5.2: Comparative table

<table>
<thead>
<tr>
<th>Centre</th>
<th>strategic identity</th>
<th>strategic position</th>
</tr>
</thead>
<tbody>
<tr>
<td>Belgium</td>
<td>strong</td>
<td>good</td>
</tr>
<tr>
<td>Holland</td>
<td>strong</td>
<td>good</td>
</tr>
<tr>
<td>Finland</td>
<td>strong</td>
<td>weak</td>
</tr>
<tr>
<td>Norway</td>
<td>good</td>
<td>weak</td>
</tr>
<tr>
<td>UK</td>
<td>good</td>
<td>weak</td>
</tr>
</tbody>
</table>

In summary, Table 2.5.2 shows that all five SPCs have a good promotional identity, but only SPC Holland and Belgium managed to achieve a good strategic/promotional position within the network, hence, they need less additional support to reach their full potential.
To improve their promotional role, each of the centres needs to determine a strategy in accordance with its capabilities and national environment (see Diagram 2.5.5). Alternative strategies could be formulated based on a different combination of internal strengths and external opportunities. This depends very much on each SPC’s focus and national strategic priorities.

In the case of Holland and Belgium, a well described marketing strategy that will clearly define their interactions with the other relevant players from the business network, would place them on a better strategic position. Once a marketing strategy is implemented it will have to be monitored. This can simply be done through measurable indicators (see Section 4) and regular reporting. Then, at the end of each year, the strategy can be easily reviewed and where necessary revised for the next period.

Summing up the conclusions from this chapter, in general, SPCs have relatively well-developed promotional identities but weak strategic positions in their business network.
2.6. Application of PROPS tools

PROPS methodology is focused on the business networking approach. This means that the objective of PROPS is to develop and implement an effective pan-European promotional campaign, involving all stakeholders - including the SPCs individually and collectively (ESN).

PROPS will enable members of the promotion centres to work more effectively with all stakeholders in achieving the required quality of services and marketing them throughout Europe.

To support technologically the promotional role of all centres, PROPS develop the following tools:

- provision of strategic information about SSS route: notably changes in trade routes or cargo flows; relative competitiveness of different modes; improved services and best practices, academy of failures; case studies for the marketing campaign, etc.

This information will be held on an interactive portal system.

- provision of interactive portal/website – this information and competitive strategies are to be used by SPCs to convince shippers to shift to short sea shipping as part of the intermodal transport.

The Promotion Centres have easy access to the portal as do other stakeholders. The operational and marketing strategies are available to be used on a daily basis by the centres. This saves a considerable amount of time spend on searching by the personnel of any SPC.

- provision of a set of core processes for individual SPC to improve its promotional role. Each core process relates to a group of stakeholders that should be the principal targets of any SPC.

- provision of a set of indicators for all core processes to monitor regularly SPC promotional role.

- provision of training that enables SPCs to obtain maximum benefit from the different tools of PROPS project.
The table below demonstrates the relation between PROPS tools offered by the project and each core process of the promotion centres, and target groups respectively. Through an application of the tools and the core processes, the promotional role of any centre becomes cost-effective and increasingly efficient.

### Table 2.6.1 PROPS tools and Core Processes

<table>
<thead>
<tr>
<th>PROPS tools</th>
<th>Core Operational Processes of SPCs</th>
<th>Key Stakeholders (target groups)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information on prices of different modes; new services and already established routes; environmental factors</td>
<td>Encourage users and potential users to choose shortsea shipping</td>
<td>Shippers (Retail, Machinery, Construction, Manufacturers, etc) Forwarders</td>
</tr>
<tr>
<td>Information on improving services within the sector. Analogous successes in different industries</td>
<td>Promote knowledge and innovation improvement within the sector/</td>
<td>Transport providers (from different transport modes)</td>
</tr>
<tr>
<td>Information on addressed competitive and marketing strategies; consultation papers</td>
<td>Influence policy decisions affecting the sector</td>
<td>EU and Governments (national and local authorities; parliamentary groups); NGOs and other institutions (research institutes, etc.)</td>
</tr>
<tr>
<td>Information/case studies on operational practices and solutions</td>
<td>Identification of bottlenecks and their solutions</td>
<td>EU, national governments, shippers and transport operators</td>
</tr>
<tr>
<td>Networking strategies; Training aimed to support SPCs with the introduction of PROPS tools</td>
<td>European Cooperation</td>
<td>ESN members; European Commission; Other EU institutions</td>
</tr>
</tbody>
</table>
3. European Short Sea Network

3.1. Brief Overview on European Shortsea Network (ESN)

The ESN was formed in 2000 with the main aims being:

- to strengthen the activity of the national SPCs;
- to exchange concrete information;
- to exchange ideas, best practices;
- to support new SPCs.

ESN and the SPCs are key actors for putting the European Commission programme for the promotion of SSS into practice. Information on the network as well as links to single SPCs are available at http://www.shortsea.info/. In addition, the Annual Report of the ESN is available at the website.

The European Commission has provided financial support to the ESN via grants to projects of network members. New SPCs have received a start-up grant. However, the functioning of SPCs (including ESN) is mainly secured by direct contributions from Member States, regions, universities and private members45.

The SPCs and the ESN have contributed to increasing the awareness of shortsea shipping as a mode of transport. This has been done via the website www.shortsea.info, conferences, fairs and information dissemination to shippers and forwarders.

ESN has also contributed to highlighting bottlenecks and worked with Short Sea Shipping Focal Points to eliminate these obstacles.

Today there are 22 SPCs within the EU and adjacent states, 21 of which are members of the ESN. As new SPCs are being established the network is extending rapidly, at least in part a reflection of the enlargement of the EU and increasing linkages with adjacent countries.

Table 3.1.1: Websites information

<table>
<thead>
<tr>
<th>SPCs, ESN and their websites</th>
<th>Website</th>
</tr>
</thead>
<tbody>
<tr>
<td>SPC Bulgaria</td>
<td></td>
</tr>
<tr>
<td>SPC Croatia</td>
<td><a href="http://www.shortsea.hr">www.shortsea.hr</a></td>
</tr>
<tr>
<td>SPC Cyprus</td>
<td></td>
</tr>
<tr>
<td>SPC Denmark</td>
<td><a href="http://www.shortsea.dk">www.shortsea.dk</a></td>
</tr>
</tbody>
</table>

45 For more detail, see Annex 1: Financing Short Sea Promotion Centres
SPC Finland  www.shortsea.fi
SPC Flanders  www.shortsea.be
SPC France  www.shortsea.fr
SPC Germany  www.shortseashipping.de
SPC Greece  www.shortsea.gr
SPC Holland  www.shortsea.nl
SPC Ireland  www.shortsea.ie
SPC Italy  www.shortsea.it
SPC Lithuania www.ccitl.vgtu.lt
SPC Malta  www.shortsea.org.mt
SPC Norway  www.shortseashipping.no
SPC Poland  www.shortsea.pl
SPC Portugal  www.geocities.com/shortsea.pt
SPC Spain  www.shortsea.es
SPC Sweden  www.maritimeforum.se
SPC Turkey  www.shortsea.org.tr
SPC U.K  www.freightbywater.org
ESN  www.shortsea.info

The ESN website has been developed since the start of the network to provide information about the management of the ESN, membership and cooperation. It has a separate news section and a database of line services. The information available on the ESN website is summarised below.

### 3.2. Management of the European Short Sea Network

The Terms of Reference were prepared at the end of 2001 to guide the work of ESN. It has been agreed by all members. New members of the network join the ESN by signing a Memorandum of Understanding. These documents are the basis for the internal and external networking of the ESN.

ESN does not have an official board, but has a chairman who is active in co-ordinating its work. The chairman is from the promotion centre of the country that chairs the European Council. The chairman is active for the same period, which is 6 months. When an EU member has no promotion centre, the sitting chairmanship is extended by 3 months and the following chairman starts 3 months earlier.

One of the national promotion centres is to be responsible for the financial affairs of the network. They manage the bank account of the
network, make payments and report financial results each quarter. This centre also monitors the annual returns that are agreed upon by an external controller. All the other work of ESN is carried out by working groups or by single centres.

3.3. Membership Rules

The membership of ESN is in principle open to all Shortsea Promotion Centres from any European country. However, the centres have to be active on a national basis or at least active in a federal state such as Flanders. The SPC has to be recognised by the national short sea shipping focal point (national ministry) and then by the European Commission.

Co-operation with local shortsea centres is possible and should be co-ordinated through the national bureau.

ESN make efforts to encourage European countries to establish a shortsea promotion centre, especially those countries that are eligible for EU membership.

Promotion centres from non-EU countries are treated as associate members.

Membership ends if the shortsea centre ceases their activities or if the activities do not meet with accepted standards.

3.4. Cooperation

The European Shortsea Network is a co-operation between all national shortsea promotion centres. It is not a legal entity, but an agreement between the members.

The ESN collectively is targeting the following groups in its promotional activities:

- Shippers and forwarders;
- Logistics/transport service providers, including road hauliers;
- Shortsea shipping lines, ship owners and agents, ports;
- EU bodies and national governments;
- European organisations, such as ECSA, ESPO etc;
- Inland shipping and rail.
Quantitative Targets:

Quantitative targets are difficult to define for a promotion-orientated organisation like ESN. However, the following give an indication of the work and activities of ESN:

- To create awareness of the ESN and provide contact details to all national and European potential users of shortsea transport, shipping companies and organisations;

- To play a significant role in enhancing the growth rate of shortsea shipping. Ideally the growth rate should be higher than other modes of transport, in particular road transport;

- To pursue these goals in the general context and objectives of the EU policy.

Reading through the ESN website basic information about the network was found. However, it seems unfeasible to make any assessment of ESN cooperation and promotion activities. The website, itself, does not provide much information about their achievements; neither are there any quantitative indicators. Also there is a lack of information on networking strategy. Apart from the News section, the ESN website is static. Even in the case of the News section, it is noticeable that there is a concentration on news from only two SPCs - the Belgian and Dutch offices. Hardly any other SPC upload news, case studies or conference information.

The ESN website is the primarily promotional tool of the Network. It does not require high maintaining costs and offers a space for each SPC to upload national news and stories. However, the website’s use is not optimised. As part of the networking strategy of ESN, the web needs to be redesigned and kept alive.

3.5. ESN Future

The European Commission recommended to the SPCs the transformation of ESN into a legal entity. After discussion, all SPCs decided that the most suitable legal entity structure is EEIG - European Economic Interests Grouping. At their meeting at the beginning of December in Stockholm SPCs discussed the transformation of ESN into EEIG – a legal entity.

In accordance with Council Regulation (EEC) No 2137/85 regarding the European Economic Interests Grouping, the ESN would be legally
registered and have the capacity to, for example, make contacts in its own name. This will facilitate and develop the activities of the network members, improve the results of these activities, and increase the real outcomes. The purpose is not to make profits for itself.46

The activities of the SPCs have been extended towards intermodal promotion. Views of the ESN on expanding the network into European Intermodal Network were surveyed in MTCP study among ESN members.

The questions covered the impact of possible extension on the network as such and on the SPC’s, the structure of ESN and its financing and the attitude towards the entry of non SSS-countries. All the respondents considered positively the extension to intermodality and noted it as an added value for ESN. The already existing experience and expertise on shortsea within ESN was considered as a good basis for further expansion.

Contrary to the actual status of ESN (being a very informal network), 60% of the respondents considered that the intermodal network (EIN) would need a more formal structure. A permanent office would however require more funding and thus even at the moment SPCs could not commit to the financing with their own financial resources.

ESN Future Promotional Activities

The Network has planned promotion activities for the near future. Basically they could be classified into five groups:

- Information
- Events
- Cases
- Policy
- Collaboration

The first group “Information” consists of providing specialised information via websites, databases, video clip materials, news section, and print-out materials.

The second group “Events” includes organisation of different workshops or seminars, conferences, exhibitions and training courses.

The third group “Cases” consists of research of data, dealing with enquiries or issues of bottlenecks, developing best practice case studies or examples of green transport/intermodal chain/eFreight.

46 For more detail, see Annex 3
The fourth group “Policy” represents various works on EU projects, consultation papers or strategies.

The last group “Collaboration” covers management, networking and performance.

The majority of these activities has been performed before but for the future the ESN plans to improve them. For this purpose the Network has asked for financial support from the Commission.

While to date finance has been a major factor in the weakness of the ESN’s promotional look, this has been compounded by a lack of a networking strategy\(^{47}\), unclear view of the role of the network, and the absence of information about the effectiveness of its performance.

\[\text{3.6. Scenarios for ESN collaborative processes}\]

The prior aim of the ESN is to strengthen the activity of the national SPCs by providing a European level network. The network coverage is extensive, as SPCs exist in the majority of EU maritime coastal member states. For the member SPCs, it provides an easily accessible network to exchange concrete information, ideas and best practices. The operation of established SPCs provides a model of operation which supports new SPCs in the EU and neighbouring countries.

Contents of ESN collaborative processes are built on the SPCs core processes. One of the core processes of the SPCs is European-wide Cooperation. For the majority of the SPCs, the ESN is the major European Cooperation activity, and it also provides a channel for contact with the European Commission and influence over the decisions of the EU. In addition, the SPCs have more influence when working together in the European Shortsea Network (see Diagram 3.6.1).

\(^{47}\) To improve business networking: See D3.4 Report on SPC business networking
ESN Collaborative Processes

The network provides a forum in which issues can be discussed, notably the methods of promoting shortsea shipping by the national SPCs. The ESN also provides added value in influencing the decision makers, in particular at the level of the European Union. Providing information on good practices in other member states may have an influence on national level decisions. The ESN has committed strongly to the European Commission’s task of identifying bottlenecks; the ESN has provided information on possible solutions to these bottlenecks. Table 3.6.1.1 looks at the possible links between SPC individual core processes and the ESN collaborative actions.

Table 3.6.1.1: SPC Core Processes and ESN Collaborative Actions

<table>
<thead>
<tr>
<th>SPC Core Operational Processes</th>
<th>ESN Collaborative Actions</th>
<th>Key target groups</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Encourage users and potential users to choose shortsea shipping</td>
<td>Dissemination of information, events, collection and sharing of best practices.</td>
<td>Shippers (Retail, Machinery, Construction, Manufacturers, etc) Forwarders at the regional and European level</td>
</tr>
<tr>
<td>2. Promote knowledge and innovation</td>
<td>Sharing of best practices and information about the</td>
<td>Transport providers at the regional and European level</td>
</tr>
<tr>
<td>Area</td>
<td>Description</td>
<td>Key Groups</td>
</tr>
<tr>
<td>------</td>
<td>-------------</td>
<td>------------</td>
</tr>
<tr>
<td>1. Improvement within the sector</td>
<td>Transport sector; organising meetings and events; Encourage cooperation of (intermodal) transport operators to develop new and existing shortsea and intermodal services.</td>
<td></td>
</tr>
<tr>
<td>2. Organising meetings and events</td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Influence policy decisions affecting the sector</td>
<td>Identification and prioritisation of issues to be influenced; Challenge: to find out joint cases</td>
<td>EU and Governments (national and local authorities); and other institutions</td>
</tr>
<tr>
<td>4. Identification of bottlenecks and their solutions</td>
<td>Identification of European level bottlenecks and their solutions; workshops and other events</td>
<td>EU, national governments, shippers and transport operators at the European or regional level</td>
</tr>
<tr>
<td>5. European Cooperation</td>
<td>Co-operation with the European Commission and the EU Parliament, other associations in the field of promotion like EIA (European Intermodal Association); others</td>
<td>ESN members; European Commission; other EU institutions;</td>
</tr>
</tbody>
</table>
Networking between the ESN members is primarily realised at the face-to-face meetings of the ESN. These meetings are in general arranged twice a year. The European Commission usually calls the SPCs into joint meetings with the Short Sea Shipping Focal Points once a year. Usually an internal meeting of the ESN is arranged in the same occasion.

The European Commission has also provided the ESN an intranet tool, CIRCA, to share documents and to arrange intranet meetings.

Other means for co-operation are contacts via an e-mail list of the ESN members, in which questions on short sea shipping are posted. The network provides an efficient tool to bring together practices from different member states.

The collaboration of the ESN takes place primarily on the pan-European level (see Diagram 3.6.1.1). As the network is by character informal, so is the multilateral collaboration at the regional level. Regional level co-operation may comprise contacts between the Baltic Sea SPCs, Nordic/Scandinavian SPCs or Mediterranean SPCs. Bilateral collaboration exists mainly between SPCs in the same region or between neighboring countries. SPCs working on the same shortsea shipping transport chain also co-operate. One example of this is joint seminars and workshops connecting transport chains such as the
workshop arranged by SPC Finland and SPC Belgium on Russian transport.

**How can the ESN work towards more efficient promotion of shortsea shipping and intermodal transport?**

Further scenarios for collaboration include the transformation of ESN into a formal organisation like an EEIG or continuation as an informal organisation. A formal organisation would require establishment of an either permanent office separately or in one of the SPCs. Currently the collaborative promotion activities are carried out alongside national promotion activities on an informal basis.

In funding co-operative projects, the ESN has been able to carry out promotion activities at the European level. The ESN has a good potential to so promote, but it cannot proceed without dedicated funding. Thus, the most important issue is to ensure resources for coordination of the ESN activities, starting from planning and taking into account the evaluation of the joint activities in an ESN working programme.

For the promotion activities of the ESN, same PROPS tools apply at the level of ESN as at the SPC level. The most important PROPS tool at the ESN level is the networking strategies. This applies to ESN level European co-operation: networking with shippers, forwarders and other stakeholder groups like the EU and European level organisations.

Core processes and scenarios for further ESN development were reviewed in a common PROPS workshop with the ESN. The main aim of this was to consider how the ESN can better support the SPCs in their promotion activities, and to consider the use of PROPS tools. However, to be fully effective the ESN needs to establish business networks with organisations that extend well beyond the transport sector, including, for example, media groups, NGOs, research institutes and EU parliamentary groups.

Finally, it has to be emphasised that although the communication between PROPS and some SPCs has improved, there isn’t an effective working relationship between the PROPS Consortium and ESN. There has to be a formal and mutually agreed mechanism for offering the ESN our proposals and applying them in practice. While informal discussions have a part to play in this process, they have to be seen as a valuable addition to an established mechanism, rather than a substitute.

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48 See results of ESN discussion in ANNEX 2 “Review Workshop of PROPS WP 4”
4. Performance Indicators

4.1. Theoretical background

• Importance of performance indicators

Performance Indicators (PIs) fulfil four key functions: communication i.e. telling us why such a thing is important; informative, i.e. telling us how we are doing things; diagnostic i.e. telling us what is wrong; and action, i.e. telling us what to do. According to the Division of Economic and Social Affairs of the United Nations, indicators can help to make ‘better decisions and more effective actions by simplifying, clarifying and making aggregated information available to policy makers’. Indicators are ‘also useful tools to communicate ideas, thoughts and values’. Todd Litman defines indicators as variables that we use to measure and evaluate progress toward goals and objectives. Indicators can help identify trends, predict problems, assess options, set performance targets, and evaluate a particular jurisdiction or organization. They ‘are equivalent to senses (sight, hearing, touch, smell, taste) – they determine how things are perceived and what receives attention’. In short, indicators are important tools for making decisions and measuring progress.

• Framework for indicators

While it is increasingly recognised that indicators are important for planning and monitoring activities or policies, there is no standard set of indicators that can be used for monitoring every policy or organisation. Indicators differ depending on the organization, its objectives and policy mix. Furthermore ‘a particular policy may seem beneficial and desirable when using one set of indicators but harmful and undesirable when evaluated using others’.

One of the fundamental issues is to define the framework for organising the selection and development of indicators. While it is recognised that any such framework on its own is an imperfect tool for expressing the complexities and interrelationships encompassed by sustainable development, such a framework is essential. Following the UN experience and recommendations, the Commission has designed a framework for indicators to monitor the implementation of the SDS, which has wide application. This framework is based on themes, sub-themes, and ‘areas to be addressed’, which are directly linked to EU policy priorities. It corresponds to a three-level pyramid of indicators. Level 1 consists of indicators aimed at high-level policy-making and can be seen as a set of headline indicators. Level 2 corresponds to the sub-themes of the framework and together with Level 1 monitors progress in achieving the headline policy objectives. Level 3 corresponds to ‘the area to be addressed’, i.e. various measures implementing the headline objectives, and facilitates a deeper insight into special issues in the theme.

- Factors to consider when selecting indicators

The second important issue that should be considered when organising and developing indicators is to define the scope and the purpose of the set of indicators. In other words, what should be measured and at what level? In the sustainable transport field, for example, indicators may reflect the decision-making process (i.e. the quality of planning), responses (travel patterns), physical impacts (emission and accident rates), effects this has on people and the environment (i.e. injuries and deaths and ecological damages), and their economic impacts (i.e. costs to society due to crashes and environmental degradation). Thus, performance indicators can be categorized in terms of process, i.e. the types of policies and planning activities, such as whether the organisation has a process for collecting and publishing performance data, and public involvement. They can be measured in terms of inputs, i.e. the resources that are invested in particular activities, such as the level of funding activities or modes. They can also be measured in terms of outputs, i.e. direct results, such as the miles of sidewalks,

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53 UN Division for Sustainable Development: “Indicators of Sustainable Development: Guidelines and Methodologies”, 2001. Quoted by Communication from Mr. Almunia to the Members of the Commission, p. 3.
54 Communication from Mr. Almunia to the Members of the Commission, p. 3.
55 Communication from Mr. Almunia to the Members of the Commission, p. 5; Inna Šteinbuka and Pascal Wolff, Indicators and Better Policy-making, p. 4.
56 Hendrik Gudmundsson, Sustainable Transport and the Role of the Performance Indicators, p. 23.
58 Ibid.
paths and roads, and the amount of public transit service provided. Finally, they can be categorised in terms of outcomes, i.e. ultimate results, such as the number of miles travelled and mode split, average travel speeds, congestion and crowding, number of accidents and casualties, energy consumption, pollution emissions, and user satisfaction'.

- **Criteria for indicators**

Another crucial question for organising the selection and development of indicators is the criteria for indicators. According to Henrik Gudmundsson, the defining success factor of indicators is to be clear what is being measured. According to him, there are three other factors that are required to make indicators successful. At the operational level, a clear strategy is required for measuring, verifying and updating information. Indicators are useless or ineffective if they cannot be verified or updated. At the communicative level, successful indicators must be easy to communicate, disseminate or visualise. This is very important because good or effective indicators must be easy to understand and communicate. Last but not least, at the institutional level, there must be links to decision making, budgeting, and strategic planning.

According to Paul G. Thomas, the ideal performance indicators must have the following criteria. First, they must be clear, i.e. performance indices should be simple, well defined and easily understood. Second, they must be consistent, i.e. the definitions used to produce the indicators should be consistent over time and between units. Third, they must also be comparable and controllable. Fourth, they must be comprehensive. For instance, they must reflect those aspects of behaviour that are important to management decision-makers. Fifth, they must be relevant. Many applications require specific performance indicators that are reflecting special needs and conditions. So one must ask whether the indicators serve these needs. Sixth, they must be feasible, in terms of ease and accuracy of measurement, and the targets that they imply which must be based on realistic expectations and can be reached through reasonable actions. Last but not least, performance is not independent of the environment within which decisions are made. The environment also includes the organisation structure, the management style adopted, as well as the uncertainty and complexity of the external environment. In short, the ideal

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59 Ibid.
60 Hendrik Gudmundsson, Sustainable Transport and the Role of the Performance Indicators, p. 23.
Performance indicators are those that have clarity, consistency, comparability and controllability, comprehensiveness, relevance and feasibility.

With regard to the selection of indicators Todd Litman points out that the following principles should be followed.\(^{62}\) First, they must be comprehensive and balance. Second, data should be feasible to collect and of adequate quality. Data collection practices should reflect high standards to ensure that information is accurate and consistent and should be standardized so the results are suitable for comparison between various jurisdictions, times and groups. Third, they must be understandable and useful, i.e. indicators should be understandable to the public and useful to decision-makers. Fourth, indicator data may need to be disaggregated in various ways to support specific types of analysis, such as by travel activity, demographics, and geographic location. Fifth, one should choose appropriate reference units. The reference units, which also called ratio indicators, are measurement units normalised to facilitate comparisons, such as per-year, per-capita, per-mile, per-trip. The selection of reference units can affect how problems are defined and solutions prioritised. Sixth, at the level of analysis, if possible, indicators should reflect ultimate impacts of concern rather than intermediary effects. Seventh, performance targets, i.e. specific measurable objectives to be achieved by a stated deadline, should be based on scientific analysis when applicable, and updated over time as better information becomes available. If performance targets are not specified, the desired direction of change should be indicated.\(^{63}\)

For the EU, the first criterion for choosing indicators is that an indicator should capture the essence of the problem and have a clear and accepted normative interpretation. Second, it should be robust and statistically validated. Third, it should be responsive to policy interventions but not subject to manipulation. Fourth, it should be measurable in a sufficiently comparable way across Member States, and comparable as far as practicable with the standards applied internationally by, for example, the UN and the OECD. Fifth, it should be timely and susceptible to revision. Sixth, the measurement of an indicator should not impose on Member States, on enterprises, nor on the Union’s citizens a burden disproportionate to its benefits. In addition to the above criteria, there is a portfolio of indicators, which should follow the following principles. They should, as far as possible, be balanced.

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\(^{62}\) Sustainable Transportation Indicators: A Recommended Research Program for Developing Sustainable Transportation Indicators and Data, by Sustainable Transportation Indicators Subcommittee of the Transportation Research Board, 10 November 2008. Available at http://www.vtpi.org/sustain/sti.pdf; and

\(^{63}\) See also Todd Litman, Developing Indicators for Comprehensive and Sustainable Transport Planning, p. 9.
across different dimensions, be mutually consistent within a theme, and be as transparent and accessible as possible to the citizens of the European Union.\textsuperscript{64}

With the above in mind there are six key issues that have to be addressed in the selection and developments of PIs. Firstly, select indicators that reflect overall goals. However, this rests on the establishment of a framework in which goals and objectives priorities are defined. Secondly, one should be to be realistic when selecting indicators, taking into account data availability, understandability and usefulness in decision-making. An indicator set that focuses too much on one type of impact or overlooks others can result in decisions that are not overall optimal. It is important that users understand the perspectives, assumptions and limitations of each indicator.\textsuperscript{65} Thirdly, one should balance between convenience and comprehensiveness when selecting indicators. For smaller indexes that use easily available data are more convenient to use, but may overlook important impacts and therefore distort planning decisions. A larger set can be more comprehensive but have unreasonable data collection costs and be difficult to interpret.\textsuperscript{66} Fourthly, if one focuses on sustainability, one should choose a balanced set of indicators reflecting a combination of economic, social and environmental factors or objectives. Last but not least, whatever set of indicators one develops or selects, they must or should meet the following criteria. First, they must capture the essence of the problem. Second, they should be clear and easily understood, i.e. have a clear and accepted normative interpretation. Third, they should be consistent, comparable, controllable, comprehensive, relevant, feasible and balanced. Fifthly, the measurement of an indicator should not impose a burden disproportionate to its benefits. Finally, the effectiveness and continuing relevance of the PIs must be easily monitored with facilities for regular adjustment.

4.2. Conclusions from the survey

The existing indicators for SPCs (see Annex 4) have been reviewed in the light of a survey of their use by SPCs. While in general the SPCs regarded the existing PIs to be clear and sufficiently detailed, they made only limited and partial use of them. In addition, within this limited overall use some groups of indicators were only occasionally referred to, though most were regarded as important. Overall 7 groupings were used often and regarded as important or very important (in bold on Table 4.2.1).

\textsuperscript{64} Communication from Mr. Almunia to the Members of the Commission, p. 5.
\textsuperscript{65} Ibid.
\textsuperscript{66} Ibid.
Table 4.2.1: The use and importance of PIs groupings

<table>
<thead>
<tr>
<th>Short version Objectives / PI groupings (see Annex 3)</th>
<th>Use</th>
<th>Level of importance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Sound organisation</td>
<td>Often</td>
<td>Important</td>
</tr>
<tr>
<td>2 Acceptability by clients</td>
<td>Often</td>
<td>Important</td>
</tr>
<tr>
<td>3 Information gathering</td>
<td>Often</td>
<td>Important</td>
</tr>
<tr>
<td>4 Get new shippers</td>
<td>Occasionally</td>
<td>Important</td>
</tr>
<tr>
<td>5 Stimulate cooperation</td>
<td>Often</td>
<td>Important</td>
</tr>
<tr>
<td>6 Efforts towards road hauliers</td>
<td>Occasionally</td>
<td>Important</td>
</tr>
<tr>
<td>7 Extension of scope</td>
<td>Occasionally</td>
<td>Important</td>
</tr>
<tr>
<td>8 Issues of bottlenecks</td>
<td>Often</td>
<td>Important</td>
</tr>
<tr>
<td>9 Promote participation in Marco Polo and TEN-T</td>
<td>Often</td>
<td>Important</td>
</tr>
<tr>
<td>10 Contribute to MoS</td>
<td>Occasionally</td>
<td>Important</td>
</tr>
<tr>
<td>11 Promote participation to cohesion and structural funds programme</td>
<td>Occasionally</td>
<td>Important</td>
</tr>
<tr>
<td>12 Promote SSS</td>
<td>Often</td>
<td>Very important</td>
</tr>
<tr>
<td>13 Networking in ESN</td>
<td>Often</td>
<td>Very important</td>
</tr>
<tr>
<td>14 Inform young people about SSS</td>
<td>Occasionally</td>
<td>Important</td>
</tr>
</tbody>
</table>

The limited use of PIs, at least in part, appears to reflect a lack of resources and (in some cases) a view that the PIs had little relevance to SPC operations, stakeholders or national bodies. However, it is also the case that the existing list of indicators is dauntingly extensive, wide ranging and far from discrete, comprising 57 measures grouped under the 14 objectives. These have to monitor the 10 areas identified as foci of SPC activity (in section 2.2).

The suggestions made by SPCs in the courses of a survey of all SPCs included the removal of one objective (Efforts towards road hauliers), the addition of two indicators:

- Modal split (Objective no. 10) – raised by Malta
- Number of companies that made a modal shift (Objective no. 6) – raised by Bulgaria

and the removal of 10 indicators:

- Relative importance of promotion activities (Objective no. 1)
- Yes/no, page impressions on websites, number of download (Objective no. 3)
- Number and kind of enquiries (Objective no. 3)
- Number of replies to Commission consultation on a maritime transport space without barriers and on the
extension of the Motorways of the Sea concept from the SPC Country (Objective no. 4)
- Number of meetings, positive assessment by hauliers (Objective no. 6)
- Specific country info or SPC journal or mailing to haulage companies (Objective no. 6)
- Number of page impressions on the website, number of download (Objective no. 7)
- Number of letters (Objective no. 8)
- Number of meetings (Objective no. 11)
- Amount of regional funds allocated to MoS and maritime transport (Objective no. 11)

There is considerable merit in many of the suggestions, for example, the addition of some measure of the number of companies that made a modal shift, and the deletion of the rather unclear 'specific country information or SPC journal or mailing to haulage companies'. However, in contrast, suggestions for deleting the measures of website visits would remove both a simple and easily reported indicator that reflects the importance of websites to SPC promotional role (section 2.4.1).

Setting aside the individual merits of the proposed changes, if fully implemented they would do little to simplify the PIs. There is a need for a simpler, more focused and discrete set of indicators that gauge both the capacity of the SPCs to operate and the effectiveness of their operations. This must provide both comparative longitudinal data for the EC, measures of achievement for stakeholders and information that will inform the management and decision making of individual SPCs.

Accordingly, the PIs must be rooted in the central objective of the SPCs, the experience of using the existing measures and the principles of construction outlined above. In addition, there needs to be a built in monitoring process, that enables the effectiveness of the PIs to be measured against their use and facilitates both fine tuning and more substantial changes to accommodate changing circumstances. Without this there is a danger of the reporting becoming an institutionalised process that is an end in itself and ceases to have any link with the operation, management and decision making of the SPC at any level, thus loosing any validity as an overall monitoring tool.
4.3. Performance indicators for each process

The objective of the SPCs is to promote the use and effectiveness of SSS and Intermodality. With this in mind it is proposed that the various list of objectives, activities, areas of focus and functions should be collapsed into the five Core Operational Processes (COPs) identified previously in section 2.3:

- Encourage users and potential users to choose SSS
- Promote knowledge and innovation / improvement within the sector
- Influence policy decisions affecting the sector
- Identification of bottlenecks and their solutions
- European-wide cooperation

It is argued that these cover in a simple and discrete manner all the essential activities and functions of SPC.

The COPs will be monitoring through quantitative and qualitative KPIs that measure:

- The ability to promote SSS in terms of resource availability
- The extent and effectiveness of SSS promotional role

They are designed to facilitate self assessment by SPC and analysis, and cross checking by authorities.

These are set out in summary form in Table 4.3.1:

Table 4.3.1: Proposed indicators

<table>
<thead>
<tr>
<th>SPCs Core Operational Processes</th>
<th>Indicators</th>
<th>PROPS Tools$^67$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Encourage users and potential users to choose SSS</td>
<td>Proportion of staff time devoted to this operation: 0-19% 20-39% 40-59% 60-79% 80-100%. For this operation is there adequacy of: funding Y/N staffing Y/N expertise Y/N Your rating of your SPC’s overall effectiveness in this operation</td>
<td>Information on prices of different modes; new services and already established routes. Environmental factors</td>
</tr>
</tbody>
</table>

$^67$ More details about the PROPS tools in: D3.1 Knowledge management tool; D3.2 Guide to best practice promotional activity; D3.3 Academy of failures; D2.1 Networking strategies for SSS shareholders and SPCs; D2.2 Case studies for use by SPCs in PROPS overall marketing campaign
<table>
<thead>
<tr>
<th>PROMOTE KNOWLEDGE / IMPROVEMENT WITHIN THE SECTOR⁶⁸</th>
<th>INFORMATION ON IMPROVING SERVICES WITHIN THE SECTOR; ANALOGOUS SUCCESSES IN DIFFERENT INDUSTRIES</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of users</td>
<td>Your rating of your SPC’s network for this operation¹</td>
</tr>
<tr>
<td>Number of contacts with users</td>
<td>Proportion of staff time devoted to this operation: 0-19% 20-39% 40-59% 60-79% 80-100%</td>
</tr>
<tr>
<td>Number of contacts with potential users</td>
<td>For this operation is there adequacy of: funding Y/N staffing Y/N expertise Y/N</td>
</tr>
<tr>
<td>Number of contacts with providers</td>
<td>Your rating of your SPC’s overall effectiveness in this operation¹</td>
</tr>
<tr>
<td>Number of trials</td>
<td>Number of members</td>
</tr>
<tr>
<td>Number of actual transfers to SSS</td>
<td>Numbers of associated organisations</td>
</tr>
<tr>
<td>Your rating of the effectiveness of your SPC’s network for this operation¹</td>
<td>Nature of national database of transport providers: number of providers frequency of update</td>
</tr>
<tr>
<td>Number of promotional events: initiated participated in</td>
<td>Number of projects involved in that are: EU based National based Provider based User based</td>
</tr>
<tr>
<td>Number of promotional events that were: Sea Intermodal (Rail, Road, Inland Waterways)</td>
<td>Number of Marco Polo applications: initiated participated in</td>
</tr>
<tr>
<td>Your rating of the effectiveness of your SPC’s network for this operation¹</td>
<td></td>
</tr>
</tbody>
</table>

⁶⁸ Sector – as defined in the DoW
| Influence policy decisions affecting the sector | Proportion of staff time devoted to this operation: 0-19%  20-39%  40-59%  60-79%  80-100%. Your rating of your SPC’s overall effectiveness in this operation\(^1\) Number of stakeholders who were • national • EU-wide • International Number of contacts with policy makers Number of policy documents commented on Your rating of the effectiveness of your SPC’s network for this operation\(^1\) | Information on addressed competitive and marketing strategies: Consultation papers |
| Identification of bottlenecks and their solution | Proportion of staff time devoted to this operation: 0-19%  20-39%  40-59%  60-79%  80-100%. Your rating of your SPC’s overall effectiveness in this operation\(^1\) Number of recommended solutions to existing bottlenecks Your rating of the effectiveness of your SPC’s network\(^2\) for this operation\(^1\) | Information/case studies on operational practices and solutions |
| European-wide cooperation | Proportion of staff time devoted to this operation: 0-19%  20-39%  40-59%  60-79%  80-100%. For this operation is there adequacy of: funding Y/N staffing Y/N expertise Y/N Your rating of your SPC’s overall effectiveness in this operation\(^1\) Nature of your SPCs media list: • number of organisations • number of countries represented Press releases made: • number • languages Website hits: • number of page views • most frequently accessed | Training aimed to support SPCs with the introduction of PROPS tools and networking strategies |

\(^1\) See definition of “SPC’s network” in: D3.4 Report on SPC business networking
4.4. Implementation and analysis procedure

The proposed indicators set out in Table 4.3.1 will have to be piloted and may then need further refinement. As was noted in the Introduction, this was undertaken by SPC Finland.

The benchmarking of the performance indicators could be established from the testing of core processes and indicators to set-up current best practice. This could involve the five SPCs used to develop the model template in section 2.5.

The full SPC indicators schedule is set out in Annex 5 and summarised in Diagram 4.4.1, it is arranged in four sections:

Diagram 4.4.1

A. General information: Is there adequacy of:
   - total funding (Euros) - Funding
   - number of staff (FTEs) - Staffing
   - Expertise

B. The ability to promote SSS (indicators)

C. The extent and effectiveness of SSS promotional role (indicators)

D. Evaluation of the indicators

Do these indicators enable you to adequately report extent to which your SPC is:
   - fulfilling its central objectives
   - operating effectively

If not please explain why.
Section A provides both an indicator of levels of resourcing and a cross check for the indicators in Section B. Given that some SPCs may be reluctant to have their financial information published, it is proposed that this will only be used for internal Commission purposes.

Section B provides measures of the ability of SPC to undertake activities in terms of the adequacy of resources.

Section C provides both quantitative and qualitative measures of the extent and level of SPC activity. Particular attention is devoted to: the size, nature and effectiveness of databases and networks; promotional activities; and interaction with users, potential users, the media, and stakeholders.

Section D provides for the monitoring of the effectiveness of the indicators, to facilitate fine tuning and adjustment to changing circumstances.

The schedule of operating indicators is shown in Diagram 4.4.2.

The overall intention is to provide overall monitoring data for SPCs as whole, rather than disseminating details of individual activity.

It is intended that the monitoring of the indicators would inform the internal management of the individual SPCs and be relevant to their national level reporting.

**Diagram 4.4.2: Operationalising the schedule**

- Schedule to SPCs
- Filling in Schedules
- Analysis against benchmarks
- Evaluation of indicators
- Recommended revision of indicators by ESN (if necessary)
- Reporting to Commission (Focal Points)
It is proposed that the implementation process involves each SPC filling in a series of matrixes consisting of each process’ indicators which have been placed on the Knowledge Platform. The matrixes will be accompanied by explanations and definitions for proposed performance indicators. Completed matrixes will be left on the Knowledge Platform to enable any SPC to compare performances, evaluate annual changes and progress relative to the benchmarks. The self-assessment will also enable comments to be made on the performance indicators and the operation of the monitoring. It is strongly recommended that a mechanism is established that will enable these evaluations to be used to keep the performance indicators and the overall self monitoring process under constant review. Reporting to the Commission is also recommended. Moreover, the operationalisation of the monitoring will be further developed in Deliverable 4.2 as part of the Self Assessment Tools that will be offered to the SPCs.
5. CONCLUSIONS

WP4 aims to establish best practice and processes for the promotion of SSS and Intermodality by defining core processes of SPCs and performance indicators aimed at continuous improvement; providing training programmes and self assessment tools.

In particular, the objective of this report was to identify the strategic factors within the business environment that are supportive of the SPCs core service and processes. This is essential for optimising the SPCs “promotional function”. The report established:

- that five core processes clearly define the core service of a SPC;
- the daily activities encompassed by each process;
- the strategic identity of the SPCs’ promotional role;
- the strategic position of the SPCs’ promotional role;
- technological assistance provided to SPCs by PROPS tools;
- a set of two-level indicators for monitoring SPCs role;
- an implementation procedure for indicators;
- a review of ESN operation;
- scenarios for collaboration within the ESN.

A review of the promotional role of the SPCs led to the identification of the core processes, daily activities and position as stakeholders within the intermodal transport chain. The SPCs were then subjected to SWOT analysis, a key finding of which was the weakness of SPC promotional strategic position. These analyses and reviews led to the establishment of a basic SPC model or template against which both performance and development can be monitored using a set of performance indicators developed as part of the deliverable. In order to assure transferability and effective implementation of the indicators and core processes a pilot study has been undertaken70.

This report’s recommendations fall under two headings:

Strategic:
- development of achievable business goals;
- development of a marketing strategy;
- targeting a larger audience to maximise the impact via innovative marketing and new media methods;
- improving the image of the SPCs’ promotional role.

70 See supplementary report “WP4-Pilot process-SPC Finland” from 7/07/2010
Operational:
- applying proposed core operational processes and indicators for internal and external monitoring of SPCs' promotional role;
- external support to accomplish the required SPCs' role;
- improving the collaboration in the European Shortsea Network.

The study indicates that there was a general lack of visible strategic outlook on the part of SPC. For example, only one SPC made a business plan available on its webpage, with one other posting an operating plan. There was a similar lack of evidence of marketing plans or use of low cost web-based methods of promotion. Indeed, two SPCs had no webpage and the rest relied on rather static, often outdated informational pages. The resultant poor image conveyed by such websites seriously undermines the SPCs' promotional role.

In operational terms, the application of the five core processes will both give overall direction to the activities of the SPCs and firmly establish their short sea promotional campaign. Additionally, adherence to the core processes will make the task of monitoring of the promotional role through the recommended indicators, simpler, more robust and amenable to comparative analysis. Overall the application of core processes and indicators will significantly strengthen the SPCs' internal management capacity.

In total our recommendations imply that the SPC must become more effective in their promotional activities and take a much more strategic approach to their activities. To assist in implementing the necessary developments it is proposed that PROPS offers further support and advice to SPCs. However, while informal contact would be a valuable part of such interaction, this would have to take place around a mutually agreed formal mechanism. The establishment of which, we regard as essential to the implementation of our recommendations.
enhancing awareness of shippers and transport professionals on the environmental dimension of transport;

taking part in relevant information and other activities organised at EU level and pro-
actively act to promote them at local level.

It is foreseen that their actions shall be coordinated at European level within a European
Shortsea Network, possessing legal entity status, aiming at:

preparing and implementing a multi-annual co-ordinated action plan to promote short sea
shipping;

identifying and disseminating best practices at European level in order to remove
remaining bottlenecks in short sea shipping;

encompassing the countries neighbouring the Mediterranean, the Baltic and the North Sea
of the EU and supporting the launching and the activities of SPCs in these countries;

informing the EU Institutions on the situation of short sea shipping and on the promotion
activities and their impacts.

C. Line to take

Industry, Member States and the European Institutions should endeavour to provide a
financial stability at medium term to SPCs. The SPCs will commit to constantly improve
their own efficiency and the quality of the service provided to the citizens and customers, to
benchmark these improvements and make them publicly available.
ANNEX 2
Report

Review workshop on PROPS WP 4 - T4.1, T4.2 and T4.3
Riitta Pöntynen, SPC Finland, University of Turku Centre for Maritime Studies

Tuesday, 15 June 2010, at 10-14 hrs
University of Turku
Publicum, Asistentinkatu 5

Participants:
Stratos Papadimitriou, University of Piraeus Research Centre (UPRC)
Ernestos S.Tzannatos, University of Piraeus Research Centre (UPRC)
Yannis Koliousis, University of Piraeus Research Centre (UPRC)
Xuan Loc Doan, Global Policy Institute (GPI), London
Pedro Mano, TIS.pt
Hans Kristian Haram, SPC Norway
Drazen Zgaljic, SPC Croatia
Riitta Pöntynen, SPC Finland, University of Turku Centre for Maritime Studies
Pekka Sundberg, SPC Finland, University of Turku Centre for Maritime Studies
Johanna Vuorenmaa, University of Turku Centre for Maritime Studies

Summary
The review workshop discussed core processes identified in PROPS WP4 and their applicability into the daily work of the individual SPCs. The workshop also discussed future scenarios for European Shortsea Network’s collaborative actions. SPC Finland presented an example on how the processes describe the promotion activities of this specific SPC. As already GPI’s analysis pointed out, activities between the processes interlink, and processes provide inputs and outputs between each other. The processes are not the same for all the SPCs, and each of the SPCs has different emphasis and priorities in their work due to national circumstances. In developing their promotion, SPCs could also look for other branches to have new initiatives. PROPS tools for the SPCs are for example eKnowledge platform and shortsea networking simulator. These tools will be communicated for the SPCs to have their comments on the applicability of tools in the promotion work.

1. Welcome and introduction to the workshop
The workshop was opened by Mr. Koliousis, project manager of PROPS. The workshop is part of WP 4 tasks 4.1, 4.2 and 4.3, in which core processes for the SPCs and for collaboration within ESN were defined. In addition, PROPS proposed a set of indicators to evaluate the work of the SPCs.

2. Presentation of PROPS Tools
Mr. Koliousis presented PROPS tools for the SPCs. The tools can be used to support SPCs’ promotion work.
PROPS knowledge platform is available to use by the SPCs. The platform is available at [http://www.props-sss.eu/propsknowledge/](http://www.props-sss.eu/propsknowledge/). PROPS knowledge platform uses smart algorithm based information. The platform has been produced in co-operation with SKEMA project.

PROPS knowledge platform has very extensive set of substance categories. For SPCs, it can act as an aggregator into a SPC website. It provides a possibility to daily updated news. The user can tailor the website to fulfill his information needs. The knowledge platform is a personalized website.

One of the features is possibility to do a poll. For example in the context of a Marco Polo proposal, a poll can done to survey opinions to join the project proposals, opinions on line’s meaningfulness etc.

Knowledge platform also provides a possibility on administration of e-mail lists. Different kind of e-mails lists can be done and thus the target groups can be better reached and informed specifically according to their needs. Also information on experts provided by an SPC can be published there. The role of SPC in value chain is to provide knowledge for clients. This information is processed and expanded by the SPCs. The PROPS knowledge platform provides a tool supporting promotion work.

**PROPS Simulator (shortsea networking simulator)**

The simulator uses Google Web Toolkit (GWT). The simulator is a tool, which gives users information for decision making on when choosing on transport mode and route. The user can manage data concerning customer relationships. The simulator includes operational information, including e.g. data on import or export, port of departure / arrival, liner agent, shipping line and transit time.

Simulator provides operational and tactical support for decision making. The shippers have certain set of transport requirements, for which the simulator identifies solutions that meet these requirements. Thus the functionalities are shipper centric. The simulator uses mapping technology, and geographical and statistical representation of information. It provides ship data, route and cargo flow data. The simulator provides information on CO$_2$ emissions and cost of transport on a planned route.

**Discussion and questions on the tools**

The possibility to acquire prices from transport providers to the simulator was discussed. Based on the experiences of the SPCs, transport providers are reluctant to provide price information in public. Pricing is a very sensitive issue. Transport providers offer clients different prices and discounts. It is estimated that central depository information is difficult to get. At the moment, shipping lines will not usually give commercial information on prices.

Mr. Koliousis said that it might be possible to provide this information in the long run. Here the support of the SPCs would be needed.
Mr. Haram of SPC Norway raised the question of SPCs’ impact to the contents of the simulator. ESN has a liner service database, and for example Belgium and Holland have their own database available on their websites. SPC Norway has information on schedules on door-to-door basis. The system feed is automatic, including some manual feed. Solutions like PROPS simulator should be based on the standards, like Shortsea XML. XML / EDIFACT should be the basic standard for all solutions. SPC Norway will also add emission data into the liner services provided at their database. Instead of information on costs of transport, booking requests can be provided at the database. It is also possible to connect two schedules and the connection with rail can also be provided at the database. SPC Norway provides a shipping service hotline at their website and the transport users connect the transport providers themselves. SPC Norway provides a service to 10 Norwegian ports showing their liner information.

Mrs. Pöntynen noted that SPC Finland has provided the liner service information as part of the ESN database with a search possibility on Finland at their website. Currently the database is not updated as the work was done manually and it takes too much of SPC’s resources.

Mr. Papadimitriou noted that the question lies at what point a transport user makes a decision. The main point of the services like simulator is to provide information on services available and information on relative facts for decision-making. Information provided by PROPS and SPC is complementary. Also it is important to integrate available information. At the Baltic Sea more accurate information is available. It is important to capitalize existing work and to note different scope of information provided: to whom the information is addresses and in which phase of the work. Time and environment are two factors which affect decisions between SSS and road.

Mr. Koliousis emphasized that collaboration with SPCs to develop the simulator and the knowledge platform is important. Mr. Haram said that all the schedules from Norway can be downloaded to PROPS system. Mr. Koliousis said that PROPS will also provide centralized information and direct links to on-line reservation systems available for transport users.

3. SPC core processes and respective indicators
SPC core processes and respective performance indicators were presented by Mr. Xuan Loc Doan of Global Policy Institute (GPI, London). The aim of core operational processes and indicators is to evaluate internal management capacity of SPCs. The work of the SPCs has been analyzed via an applied SWOT analysis. SPC working with the stakeholders and within business has been analyzed. Indicators provide a tool for performance measurement. A model of SPC and its services was also provided.

Mr. Xuan Loc presented the core service and core processes of the SPCs.

1. **Encourage users and potential users to choose shortsea shipping and intermodality.** The main activities of the SPCs under this process are providing information; distribution of promotional materials; communication
with current users and potential ones (shippers – retail, machinery, construction, manufacturers, etc.); bringing stakeholders together incl. an organisation of meetings and events (seminars, conferences).

2. **Promote knowledge and innovation / improvement within the sector.** Activities of the SPCs under this process are providing information about the transport sector; communication with operators; encouraging operators to develop new and existing shortsea and intermodal services; writing up reports and involvement in different studies (research); organising meetings and events to meet operators from different transport modes.

3. **Influence policy decisions affecting the sector.** Activities of the SPCs under this process are: providing information; lobbying via active communication with appropriate groups (NGOs, think-tanks, parliamentary groups, media groups) and authorities (local, national, regional and EU); organising meetings and bringing all these groups together.

4. **Identification of bottlenecks and their solutions.** Activities performed under this process are: communication with transport operators, users and authorities; identifying bottlenecks (research) and addressing them; setting out proper solutions and involvement in consultative processes (national and EU).

5. **European Cooperation.** Activities performed under this process are: ESN meetings and events; meetings and discussions with the focal points and DG TREN; communication with other European stakeholders to resolve national issues; building up a wide network beyond the transport sector.

Mr. Xuan Loc noted that in practice, activities are interlinked and provide input to one or another process. However, it is possible to distinguish SPC operational processes.

PROPS also propose a set of indicators with which it would be possible for the SPCs to evaluate the ability to promote SSS in terms of resource availability and on the other hand, the extent and effectiveness of SSS promotional role. The indicators include estimation of staff time devoted to each of the processes, quantified indicators and SPCs self-assessment on the effectiveness of the operations.

4. **Scenarios for collaboration within ESN**

Mrs. Pöntynen of SPC Finland (University of Turku Centre for Maritime Studies) presented Scenarios for collaboration within ESN. The scenarios were based to analysis and proposal of Mr. Petkov of SPC Bulgaria.

In 2010, European Shortsea Network has 21 members. ESN presidency in 2010 is divided between SPC Spain for the first half of 2010 and SPC Belgium for the second half of the year. ESN-meetings are being held once or twice a year. One yearly meeting is held with the European Commission and SSS Focal Points. Next meeting is scheduled to be held in the beginning of December 2010.
The prior aim of the ESN is to strengthen the activity of the national SPCs by providing a European level network. The aims of the ESN respond to the core operational processes of the SPCs; they are basically the same. Thus, the ESN gives the SPCs added value in realizing their core processes. SPCs provide their services in different countries but the transport chain is international. Thus contents of ESN collaborative processes are built on the SPCs core processes. To encourage users to choose short sea shipping or intermodal transport, ESN provides a forum to disseminate information on transport solutions, arrange events and forum to share best practices in promotion. These activities also promote the second process of promoting knowledge and innovation within the sector. ESN provides added value in influencing the decision makers in particular at the level of the European Union. The SPCs have more influence in working and acting together. European co-operation is mostly directed to the European Commission and the EU parliament. Also co-operation with European level associations has been carried out. ESN has also committed strongly to the European Commission exercise to identify bottlenecks and their solutions in short sea shipping.

Scenarios for ESN further development consider the structure and substance of networking.

Regarding structure they are the following:

1. To maintain the current ESN structure. In this option work can be enforced via projects and task forces.
2. To set up a European Short Sea Shipping Council. In this scenario, one of the SPCs would act as a "headquarter" SPC.
3. To formalize the network by establishing an EEIG, European Economical Interest Group. This option for a formal organisation has been discussed within the network but no decision has been taken.
4. To formalize ESN as an association. This association would resemble European level associations like ESPO or ECSA.

Regarding substance, the alternative options in future are the network in which promotion of Short Sea Shipping is emphasized or extend the network with members, whose actions are more directed to intermodal promotion. Many of the SPCs themselves have moved their activities towards promotion of intermodal transport.

5. Piloting of core processes - SPC Finland
Mrs. Pöntynen presented the testing of processes in SPC Finland activities as an example. From Finland’s point of view, maritime transport and its integration into the intermodal transport chain are key issues. Share of maritime transport in international trade is already high. Core processes have been tested towards SPC Finland’s activities in 2009 and in the ongoing working plan. For SPC Finland, the concept of core processes helps in developing service concepts for members and stakeholders. Mrs. Pöntynen expects that training provided by PROPS will also support the development of the services.
SPC Finland both disseminates information from external sources and produces information for the target groups. In processes, promotion of knowledge and innovation as well as influencing decision makers is emphasized. One of the activities is shipping company barometer, which gains a lot of media coverage in Finland. The barometer provides information to decision makers both at public and private sector. Promotion of knowledge and innovation includes round table activities like workshops and meetings. SPC Finland supports the co-operation of transport modes to develop new intermodal transport services in Finland. SPC Finland also disseminates information and advices applicants on Marco Polo –programme.

The Executive Committee of SPC Finland decides on the activity plan and on priorities each year. The prioritized themes are currently environmental issues of transport, intelligent transport and transit transport via Finland to/from Russia. The working method in producing a report combines the survey with a workshop. Preliminary results from a survey are discussed in a workshop. An example on ongoing work is report on transit transport. The final results will be communicated to target groups and they are also used in influencing decision makers.

Thus also in SPC Finland’s activities, the processes interlink. The process of identification of bottlenecks and their solutions does not exist as a separate process. It is embedded in other processes and taken into account when influencing decision makers.

6. Interactive Group Work on Core Processes and Scenarios for the ESN

Mr. Haram noted that basically SPC Norway concentrates into core process 1. Encourage users and potential users to choose shortsea shipping and intermodality. Lobbying or influencing is not allowed in the terms of financing. In promotion it is difficult to reach shippers and to get them attending events arranged by the SPCs. This is an issue for all of the SPCs. It is difficult to measure how much cargo has been shifted on the sea due to SPCs activities.

PROPS / Bell Pottinger could provide help in marketing campaigns towards the shippers.

Mr. Zgaljic of SPC Croatia said that their activities are concentrated to support the development of transport corridors in Croatia. The aim is that transport is fluent and efficient. SPC Croatia informs and assists in making applications to EU financing programmes. SPC Croatia’s role is to promote and initiate participation in the projects and write proposals. One of the options available is the IPA Adriatic Cross-border Cooperation Programme.

Mr. Haram pointed out that many of the actions described as ESN core processes are not carried out at the moment. The main reason for this is lack of funds for European level co-operation. SPCs are nationally financed for promotion work at the national
level. Due to this fact, SPCs would not be willing to pay for a European head-office or another central organization.

Mrs. Pöntynen noted that in all, ESN provides added value to the SPCs by providing a network for co-operation and for joint projects. With the existence of the ESN and SPCs, a unique SPC has a stronger framework for its activities even at a national level.

7. Reports of the teams and discussion

Mr. Papadimitriou noted that the SPCs could also look for other branches. To look how other sectors work might give new incentives to the promotion activities. Other sectors may provide readymade solutions. One possibility is to move towards provision of consultation services in the field of transport and logistics. SPCs can also provide information packages for the transport sector.

SPCs can support co-operation of shippers. There are some examples for co-bookings in the Oslo area as well as in the Adriatic.

Mr. Koliousis concluded the workshop by thanking the participants. The discussions and comments will be communicated for the PROPS consortium and SPCs.
ANNEX 3


Official Journal L 199, 31/07/1985 P. 0001 - 0009
Finnish special edition: Chapter 17 Volume 1 P. 0090
Spanish special edition: Chapter 17 Volume 2 P. 0003
Swedish special edition: Chapter 17 Volume 1 P. 0090
Portuguese special edition Chapter 17 Volume 2 P. 0003

COUNCIL REGULATION (EEC) No 2137/85
of 25 July 1985
on the European Economic Interest Grouping (EEIG)
THE COUNCIL OF THE EUROPEAN COMMUNITIES,
Having regard to the Treaty establishing the European Economic Community, and in particular Article 235 thereof,
Having regard to the proposal from the Commission (1),
Having regard to the opinion of the European Parliament (2),
Having regard to the opinion of the Economic and Social Committee (3),
Whereas a harmonious development of economic activities and a continuous and balanced expansion throughout the Community depend on the establishment and smooth functioning of a common market offering conditions analogous to those of a national market; whereas to bring about this single market and to increase its unity a legal framework which facilitates the adaptation of their activities to the economic conditions of the Community should be created for natural persons, companies, firms and other legal bodies in particular; whereas to that end it is necessary that those natural persons, companies, firms and other legal bodies should be able to cooperate effectively across frontiers; Whereas cooperation of this nature can encounter legal, fiscal or psychological difficulties; whereas the creation of an appropriate Community legal instrument in the form of a European Economic Interest Grouping would contribute to the achievement of the abovementioned objectives and therefore proves necessary; Whereas the Treaty does not provide the necessary powers for the creation of such a legal instrument; Whereas a grouping’s ability to adapt to economic conditions must be guaranteed by the considerable freedom for its members in their contractual relations and the internal organization of the grouping; Whereas a grouping differs from a firm or company principally in its purpose, which is only to facilitate or develop the economic activities of its members to enable them to improve their own results; whereas,
by reason of that ancillary nature, a grouping’s activities must be related to the economic activities of its members but not replace them so that, to that extent, for example, a grouping may not itself, with regard to third parties, practise a profession, the concept of economic activities being interpreted in the widest sense;
Whereas access to grouping form must be made as widely available as possible to natural persons, companies, firms and other legal bodies, in keeping with the aims of this Regulation; whereas this Regulation shall not, however, prejudice the application at national level of legal rules and/or ethical codes concerning the conditions for the pursuit of business and professional activities;
Whereas this Regulation does not itself confer on any person the right to participate in a grouping, even where the conditions it lays down are fulfilled;
Whereas the power provided by this Regulation to prohibit or restrict participation in grouping on grounds of public interest is without prejudice to the laws of Member States which govern the pursuit of activities and which may provide further prohibitions or restrictions or otherwise control or supervise participation in a grouping by any natural person, company, firm or other legal body or any class of them;
Whereas, to enable a grouping to achieve its purpose, it should be endowed with legal capacity and provision should be made for it to be represented vis-à-vis third parties by an organ legally separate from its membership;
Whereas the protection of third parties requires widespread publicity; whereas the members of a grouping have unlimited joint and several liability for the grouping’s debts and other liabilities, including those relating to tax or social security, without, however, that principle’s affecting the freedom to exclude or restrict the liability of one or more of its members in respect of a particular debt or other liability by means of a specific contract between the grouping and a third party;
Whereas matters relating to the status or capacity of natural persons and to the capacity of legal persons are governed by national law;
Whereas the grounds for winding up which are peculiar to the grouping should be specific while referring to national law for its liquidation and the conclusion thereof;
Whereas groupings are subject to national laws relating to insolvency and cessation of payments; whereas such laws may provide other grounds for the winding up of groupings;
Whereas this Regulation provides that the profits or losses resulting from the activities of a grouping shall be taxable only in the hands of its members; whereas it is understood that otherwise national tax laws apply, particularly as regards the apportionment of profits, tax procedures and any obligations imposed by national tax law;
Whereas in matters not covered by this Regulation the laws of the Member States and Community law are applicable, for example with regard to:
- social and labour laws,
- competition law,
- intellectual property law;

Whereas the activities of groupings are subject to the provisions of Member States' laws on the pursuit and supervision of activities;
whereas in the event of abuse or circumvention of the laws of a Member State by a grouping or its members that Member State may impose appropriate sanctions;
Whereas the Member States are free to apply or to adopt any laws, regulations or administrative measures which do not conflict with the scope or objectives of this Regulation;
Whereas this Regulation must enter into force immediately in its entirety; whereas the implementation of some provisions must nevertheless be deferred in order to allow the Member States first to set up the necessary machinery for the registration of groupings in their territories and the disclosure of certain matters relating to groupings; whereas, with effect from the date of implementation of this Regulation, groupings set up may operate without territorial restrictions,

HAS ADOPTED THIS REGULATION:

Article 1
1. European Economic Interest Groupings shall be formed upon the terms, in the manner and with the effects laid down in this Regulation. Accordingly, parties intending to form a grouping must conclude a contract and have the registration provided for in Article 6 carried out.
2. A grouping so formed shall, from the date of its registration as provided for in Article 6, have the capacity, in its own name, to have rights and obligations of all kinds, to make contracts or accomplish other legal acts, and to sue and be sued.
3. The Member States shall determine whether or not groupings registered at their registries, pursuant to Article 6, have legal personality.

Article 2
1. Subject to the provisions of this Regulation, the law applicable, on the one hand, to the contract for the formation of a grouping, except as regards matters relating to the status or capacity of natural persons and to the capacity of legal persons and, on the other hand, to the internal organization of a grouping shall be the internal law of the State in which the official address is situated, as laid down in the contract for the formation of the grouping.
2. Where a State comprises several territorial units, each of which has its own rules of law applicable to the matters referred to in paragraph 1, each territorial unit shall be considered as a State for the purposes of identifying the law applicable under this Article.

Article 3
1. The purpose of a grouping shall be to facilitate or develop the economic activities of its members and to improve or increase the
results of those activities; its purpose is not to make profits for itself. Its activity shall be related to the economic activities of its members and must not be more than ancillary to those activities.

2. Consequently, a grouping may not:
   (a) exercise, directly or indirectly, a power of management or supervision over its members' own activities or over the activities of another undertaking, in particular in the fields of personnel, finance and investment;
   (b) directly or indirectly, on any basis whatsoever, hold shares of any kind in a member undertaking; the holding of shares in another undertaking shall be possible only in so far as it is necessary for the achievement of the grouping's objects and if it is done on its members' behalf;
   (c) employ more than 500 persons;
   (d) be used by a company to make a loan to a director of a company, or any person connected with him, when the making of such loans is restricted or controlled under the Member States' laws governing companies. Nor must a grouping be used for the transfer of any property between a company and a director, or any person connected with him, except to the extent allowed by the Member States' laws governing companies. For the purposes of this provision the making of a loan includes entering into any transaction or arrangement of similar effect, and property includes moveable and immovable property;
   (e) be a member of another European Economic Interest Grouping.

Article 4

1. Only the following may be members of a grouping:
   (a) companies or firms within the meaning of the second paragraph of Article 58 of the Treaty and other legal bodies governed by public or private law, which have been formed in accordance with the law of a Member State and which have their registered or statutory office and central administration in the Community; where, under the law of a Member State, a company, firm or other legal body is not obliged to have a registered or statutory office, it shall be sufficient for such a company, firm or other legal body to have its central administration in the Community;
   (b) natural persons who carry on any industrial, commercial, craft or agricultural activity or who provide professional or other services in the Community.

2. A grouping must comprise at least:
   (a) two companies, firms or other legal bodies, within the meaning of paragraph 1, which have their central administrations in different Member States, or
   (b) two natural persons, within the meaning of paragraph 1, who carry on their principal activities in different Member States, or
   (c) a company, firm or other legal body within the meaning of paragraph 1 and a natural person, of which the first has its central
administration in one Member State and the second carries on his principal activity in another Member State.

3. A Member State may provide that groupings registered at its registries in accordance with Article 6 may have no more than 20 members. For this purpose, that Member State may provide that, in accordance with its laws, each member of a legal body formed under its laws, other than a registered company, shall be treated as a separate member of a grouping.

4. Any Member State may, on grounds of that State’s public interest, prohibit or restrict participation in groupings by certain classes of natural persons, companies, firms, or other legal bodies.

Article 5
A contract for the formation of a grouping shall include at least:
(a) the name of the grouping preceded or followed either by the words ‘European Economic Interest Grouping’ or by the initials ‘EEIG’, unless those words or initials already form part of the name;
(b) the official address of the grouping;
(c) the objects for which the grouping is formed;
(d) the name, business name, legal form, permanent address or registered office, and the number and place of registration, if any, of each member of the grouping;
(e) the duration of the grouping, except where this is indefinite.

Article 6
A grouping shall be registered in the State in which it has its official address, at the registry designated pursuant to Article 39 (1).

Article 7
A contract for the formation of a grouping shall be filed at the registry referred to in Article 6.

The following documents and particulars must also be filed at that registry: (a) any amendment to the contract for the formation of a grouping, including any change in the composition of a grouping; (b) notice of the setting up or closure of any establishment of the grouping; (c) any judicial decision establishing or declaring the nullity of a grouping, in accordance with Article 15; (d) notice of the appointment of the manager or managers of a grouping, their names and any other identification particulars required by the law of the Member State in which the register is kept, notification that they may act alone or must act jointly, and the termination of any manager’s appointment; (e) notice of a member’s assignment of his participation in a grouping or a proportion thereof, in accordance with Article 22 (1); (f) any decision by members ordering or establishing the winding up of a grouping, in accordance with Article 31, or any judicial decision ordering such winding up, in accordance with Articles 31 or 32; (g) notice of the appointment of the liquidator or liquidators of a grouping, as referred to in Article 35, their names and any other
identification particulars required by the law of the Member State in which the register is kept, and the termination of any liquidator’s appointment;

(h) notice of the conclusion of a grouping’s liquidation, as referred to in Article 35 (2);

(i) any proposal to transfer the official address, as referred to in Article 14 (1);

(j) any clause exempting a new member from the payment of debts and other liabilities which originated prior to his admission, in accordance with Article 26 (2).

Article 8
The following must be published, as laid down in Article 39, in the gazette referred to in paragraph 1 of that Article:

(a) the particulars which must be included in the contract for the formation of a grouping, pursuant to Article 5, and any amendments thereto;

(b) the number, date and place of registration as well as notice of the termination of that registration;

(c) the documents and particulars referred to in Article 7 (b) to (j). The particulars referred to in (a) and (b) must be published in full. The documents and particulars referred to in (c) may be published either in full or in extract form or by means of a reference to their filing at the registry, in accordance with the national legislation applicable.

Article 9
1. The documents and particulars which must be published pursuant to this Regulation may be relied on by a grouping as against third parties under the conditions laid down by the national law applicable pursuant to Article 3 (5) and (7) of Council Directive 68/151/EEC of 9 March 1968 on coordination of safeguards which, for the protection of the interests of members and others, are required by Member States of companies within the meaning of the second paragraph of Article 58 of the Treaty, with a view to making such safeguards equivalent throughout the Community.

2. If activities have been carried on behalf of a grouping before its registration in accordance with Article 6 and if the grouping does not, after its registration, assume the obligations arising out of such activities, the natural persons, companies, firms or other legal bodies which carried on those activities shall bear unlimited joint and several liability for them.

Article 10
Any grouping establishment situated in a Member State other than that in which the official address is situated shall be registered in that State. For the purpose of such registration, a grouping shall file, at the appropriate registry in that Member State, copies of the documents which must be filed at the registry of the Member State in which the official address is situated, together, if necessary, with a translation
which conforms with the practice of the registry where the establishment is registered.

Article 11
Notice that a grouping has been formed or that the liquidation of a grouping has been concluded stating the number, date and place of registration and the date, place and title of publication, shall be given in the Official Journal of the European Communities after it has been published in the gazette referred to in Article 39 (1).

Article 12
The official address referred to in the contract for the formation of a grouping must be situated in the Community.

The official address must be fixed either:
(a) where the grouping has its central administration, or
(b) where one of the members of the grouping has its central administration or, in the case of a natural person, his principal activity, provided that the grouping carries on an activity there.

Article 13
The official address of a grouping may be transferred within the Community.

When such a transfer does not result in a change in the law applicable pursuant to Article 2, the decision to transfer shall be taken in accordance with the conditions laid down in the contract for the formation of the grouping.

Article 14
1. When the transfer of the official address results in a change in the law applicable pursuant to Article 2, a transfer proposal must be drawn up, filed and published in accordance with the conditions laid down in Articles 7 and 8.

No decision to transfer may be taken for two months after publication of the proposal. Any such decision must be taken by the members of the grouping unanimously. The transfer shall take effect on the date on which the grouping is registered, in accordance with Article 6, at the registry for the new official address. That registration may not be effected until evidence has been produced that the proposal to transfer the official address has been published.

2. The termination of a grouping’s registration at the registry for its old official address may not be effected until evidence has been produced that the grouping has been registered at the registry for its new official address.

3. Upon publication of a grouping’s new registration the new official address may be relied on as against third parties in accordance with the conditions referred to in Article 9 (1); however, as long as the termination of the grouping’s registration at the registry for the old official address has not been published, third parties may continue to rely on the old official address unless the grouping proves that such third parties were aware of the new official address.
4. The laws of a Member State may provide that, as regards groupings registered under Article 6 in that Member State, the transfer of an official address which would result in a change of the law applicable shall not take effect if, within the two-month period referred to in paragraph 1, a competent authority in that Member State opposes it. Such opposition may be based only on grounds of public interest. Review by a judicial authority must be possible.

Article 15

1. Where the law applicable to a grouping by virtue of Article 2 provides for the nullity of that grouping, such nullity must be established or declared by judicial decision. However, the court to which the matter is referred must, where it is possible for the affairs of the grouping to be put in order, allow time to permit that to be done.

2. The nullity of a grouping shall entail its liquidation in accordance with the conditions laid down in Article 35.

3. A decision establishing or declaring the nullity of a grouping may be relied on as against third parties in accordance with the conditions laid down in Article 9 (1). Such a decision shall not of itself affect the validity of liabilities, owed by or to a grouping, which originated before it could be relied on as against third parties in accordance with the conditions laid down in the previous subparagraph.

Article 16

1. The organs of a grouping shall be the members acting collectively and the manager or managers.

A contract for the formation of a grouping may provide for other organs; if it does it shall determine their powers.

2. The members of a grouping, acting as a body, may take any decision for the purpose of achieving the objects of the grouping.

Article 17

1. Each member shall have one vote. The contract for the formation of a grouping may, however, give more than one vote to certain members, provided that no one member holds a majority of the votes.

2. A unanimous decision by the members shall be required to:

(a) alter the objects of a grouping;

(b) alter the number of votes allotted to each member;

(c) alter the conditions for the taking of decisions;

(d) extend the duration of a grouping beyond any period fixed in the contract for the formation of the grouping;

(e) alter the contribution by every member or by some members to the grouping's financing;

(f) alter any other obligation of a member, unless otherwise provided by the contract for the formation of the grouping;

(g) make any alteration to the contract for the formation of the grouping not covered by this paragraph, unless otherwise provided by that contract.
3. Except where this Regulation provides that decisions must be taken unanimously, the contract for the formation of a grouping may prescribe the conditions for a quorum and for a majority, in accordance with which the decisions, or some of them, shall be taken. Unless otherwise provided for by the contract, decisions shall be taken unanimously.

4. On the initiative of a manager or at the request of a member, the manager or managers must arrange for the members to be consulted so that the latter can take a decision.

Article 18
Each member shall be entitled to obtain information from the manager or managers concerning the grouping’s business and to inspect the grouping’s books and business records.

Article 19
1. A grouping shall be managed by one or more natural persons appointed in the contract for the formation of the grouping or by decision of the members.

No person may be a manager of a grouping if:
- by virtue of the law applicable to him, or
- by virtue of the internal law of the State in which the grouping has its official address, or
- following a judicial or administrative decision made or recognized in a Member State he may not belong to the administrative or management body of a company, may not manage an undertaking or may not act as manager of a European Economic Interest Grouping.

2. A Member State may, in the case of groupings registered at their registries pursuant to Article 6, provide that legal persons may be managers on condition that such legal persons designate one or more natural persons, whose particulars shall be the subject of the filing provisions of Article 7 (d) to represent them.

If a Member State exercises this option, it must provide that the representative or representatives shall be liable as if they were themselves managers of the groupings concerned.

The restrictions imposed in paragraph 1 shall also apply to those representatives.

3. The contract for the formation of a grouping or, failing that, a unanimous decision by the members shall determine the conditions for the appointment and removal of the manager or managers and shall lay down their powers.

Article 20
1. Only the manager or, where there are two or more, each of the managers shall represent a grouping in respect of dealings with third parties.

Each of the managers shall bind the grouping as regards third parties when he acts on behalf of the grouping, even where his acts do not fall within the objects of the grouping, unless the grouping proves that
the third party knew or could not, under the circumstances, have been unaware that the act fell outside the objects of the grouping; publication of the particulars referred to in Article 5 (c) shall not of itself be proof thereof.

No limitation on the powers of the manager or managers, whether deriving from the contract for the formation of the grouping or from a decision by the members, may be relied on as against third parties even if it is published.

2. The contract for the formation of the grouping may provide that the grouping shall be validly bound only by two or more managers acting jointly. Such a clause may be relied on as against third parties in accordance with the conditions referred to in Article 9 (1) only if it is published in accordance with Article 8.

Article 21

1. The profits resulting from a grouping's activities shall be deemed to be the profits of the members and shall be apportioned among them in the proportions laid down in the contract for the formation of the grouping or, in the absence of any such provision, in equal shares.

2. The members of a grouping shall contribute to the payment of the amount by which expenditure exceeds income in the proportions laid down in the contract for the formation of the grouping or, in the absence of any such provision, in equal shares.

Article 22

1. Any member of a grouping may assign his participation in the grouping, or a proportion thereof, either to another member or to a third party; the assignment shall not take effect without the unanimous authorization of the other members.

2. A member of a grouping may use his participation in the grouping as security only after the other members have given their unanimous authorization, unless otherwise laid down in the contract for the formation of the grouping. The holder of the security may not at any time become a member of the grouping by virtue of that security.

Article 23

No grouping may invite investment by the public. Article 24

1. The members of a grouping shall have unlimited joint and several liability for its debts and other liabilities of whatever nature. National law shall determine the consequences of such liability.

2. Creditors may not proceed against a member for payment in respect of debts and other liabilities, in accordance with the conditions laid down in paragraph 1, before the liquidation of a grouping is concluded, unless they have first requested the grouping to pay and payment has not been made within an appropriate period.

Article 25

Letters, order forms and similar documents must indicate legibly:

(a) the name of the grouping preceded or followed either by the words 'European Economic Interest Grouping' or by the initials 'EEIG', unless those words or initials already occur in the name;
(b) the location of the registry referred to in Article 6, in which the grouping is registered, together with the number of the grouping’s entry at the registry;
(c) the grouping’s official address;
(d) where applicable, that the managers must act jointly;
(e) where applicable, that the grouping is in liquidation, pursuant to Articles 15, 31, 32 or 36.
Every establishment of a grouping, when registered in accordance with Article 10, must give the above particulars, together with those relating to its own registration, on the documents referred to in the first paragraph of this Article uttered by it.

Article 26
1. A decision to admit new members shall be taken unanimously by the members of the grouping.
2. Every new member shall be liable, in accordance with the conditions laid down in Article 24, for the grouping’s debts and other liabilities, including those arising out of the grouping’s activities before his admission.
He may, however, be exempted by a clause in the contract for the formation of the grouping or in the instrument of admission from the payment of debts and other liabilities which originated before his admission. Such a clause may be relied on as against third parties, under the conditions referred to in Article 9 (1), only if it is published in accordance with Article 8.

Article 27
1. A member of a grouping may withdraw in accordance with the conditions laid down in the contract for the formation of a grouping or, in the absence of such conditions, with the unanimous agreement of the other members.
Any member of a grouping may, in addition, withdraw on just and proper grounds.
2. Any member of a grouping may be expelled for the reasons listed in the contract for the formation of the grouping and, in any case, if he seriously fails in his obligations or if he causes or threatens to cause serious disruption in the operation of the grouping.
Such expulsion may occur only by the decision of a court to which joint application has been made by a majority of the other members, unless otherwise provided by the contract for the formation of a grouping.

Article 28
1. A member of a grouping shall cease to belong to it on death or when he no longer complies with the conditions laid down in Article 4 (1).
In addition, a Member State may provide, for the purposes of its liquidation, winding up, insolvency or cessation of payments laws, that a member shall cease to be a member of any grouping at the moment determined by those laws.
2. In the event of the death of a natural person who is a member of a grouping, no person may become a member in his place except under the conditions laid down in the contract for the formation of the grouping or, failing that, with the unanimous agreement of the remaining members.

Article 29
As soon as a member ceases to belong to a grouping, the manager or managers must inform the other members of that fact; they must also take the steps required as listed in Articles 7 and 8. In addition, any person concerned may take those steps.

Article 30
Except where the contract for the formation of a grouping provides otherwise and without prejudice to the rights acquired by a person under Articles 22 (1) or 28 (2), a grouping shall continue to exist for the remaining members after a member has ceased to belong to it, in accordance with the conditions laid down in the contract for the formation of the grouping or determined by unanimous decision of the members in question.

Article 31
1. A grouping may be wound up by a decision of its members ordering its winding up. Such a decision shall be taken unanimously, unless otherwise laid down in the contract for the formation of the grouping.
2. A grouping must be wound up by a decision of its members:
   (a) noting the expiry of the period fixed in the contract for the formation of the grouping or the existence of any other cause for winding up provided for in the contract, or
   (b) noting the accomplishment of the grouping’s purpose or the impossibility of pursuing it further.
   Where, three months after one of the situation referred to in the first subparagraph has occurred, a members’ decision establishing the winding up of the grouping has not been taken, any member may petition the court to order winding up.
3. A grouping must also be wound up by a decision of its members or of the remaining member when the conditions laid down in Article 4 (2) are no longer fulfilled.
4. After a grouping has been wound up by decision of its members, the manager or managers must take the steps required as listed in Articles 7 and 8. In addition, any person concerned may take those steps.

Article 32
1. On application by any person concerned or by a competent authority, in the event of the infringement of Articles 3, 12 or 31 (3), the court must order a grouping to be wound up, unless its affairs can be and are put in order before the court has delivered a substantive ruling.
2. On applications by a member, the court may order a grouping to be wound up on just and proper grounds.
3. A Member State may provide that the court may, on application by a competent authority, order the winding up of a grouping which has its official address in the State to which that authority belongs, wherever the grouping acts in contravention of that State’s public interest, if the law of that State provides for such a possibility in respect of registered companies or other legal bodies subject to it.

Article 33
When a member ceases to belong to a grouping for any reason other than the assignment of his rights in accordance with the conditions laid down in Article 22 (1), the value of his rights and obligations shall be determined taking into account the assets and liabilities of the grouping as they stand when he ceases to belong to it. The value of the rights and obligations of a departing member may not be fixed in advance.

Article 34
Without prejudice to Article 37 (1), any member who ceases to belong to a grouping shall remain answerable, in accordance with the conditions laid down in Article 24, for the debts and other liabilities arising out of the grouping’s activities before he ceased to be a member.

Article 35
1. The winding up of a grouping shall entail its liquidation.
2. The liquidation of a grouping and the conclusion of its liquidation shall be governed by national law.
3. A grouping shall retain its capacity, within the meaning of Article 1 (2), until its liquidation is concluded.
4. The liquidator or liquidators shall take the steps required as listed in Articles 7 and 8.

Article 36
Groupings shall be subject to national laws governing insolvency and cessation of payments. The commencement of proceedings against a grouping on grounds of its insolvency or cessation of payments shall not by itself cause the commencement of such proceedings against its members.

Article 37
1. A period of limitation of five years after the publication, pursuant to Article 8, of notice of a member's ceasing to belong to a grouping shall be substituted for any longer period which may be laid down by the relevant national law for actions against that member in connection with debts and other liabilities arising out of the grouping’s activities before he ceased to be a member.
2. A period of limitation of five years after the publication, pursuant to Article 8, of notice of the conclusion of the liquidation of a grouping shall be substituted for any longer period which may be laid down by the relevant national law for actions against a member of the grouping in connection with debts and other liabilities arising out of the grouping’s activities.
Article 38
Where a grouping carries on any activity in a Member State in contravention of that State's public interest, a competent authority of that State may prohibit that activity. Review of that competent authority's decision by a judicial authority shall be possible. Article 39

1. The Member States shall designate the registry or registries responsible for effecting the registration referred to in Articles 6 and 10 and shall lay down the rules governing registration. They shall prescribe the conditions under which the documents referred to in Articles 7 and 10 shall be filed. They shall ensure that the documents and particulars referred to in Article 8 are published in the appropriate official gazette of the Member State in which the grouping has its official address, and may prescribe the manner of publication of the documents and particulars referred to in Article 8 (c). The Member States shall also ensure that anyone may, at the appropriate registry pursuant to Article 6 or, where appropriate, Article 10, inspect the documents referred to in Article 7 and obtain, even by post, full or partial copies thereof. The Member States may provide for the payment of fees in connection with the operations referred to in the preceding subparagraphs; those fees may not, however, exceed the administrative cost thereof.

2. The Member States shall ensure that the information to be published in the Official Journal of the European Communities pursuant to Article 11 is forwarded to the Office for Official Publications of the European Communities within one month of its publication in the official gazette referred to in paragraph 1.

3. The Member States shall provide for appropriate penalties in the event of failure to comply with the provisions of Articles 7, 8 and 10 on disclosure and in the event of failure to comply with Article 25.

Article 40
The profits or losses resulting from the activities of a grouping shall be taxable only in the hands of its members.

Article 41
1. The Member States shall take the measures required by virtue of Article 39 before 1 July 1989. They shall immediately communicate them to the Commission.

2. For information purposes, the Member States shall inform the Commission of the classes of natural persons, companies, firms and other legal bodies which they prohibit from participating in groupings pursuant to Article 4 (4). The Commission shall inform the other Member States.

Article 42
1. Upon the adoption of this Regulation, a Contact Committee shall be set up under the auspices of the Commission. Its function shall be:
(a) to facilitate, without prejudice to Articles 169 and 170 of the Treaty, application of this Regulation through regular consultation dealing in
particular with practical problems arising in connection with its application;
(b) to advise the Commission, if necessary, on additions or amendments to this Regulation.

2. The Contact Committee shall be composed of representatives of the Member States and representatives of the Commission. The chairman shall be a representative of the Commission. The Commission shall provide the secretariat.

3. The Contact Committee shall be convened by its chairman either on his own initiative or at the request of one of its members.

Article 43
This Regulation shall enter into force on the third day following its publication in the Official Journal of the European Communities.
It shall apply from 1 July 1989, with the exception of Articles 39, 41 and 42 which shall apply as from the entry into force of the Regulation.
This Regulation shall be binding in its entirety and directly applicable in all Member States.
For the Council
The President
J. POOS

(2) OJ No C 163, 11. 7. 1977, p. 17.
(3) OJ No C 108, 15. 5. 1975, p. 46.
(1) OJ No L 65, 14. 3. 1968, p. 8.
## ANNEX 4: Existing SPCs Indicators

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<td>3 Information gathering and dissemination for existing or potential SSS users</td>
<td>Shippers, forwarders, transport operators, shipping agents</td>
<td>meetings to disseminate information/best practices and to promote new SSS services (updating) website</td>
<td>number of persons present and number of meetings</td>
</tr>
<tr>
<td></td>
<td></td>
<td>updated database on SSS services, set up of an intermodal service data base newsletter and/or e-mail news enquiries by phone, mail etc. (updating) benchmarking/best practices studies</td>
<td>yes/no, page impressions on web site, number of downloads, number of inquiries, number of updates per year, positive assessment by customers</td>
</tr>
<tr>
<td></td>
<td></td>
<td>updated database on SSS services, set up of an intermodal service data base newsletter and/or e-mail news enquiries by phone, mail etc. (updating) benchmarking/best practices studies</td>
<td>number of hits (website), number of addressees on mailing list, number and kind of enquiries</td>
</tr>
<tr>
<td></td>
<td></td>
<td>updated database on SSS services, set up of an intermodal service data base newsletter and/or e-mail news enquiries by phone, mail etc. (updating) benchmarking/best practices studies</td>
<td>number of studies/best practices and positive assessment by potential users</td>
</tr>
<tr>
<td>4 Enhance awareness in order to get new shippers</td>
<td>Shippers, forwarders, transport operators, shipping agents</td>
<td>answers to enquiries</td>
<td>number of enquiries answered</td>
</tr>
<tr>
<td></td>
<td></td>
<td>participation as speaker to seminars involving (potential) users</td>
<td>number of seminars attended</td>
</tr>
<tr>
<td></td>
<td></td>
<td>brochures and other publications press articles</td>
<td>number of brochures/publications disseminated number of press articles</td>
</tr>
<tr>
<td></td>
<td></td>
<td>EU Internet consultations</td>
<td>number of replies to Commission consultation on a maritime transport space without barriers and on the extension of the Motorways of the Sea concept from the SPC Country</td>
</tr>
<tr>
<td></td>
<td>PROPS Deliverable 4.1 WP 4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>----------------------------</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>5</strong></td>
<td>Stimulate cooperation between shippers in order to generate cargo volumes</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Shippers, forwarders, transport operators, shipping agents</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>dedicated seminars</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>number of seminars, positive assessment by industry</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>6</strong></td>
<td>Specific effort towards road hauliers</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Road Hauliers</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>meetings to promote ro-ro services</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>number of meetings, positive assessment by hauliers</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>information sent to hauliers</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>specific country info or SPC journal or mailing to haulage companies</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>7</strong></td>
<td>Extension of scope to promotion of intermodal transport</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Shippers, forwarders, transport operators, shipping agents</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>transformation into a intermodal promotion centre</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>number of modes represented in the intermodal promotion centre</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>mastering of know how on intermodal transport</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>set up a general brochure on intermodal transport</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>extension of the website</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>extension of e-mail newsletters, mailing lists and target audience</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>fact sheet on intermodal transport</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>set up of a standard multi media presentation</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>workshops to analyse bottlenecks</td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>take over of a broker functions; matching inquiries with service providers</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>extension of intermodal service data base</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>number of co-operation agreements with intermodal actors/organisations</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>numbers of copies</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>number of page impressions on the web site, number of downloads</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>number of addresses</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>number of distributed sheets</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>number of events participated, quality assessment of the event</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>number of solutions identified, number of participants</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>number of inquiries, share of successful facilitation of business contacts</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>number of inquiries, number of up dates, quality assessment</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>8</strong></td>
<td>Follow-up of identified bottlenecks, identify new bottlenecks and contribute towards a solution</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SSS operators, ports, intermodal operators</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>contribution to the EU bottlenecks exercise</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>number of new bottlenecks identified</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>number of measures proposed</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>number of bottlenecks solved</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>letters to inform Authorities about bottlenecks</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>number of letters</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>Promote participation to Marco Polo II and TEN-T programmes</td>
<td>Transport operators, ports, shippers</td>
<td>Disseminate information to potential proposers</td>
</tr>
<tr>
<td>---</td>
<td>----------------------------------------------------------</td>
<td>-----------------------------------</td>
<td>---------------------------------------------</td>
</tr>
<tr>
<td></td>
<td>Contribute to a help desk for Motorways of the Sea</td>
<td>Shippers, forwarders, transport operators, shipping agents</td>
<td>Mastering of knowledge on EU funding programmes</td>
</tr>
<tr>
<td></td>
<td>Promote participation to Cohesion and Structural funds programme</td>
<td>Governments, EU</td>
<td>Visit to local, regional and national authorities</td>
</tr>
<tr>
<td></td>
<td>Promote SSS in logistics and international flora</td>
<td>Organisations (logistics, international)</td>
<td>Exchange of information and best practices</td>
</tr>
<tr>
<td></td>
<td>Contribute to reinforcing networking activities in ESN</td>
<td>SPCs</td>
<td>Exchange of best practices</td>
</tr>
<tr>
<td></td>
<td>Inform young people about SSS-awareness for a career in maritime business</td>
<td>Young people</td>
<td>Presentations, disseminate information, awareness campaign, website, subject for thesis</td>
</tr>
</tbody>
</table>
ANNEX 5: Proposed Performance Indicators Schedule

A. General information

- Total funding (Euros)
- Number of staff (Full-time Equivalents)

B. The ability to promote SSS

1. Encourage users and potential users to choose SSS:
   - Proportion of staff time devoted to this operation:
     - 0-19%
     - 20-39%
     - 40-59%
     - 60-79%
     - 80-100%
   - For this operation is there adequacy of:
     - Funding Y/N
     - Staffing Y/N
     - Expertise Y/N
   - Your rating of your SPC’s overall effectiveness in this operation:
     - Very effective
     - Effective
     - Satisfactory
     - Not always effective
     - Ineffective

2. Promote knowledge and innovation / improvement within the sector:
   - Proportion of staff time devoted to this operation:
     - 0-19%
     - 20-39%
     - 40-59%
     - 60-79%
     - 80-100%
   - For this operation is there adequacy of:
     - Funding Y/N
     - Staffing Y/N
     - Expertise Y/N
   - Your rating of your SPC’s overall effectiveness in this operation:
     - Very effective
     - Effective
     - Satisfactory
     - Not always effective
     - Ineffective

3. Influence policy decisions affecting the sector
   - Proportion of staff time devoted to this operation:
     - 0-19%
     - 20-39%
     - 40-59%
60-79%
80-100%

- For this operation is there adequacy of:
  - Funding Y/N
  - Staffing Y/N
  - Expertise Y/N

- Your rating of your SPC’s overall effectiveness in this operation:
  - Very effective
  - Effective
  - Satisfactory
  - Not always effective
  - Ineffective

4. Identification of bottlenecks and their solutions:
   - Proportion of staff time devoted to this operation:
     - 0-19%
     - 20-39%
     - 40-59%
     - 60-79%
     - 80-100%
   - For this operation is there adequacy of:
     - Funding Y/N
     - Staffing Y/N
     - Expertise Y/N
   - Your rating of your SPC’s overall effectiveness in this operation:
     - Very effective
     - Effective
     - Satisfactory
     - Not always effective
     - Ineffective

5. European-wide Cooperation:
   - Proportion of staff time devoted to this operation:
     - 0-19%
     - 20-39%
     - 40-59%
     - 60-79%
     - 80-100%
   - For this operation is there adequacy of:
     - Funding Y/N
     - Staffing Y/N
     - Expertise Y/N
   - Your rating of your SPC’s overall effectiveness in this operation:
     - Very effective
     - Effective
     - Satisfactory
     - Not always effective
     - Ineffective
C. The extent and effectiveness of SSS promotional role

1. Encourage users and potential users to choose SSS:
   - Number of users
   - Number of contacts with users
   - Number of contacts with potential users
   - Number of contacts with providers
   - Number of trials
   - Number of actual transfers to SSS
   - Your rating of the effectiveness of your SPCs network for this operation:
     - Very effective
     - Effective
     - Satisfactory
     - Not always effective
     - Ineffective

2. Promote knowledge and innovation / improvement within the sector:
   - Number of members
   - Number of associated organisations
   - Nature of national database of transport providers:
     - Number of providers
     - Frequency of update
   - Number of promotional events:
     - Initiated
     - Participated in
   - Number of promotional events that were:
     - Sea
     - Intermodal (rail, Road, Inland waterways)
   - Number of projects involved in that are:
     - EU based
     - National based
     - Provider based
     - User based
   - Number of Marco Polo applications:
     - Initiated
     - Participated in
   - Your rating of the effectiveness of your SPCs network for this operation:
     - Very effective
     - Effective
     - Satisfactory
     - Not always effective
     - Ineffective

3. Influence policy decisions affecting the sector
   - Number of stakeholders who were:
4. Identification of bottlenecks and their solutions

- Number of bottlenecks identified
- Number of recommended solutions
- Your rating of the effectiveness of your SPCs network for this operation:
  - Very effective
  - Effective
  - Satisfactory
  - Not always effective
  - Ineffective

5. European-wide Cooperation and networks

- Nature of your SPCs media list:
  - Number of organisations
  - Number of countries represented
- Press releases made:
  - Number
  - Languages
- Website hits:
  - Number of page views
  - Most frequently accessed pages
  - Nationality of visitors
- Number of ESN events:
  - Organised
  - Involved with
- Your rating of the effectiveness of your SPCs network for this operation:
  - Very effective
  - Effective
  - Satisfactory
  - Not always effective
  - Ineffective
D. Evaluation of the indicators

Do these indicators enable you to adequately report extent to which your SPC has:

- Fulfilled its central objectives
- Is operating effectively

If not please explain why.
ANNEX 6: Guidelines to Process Management System

PROPS have identified a set of core operational processes and core service that will assist SPCs in addressing the needs of their stakeholders and improve their penetration ability (Section 2.3). Recommendations for operationalising these processes have been made. To implement them, PROPS could provide further support to the SPCs.

We are aiming in Year 3 to offer them guidelines in regards to the process management system. These guidelines will be prepared by PROPS Consortium and distributed to SPCs at the next workshop. They will assist the SPCs in understanding and implementing PROPS methodology as a whole.

To visualise this attempt and as a critical part of D4.1, this ANNEX develops standardised processes so as to engage Promotion Centres in a quality management scheme. The purpose is to improve their promotional business, moving a step forward from the “business as usual” concept. This is expected to lead to a positive effect on investment in the sector, increase market share, grow sales of short sea shipping services and in general strengthen the SSS competitive advantage. The expected advantages include:

- Create a more efficient, effective operation
- Increase customer satisfaction and retention
- Reduce audits, but increase feedback quality
- Enhance marketing
- Improve employee motivation, awareness, and morale
- Promote international trade
- Reduce project turnaround time and increase productivity.

The diagram below presents an overview of the processes and the interactions between them. The sections that follow this diagram explain in detail the Quality Management System that needs to be built and maintained by the SPCs. Particularly the attention is focused on the operationalising core processes, empowering human resources, monitoring records and complaints from clients as well as maintaining high quality management of daily activities.
Quality Management Process Overview

- Processes
- Core
- Encourage Users & Potential Users to Choose Short Sea Shipping
- Identification of Users & Potential Users
- Definition of Services
- Information Dissemination
- Development & Distribution of Promotion Materials
- Promote Knowledge & Innovation/Improvement within the Sector
- Data Collection
- Data Processing & Reporting
- Data Dissemination & Reports to Stakeholders
- Training
- Influence Policy Decisions Affecting the Sector
- Identification of Bottlenecks & Solution Provision
- Regulation Lobbying
- European Cooperation
- Promotion of Collaboration among Stakeholders
- Corporate & Stakeholder Outreach
- Networking
- Administration
- Management System
- Business Plan
- Marketing Strategy & Definition of our Services
- Periodic Review
- Fundraising
- Human Resources
- Position Evaluation & Recruitment
- Performance Review
- Training & Development
- Record Management System
- Office Records
- IT Infrastructure
- Complaint Management System
- Monitor & Handle Complaints
- Identification of Users & Potential Users to Choose Short Sea Shipping
- Customer Service & Satisfaction Measurement
- Data Collection & Analysis
- Data Processing & Reporting
- Data Dissemination & Reports to Stakeholders
- Training & Development
- Record Management System
- Office Records
- IT Infrastructure
- Complaint Management System
- Monitor & Handle Complaints
- Identification of Users & Potential Users to Choose Short Sea Shipping
- Customer Service & Satisfaction Measurement
- Data Collection & Analysis
- Data Processing & Reporting
- Data Dissemination & Reports to Stakeholders
- Training & Development
- Record Management System
- Office Records
- IT Infrastructure
- Complaint Management System
- Monitor & Handle Complaints
<table>
<thead>
<tr>
<th>Procedure</th>
<th>1. Encourage users and potential users to choose short sea shipping</th>
</tr>
</thead>
<tbody>
<tr>
<td>Task</td>
<td>Identification of Users and Potential Users</td>
</tr>
<tr>
<td>Objectives</td>
<td>Identify companies, groups and organizations that are potentially interested in a modal shift ranging from minor changes to fundamental ones. The groups include manufacturers, shippers, hauliers, logistics operators and freight forwarders in all business sectors namely – retail – FMCG, machinery, construction (also the public sector). The objective is to understand potential users and potential users’ needs in order to better shape the provided information accordingly and meet the logistics needs of those different target groups.</td>
</tr>
</tbody>
</table>
| Implementation | • Internet search (Websites, Press, Market Publications)  
• Subscription to commercial publications  
• Participation in conferences  
• Trends Analysis via related trade magazines  
• Development of coherent datasets for cargo flows  
• Development of detailed contact information  
• Market surveys and questionnaires  
• Logistics service diagnostics |
| Tools & Files | • Conferences, Events  
• SPC Intranet  
• Internal Contact Database  
• Internal Cargo Flows Database |
<p>| Departments | Marketing and Communication |</p>
<table>
<thead>
<tr>
<th>Procedure</th>
<th>1. Encourage users and potential users to choose sea shipping</th>
</tr>
</thead>
<tbody>
<tr>
<td>Task</td>
<td><strong>Definition of Services (Market Scoping)</strong></td>
</tr>
<tr>
<td>Objectives</td>
<td>SPCs determine target groups - stakeholders, define the services the groups need and provide relevant information.</td>
</tr>
</tbody>
</table>
| Implementation | • Define target groups  
• Analyze the needs of each stakeholder and shape available information in order to meet those needs of different target groups, i.e. provide “client – oriented” information.  
• Provide information to the public on what has been achieved (external reporting) and keep the image of the company transparent |
| Tools & Files | • Website, Press, Market Publications  
• Meetings, Conferences  
• Intranet  
• Focus groups  
• Annual Reports |
| Departments | Marketing and Communication |
## Procedure

1. Encourage users and potential users to choose short sea shipping

## Task

*Information Dissemination*

## Objectives

Provision of relevant and supportive to the SSS information about sectoral issues as well as competitive strategies.

Convince shippers to shift to short sea shipping as part of the intermodal transport.

## Implementation

- Provide an interactive portal/website with easy access for all stakeholders.
  - Data collection (2.1)
  - Content management and shape information according to target groups’ needs (1.2)
  - Regularly Update Information
- Telephone or email enquiry response
- Organize seminars and workshops
- Develop a knowledge base with information including best practices and illustrative cases of implementing SSS Services
- Regular contribution in trade magazines with interesting implementation of SSS Services

## Tools & Files

- Website, Newsletters
- Brochures, Fact Sheets, Multimedia Presentations,
- Vocational and CPD Training
- Call Centre
- Knowledge Platform – FAQ Platform
- Email Directories

## Departments

Marketing and Communication
<table>
<thead>
<tr>
<th>Procedure</th>
<th>1. Encourage users and potential users to choose short sea shipping</th>
</tr>
</thead>
<tbody>
<tr>
<td>Task</td>
<td><em>Development and Distribution of Promotional Materials</em></td>
</tr>
<tr>
<td>Objectives</td>
<td>Increase SSS awareness (companies, groups and organizations) to boost interest in a modal shift and active promotion of the benefits of short sea shipping as part of the intermodal transport.</td>
</tr>
</tbody>
</table>
| Implementation | • In the SPCs’ advertising and promotional effort, many different media vehicles should be utilized. Apart from traditional ones and in order to improve SPCs’ relative competitive position as promotional bodies, new media methods provide good external opportunities.  
• Assign a media partner responsible and access a larger audience via established strategic partnerships.  
• Establish working relationships with professional PR or marketing companies. |
| Tools & Files | • Newsletters, Journals/brochures, Annual Reports, Posters  
• RSS Messaging, Podcasts, Blogs, Video Clips, Social Networking  
• Television, Radio, Press Releases  
• Criteria for Media Partnerships |
<p>| Departments | Marketing and Communication |</p>
<table>
<thead>
<tr>
<th>Procedure</th>
<th>Promote knowledge and innovation /improvement of existing and potential SSS based service offerings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Task</td>
<td>Data Collection</td>
</tr>
<tr>
<td>Objectives</td>
<td>The aim of this process is to create a database in order to improve services and promote best practices. The reports produced will then be uploaded to the SPCs’ website and provided to all stakeholders by various means.</td>
</tr>
</tbody>
</table>
| Implementation | • Take advantage of existing sources of information and explore new ones  
• Spot changes in trade routes and cargo flows  
• Search for the relative competitiveness of different modes  
• Get involved in different studies (research) |
| Tools & Files | • Websites, Press, Market Publications  
• Conferences, Events  
• Information Data System  
• R&D grants  
• Academy of failures |
| Departments | Research and Information |
### Procedure

Promote knowledge and innovation / improvement of existing and potential SSS based service offerings

### Task

**Data Processing and Reporting**

### Objectives

This process refers to providing information on improving services within the sector and analogous successes in different industries.

### Implementation

- Organize data
- Monitor data validity
- Conduct research based on data
- Generate reports based on data and develop case studies for the marketing campaign
- Make continuous improvement recommendations based on data analysis
- Develop innovative models

### Tools & Files

- Reports, case studies
- Data analysis
- Successful practices
- Replicable models

### Departments

Research and Information
<table>
<thead>
<tr>
<th>Procedure</th>
<th>Promote knowledge and innovation /improvement of existing and potential SSS based service offerings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Task</td>
<td>Data dissemination/Reports to Stakeholders</td>
</tr>
<tr>
<td>Objectives</td>
<td>This process aims to encourage operators to develop new and existing short sea and intermodal services by providing all stakeholders with necessary information for commercial and educational purposes.</td>
</tr>
</tbody>
</table>
| Implementation                                                           | • Provide an interactive portal system where strategic information about SSS routes will be available to all stakeholders  
• Participate in roundtables in order to promote the generated knowledge  
• Organize meetings and events in order to meet operators from different transport modes |
| Tools & Files                                                            | • Interactive portal system  
• Roundtables, Meetings and Events  
• Fact Sheets |
| Departments                                                               | Marketing and Communication  
Research and Information |
<table>
<thead>
<tr>
<th>Procedure</th>
<th>Promote knowledge and innovation /improvement of existing and potential SSS based service offerings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Task</td>
<td>Training</td>
</tr>
<tr>
<td>Objectives</td>
<td>This process refers to providing stakeholders with the necessary knowledge and skills so that they will be able to adopt short sea shipping as part of the intermodal transport in the most efficient manner.</td>
</tr>
</tbody>
</table>
| Implementation | • Identify the specific needs of each target group and provide information on improving services within the sector accordingly  
• Design the training process  
  ✓ Selection of Internal resource to design the training  
  ✓ Selection of Techniques used to facilitate learning  
  ✓ Selection of Appropriate setting  
  ✓ Selection of Materials to be used in delivering the training  
  ✓ Identification of train instructors (internal)  
• Pilot new instructional strategies |
| Tools & Files | • Seminars  
• Lectures, Role play, Simulation  
• Work books, Video Clips, Podcasts |
<p>| Departments | Research and Information |</p>
<table>
<thead>
<tr>
<th>Procedure</th>
<th>Influence policy decisions affecting the sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Task</td>
<td>Identification of bottlenecks and Solution Provision</td>
</tr>
<tr>
<td>Objectives</td>
<td>The process aims at collecting information regarding bottlenecks and identifying proper solutions.</td>
</tr>
</tbody>
</table>
| Implementation | • Collect bottlenecks and develop case studies on operational practices and solutions  
• Liaise with Authorities |
| Tools & Files | • Collection of Bottlenecks  
• Case Studies  
• Information on Operational Practices and Solutions |
<p>| Departments | Research and Information |</p>
<table>
<thead>
<tr>
<th>Procedure</th>
<th>Influence policy decisions affecting the sector</th>
</tr>
</thead>
<tbody>
<tr>
<td>Task</td>
<td>Regulation Lobbying</td>
</tr>
<tr>
<td>Objectives</td>
<td>The aim is to provide authorities and other stakeholders with the necessary information on addressed competitive and marketing strategies and get involved in the consultative process (national and EU).</td>
</tr>
</tbody>
</table>
| Implementation | • Prepare national research agendas  
  • Produce consultation papers  
  • Liaise and lobby with national authorities in order to develop SSS centric regulation |
| Tools & Files | • Consultation papers  
  • Meetings with national MPs and European MEPs  
  • Submitting evidence to Transport and Environmental Committees in national Parliaments  
  • Meetings with NGOs or other lobbying groups  
  • Business lunches to put together all groups |
| Departments | Research and Information  
Lobbying and Cooperation |
## Procedure

**European cooperation**

## Task

*Promotion of collaboration among stakeholders*

## Objectives

The aim is to build a wide network beyond the transport sector and get in touch with other European stakeholders to resolve national issues.

## Implementation

- Participate in EU funded projects
- Identify new program areas
- Organize meetings and discussions with focal points and DG TREN (DG MOVE)
- Provide advising on government policy

## Tools & Files

- EU funded projects (reports and studies)
- Cooperation within the ESN
- Consultation Papers
- Focal points
- EU Minister Meetings
- EESC

## Departments

Lobbying and Cooperation
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<tr>
<td>Task</td>
<td><strong>Corporate and Stakeholder Outreach</strong></td>
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<tr>
<td>Objectives</td>
<td>Bring potential clients in contact with transport service and logistics service providers and disseminate information in order to promote SSS services.</td>
</tr>
</tbody>
</table>
| Implementation     | • Act as Central Clearing House  
                     • Develop coherent datasets with detailed contact information and regularly update the information  
                     • Organize conferences and events  
                     • Analyze professional development needs  
                     • Provide targeted professional development for stakeholders |
| Tools & Files      | • Internal Contact Database  
                     • Conferences, Events, Forums  
                     • Externships, Classes  
                     • Workshops, Seminars |
| Departments        | Lobbying and Cooperation  
                     Research and Information |
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<tr>
<td>Task</td>
<td>Networking</td>
</tr>
<tr>
<td>Objectives</td>
<td>The aim of this process is to create a business network that will extend beyond the one provided by SPCs’ members in order to effectively exercise their promotional function.</td>
</tr>
</tbody>
</table>
| Implementation | • Establish associations with groups of organizations that are relevant to all core processes as well as target groups of the SPCs  
• Place the logo of each associated organization and a list of members on the SPC’s website in an obvious and accessible manner  
• Define what the interaction with the business network will be  
• Determine the role of the SPC in this network  
• Promote value-added achievements |
| Tools & Files | • List of members and associates  
• List or logos of sponsors  
• Social networking  
• Meetings, Events  
• Business/stakeholders/sponsors Lunches |
| Departments | Lobbying and Cooperation |
### Management System

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<tbody>
<tr>
<td>Task</td>
<td><strong>5.1 Business Plan</strong></td>
</tr>
<tr>
<td>Objectives</td>
<td>The process refers to developing a business plan as an indicator of goals and means of achieving them and placing it on the SPCs’ websites in order to demonstrate to all stakeholders how SPCs promote short sea shipping and why one should become a user of this transport mode or should make use of the SPCs’ services.</td>
</tr>
</tbody>
</table>
| Implementation | • Evaluate the business environment where a Promotion Centre operates  
• Define the strategic forces that significantly impact on the long – term competitive position  
• Determine a set of achievable goals  
• Develop a plan for reaching the goals set  
• Budgeting  
  ✓ Construct a model of how the Promotion Centre might perform financially if planned strategies are carried out  
  ✓ Enable the actual financial operation of the SPC to be measured against the forecast  
  ✓ Create specific financial objectives  
  ✓ Monitor SPC’s expenditures |
| Tools & Files | • Data Analysis  
• Business Plan  
• Financial Objectives Plan  
• Internal Budget Reports  
• Fiscal Reports |
| Departments  | Management |

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<th>Procedure</th>
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</thead>
<tbody>
<tr>
<td><strong>Task</strong></td>
<td><strong>5.2 Marketing Strategy and Definition of our Services</strong></td>
</tr>
<tr>
<td><strong>Objectives</strong></td>
<td>The process aims at developing a method of focusing the SPCs’ resources on a course of actions (marketing strategy) and as result contribute to the value – added role of a Promotion Centre.</td>
</tr>
</tbody>
</table>
| **Implementation** | • Determine the choice of target groups  
• Define the services provided by the SPCs  
• Locate the marketing and communication strategy of each target group  
• Position the organization in the market  
• Allocate resources to each core process |
| **Tools & Files** | • Marketing Strategy  
• Communication Strategy  
• Human resources and facilities  
• Data Analysis  
• SWOT Analysis |
<p>| <strong>Departments</strong> | Management |</p>
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<tbody>
<tr>
<td>Task</td>
<td>5.3 Periodic Review</td>
</tr>
<tr>
<td>Objectives</td>
<td>The aim of this process is to review the system periodically to ensure its continued suitability for purpose and effectiveness in satisfying requirements.</td>
</tr>
</tbody>
</table>
| Implementation     | • Monitor internal progress and produce internal reports respectively  
• Implement performance indicators  
• Evaluate and revise multi – year plans  
• Confirm progress on previous action points  
• Monitor the progress on existing objectives  
• Monitor the performance of suppliers  
• Locate opportunities for improvement  
• Set new/revised objectives |
| Tools & Files      | • Internal Audits, External Certification, Surveillance Audits  
• Regular briefings of sponsors on progress  
• Customer/Community/Employee Complaints, Feedback  
• Data on process performance and conformance  
• External factors that may affect the system |
| Departments        | Management |
### Procedure

**Management System**

### Task

**5.4 Funding**

### Objectives

The aim is to provide resources in form of money or other values such as effort or time in order to ensure the quality of the services provided to all stakeholders that the promotional role of the SPCs is constantly supported in a safe and sustainable manner.

### Implementation

- Identify needs and resources
- Fundraising
- Leverage funding through public-private partnerships

### Tools & Files

- Donations
- Business sponsorships
- Research and Operational Grants
- Bank Credit
- Governmental Subsidies
- Membership fees
- Client-based fees
- Events fees

### Departments

**Management**
### Human Resources

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<tr>
<td>Task</td>
<td><strong>6.1. Position Evaluation and Recruitment</strong></td>
</tr>
<tr>
<td>Objectives</td>
<td>This process aims at attracting, developing and retaining the right people in order to provide services of high quality and standards and achieve the objectives set by SPCs.</td>
</tr>
</tbody>
</table>
| Implementation | • Evaluate the current needs and future strategic plans of the Promotion Centre upon which the decision to establish additional positions will be based.  
• Clearly define the roles and responsibilities of each position (job description)  
• Determine the selection criteria, which are used during the recruitment, on the basis of each job description |
| Tools & Files | • Position Evaluation  
• Interviews, Assessment tests  
• Reference Checks  
• Medical Examinations or other tests  
• Induction Plan |
<p>| Departments | Management |</p>
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<th>Procedure</th>
<th>Human Resources</th>
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<tbody>
<tr>
<td>Task</td>
<td>6.2. <strong>Performance Review</strong></td>
</tr>
<tr>
<td>Objectives</td>
<td>Performance reviews need to be conducted once per year for all employees in order to ensure continuing high levels of work performance and to assist in job enrichment.</td>
</tr>
</tbody>
</table>
| Implementation | • Clarify with staff what is expected of them.  
• Provide formal recognition and appreciation of the contribution of the staff member to the organization.  
• Review previously determined goals and set objectives for the future.  
• Identify opportunities for professional development and training.  
• Deal with problems and resolve grievances. |
| Tools & Files | • Self – Appraisal Questionnaire  
• Performance Appraisal  
• Training needs and gaps  
• Job description (review) |
<p>| Departments | Management |</p>
<table>
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<th>Procedure</th>
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<tbody>
<tr>
<td>Task</td>
<td><strong>6.3. Training and Development</strong></td>
</tr>
<tr>
<td>Objectives</td>
<td>This process refers to identifying performance requirements or needs within the SPCs, directing resources to the areas of greatest need, improve productivity, provide quality services and address the need to prepare for and respond to future changes.</td>
</tr>
</tbody>
</table>
| Implementation | • Identify the needs that closely relate to fulfilling the SPCs’ goals and objectives  
• Set the training objectives (who, if anyone, needs training and what training is needed)  
• Design the training and development process  
  ✓ Selection of Internal or external resource to design the training  
  ✓ Selection of Program content  
  ✓ Selection of Techniques used to facilitate learning  
  ✓ Selection of Appropriate setting  
  ✓ Selection of Materials to be used in delivering the training  
  ✓ Identification of train instructors (if internal)  
• Implement the training and development process  
• Evaluate the program to determine whether the training objectives were met |
| Tools & Files | • Current and desired job performance  
• Existing and desired competencies and skills  
• Lectures, Role play, Simulation  
• On the job training, Classroom  
• Work books, Video Clips, Podcasts  
• Continuing Education Activities |
| Departments | Management |
# Records Management System

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<tr>
<td>Task</td>
<td><strong>7.1. Office Records</strong></td>
</tr>
<tr>
<td>Objectives</td>
<td>The aim is to set up a records management program that ensures the proper creation, maintenance, use and disposal of records. The easy retrieval of important information as well as the orderly flow of information will facilitate transparency, effectiveness and accountability, while the controls exercised will prevent the inappropriate disclosure of information that could end up to be harmful to the Promotion Centre.</td>
</tr>
</tbody>
</table>
| Implementation| - Identify any information that has to be captured according to the SPC’s needs and store it appropriately for easy retrieval and disposal.  
- Set up controls and determine the level of access to information for each user (internally and outside the SPC) in order to prevent records from being stolen or damaged.  
- Determine according to the SPC’s policies, statutory requirements and other regulations which records will be destroyed (and when) or permanently preserved. |
| Tools & Files| - EDRM (Electronic Document and Records Management System)  
- Records Storage Plan  
- Schedule for records other than correspondence files  
- Schedule for paper – based records other than correspondence systems  
- Schedule for microfilm records  
- Schedule for electronic records systems other than the correspondence system  
- Schedule for audio visual records  
- Retention and disposal program |
<p>| Departments| Research and Information |</p>
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<th>Procedure</th>
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<tbody>
<tr>
<td>Task</td>
<td><strong>7.2. IT Infrastructure</strong></td>
</tr>
<tr>
<td>Objectives</td>
<td>This process aims to successfully exploit technology in order to help SPCs succeed in their promotional role and develop services for maximum stakeholder satisfaction through strategic planning, effective governance and financial management.</td>
</tr>
</tbody>
</table>
| Implementation | • Set up and maintain an interactive portal system  
• Develop new media methods  
• Set up a call centre to respond to stakeholders’ inquiries  
• Organize SPCs accordingly in order to handle all data electronically |
| Tools & Files  | • Website/Interactive portal System  
• RSS Messaging, Podcasts, Blogs, Video Clips, Social Networking  
• EDRM  
• Call Centre  
• Intranet  
• Email directories |
| Departments    | Management  
Marketing and Communication  
Research and Information |
Complaint Management System

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<tr>
<td>Task</td>
<td><em>Monitor and handle complaints</em></td>
</tr>
<tr>
<td>Objectives</td>
<td>The aim of this process is to develop a well – publicized and easily accessible system for screening and recording complaint data that will alert SPCs of problems that need immediate attention and correction, as well as indicate long – range opportunities for innovation and problem prevention.</td>
</tr>
</tbody>
</table>
| Implementation | - Notify all stakeholders of the SPCs’ desire for feedback and continuous improvement  
- Select a visible and accessible to all stakeholders location to receive complaints  
- Provide stakeholders with publicized complaint procedures  
- Design and apply a system for record – keeping  
- Record and process complaints  
- Acknowledge complaints  
- Analyze and investigate complaints within appropriate timeframes  
- Provide levels of redress according to SPCs’ policies  
- Follow – Up  
- Analyze and summarize complaints and create reports regarding their nature  
- Develop action plans in order to prevent complaints |
| Tools & Files | - Website  
- Recording Forms  
- Acknowledgement/Further Acknowledgement  
- Initial/Holding/Final Response  
- Complaint Prevention Action Plan |
| Departments | Marketing and Communication |