

The strategic mission of the RECREATE project is to improve the capacity and capability of regional transport SMEs to further develop and grow by providing support for research and development, rapid development and implementation of products and services, access to finance schemes and internationalization opportunities.

The project is co-financed by the European Regional Development Fund and by National Resources and implemented under the INTERREG EUROPE Programme.

1. News from the transport sector in the United Kingdom

20 years of sustainable growth in the UK Automotive industry

The 20th annual Sustainability Report recently released by the Society of Motor Manufacturers and Traders reveals the achievements of the Automotive sector in UK over the past twenty years.

In this period of time, automotive manufacturing has grown to become one of the UK's most important economic assets, turning over £82 billion in 2018. At the same time, automotive workers have experienced a significant wage boost compared to the wider manufacturing sector, while productivity has increased considerably with automotive output per job growing by 208%. The value of exports has also grown significantly, with over 80% of cars produced in 2018 destined for international markets, compared with about 63% in 1999.

This remarkable progress has been accompanied by a reduction on the environmental impact of the UK automotive sector with substantial improvements in areas such as energy and water use, waste to landfill and CO2 emissions.

Source: Society of Motor Manufacturers and Traders

Electric Vehicles fail over SMEs

Close Brothers Asset Finance has conducted a survey revealing that just 41% of small business owners believe Electric Vehicles (EV) represent the future of transport in the UK. In spite of the scepticism, nearly 60% of respondents recognised the environmental benefits of an EV and a similar percentage of people would consider purchasing one if more incentives were available. Lack of public charging points and the cost of vehicles seem the most important reasons for the lack of EV uptake.

Interestingly, from 2020, a range of manufacturers including Seat, Vauxhall, Honda and Peugeot plan to introduce smaller and cheaper electric cars.

Source: Automotive Management

Looking for dealers for the MaaS solution in West Midlands

Transport for West Midlands (TfWM) is about to scale up its experimental Mobility as a Service (MaaS) solution: they have introduced the WHIM app that enables consumers to put together different transport elements to make one journey, including vehicle availability (and in the long run, also autonomous vehicles).

Consumers can use it on a pay-as-you-go basis or they can purchase a 'package'. Having proven itself viable, it will be scaled up later this year. Moreover, TfWM is considering a vehicle scrappage scheme that would take off the road older, more polluting vehicles in return for 'mobility credits' allowing access to vehicles, bikes, public transport and taxis through the app.

TfWM has already partnered with manufacturers to test autonomous vehicles, but there's an opportunity for dealers to be involved, including supplying vehicles and servicing.

Source: Automotive Management

New 'green' buses in Dudley

Operator Diamond Bus has introduced seven new micro-hybrid low emission buses to operate on the 226 bus route from Dudley to Merry Hill. Their engines are cleaner than the Euro 6 standards and contribute to better air quality for passengers and residents of the local community.

This will boost the West Midlands Combined Authority's (WMCA) goal for the entire fleet in the metropolitan area to have buses with engines that meet or exceed Euro 6 standards by April 2021, cutting harmful pollution across the bus network by up to 95%.

The new buses were partly funded by the Department for Environment, Food and Rural Affairs (Defra) as part of a package of support of Dudley to reduce roadside air pollution. Earlier this year, Defra also funded the retrofit of 350 buses across the West Midlands to Euro 6 standards. Moreover, to help bus companies replace or upgrade their most polluting vehicles, Transport for West Midlands (TfWM), which is part of the WMCA, has waived their fees for the use of the region's bus stations and roadside passenger information for a year. This has given the companies an extra £2.7m this year and will see 360 more buses replaced or upgraded.

Source: Transport for West Midlands

2. Report about the Technological trends in transport and logistics sector in Lithuania from the Lithuanian Innovation Centre

The Transport sector is currently facing major transformation challenges. New technological solutions are rapidly growing in the markets and public pressure on social and environmental issues increase. Modern transport sector is getting even more complex than ever before, so there is a demand to figure it out the main social and technological trends which will shape this sector in the future.

Recently, audit and tax consulting company PwC published "Transport & Logistics Trend Book 2019". It is a very interesting document for the Lithuanian market because it presents the five most influential trends of this sector in the Central and Eastern European region based on surveys and analysis in this area. These are:

1. Digitisation

In regards to transport and logistics, digitisation is expected to develop completely new business processes and models. It will reshape not only the inside processes of business but also the way consumers interact with it.

2. Shifts in international trade

International trade nowadays has a high level of uncertainty in regards to trade wars and barriers. On the other side, new free trade agreements are established, new trade routes are developed and expanded and global economy is becoming more interdependent.

3. Software-driven process changes

Software-driven processes changes are expected to grow dynamically over the next few years, generating even larger benefits for business, but at current stage these solutions still need to find their way into the mainstream. These are technological solutions such as AI, intelligent transportation systems, block chain, etc.

4. Changes in markets' domestic commerce

Substantial changes in markets' domestic commerce is fuelled by developments of e-commerce, sharing economy, changing consumer expectations and ageing society. All these changes will create a push for new solutions and services as well as integration between different value chains.

5. Machine-driven process changes

Machine-driven core process changes can be expected to increase the efficiency of transport and logistic services. It includes technologies, such as robots, electro-mobility, augmented reality, etc.

Lithuania has a fairly developed transport and logistics sector. In 2018, transport and storage sector accounted for around 11% of national GDP and around 8 thousand companies operated in this economic sphere. Despite this success, Lithuanian transport and logistic companies have to invest into technological trends in order to grow and stay competitive. According to experts in Lithuania, there are favourable conditions for growth, however businesses do not fully exploit it.

Strategic documents in Lithuania include transport and storage sector as one of the priorities. These are Lithuanian National Development Strategy "Lithuania 2030", "Transport Sector White Paper" and Lithuania Smart Specialization Strategy. As a consequence, transport and logistic sector companies can use a variety of financial support measures. Last but not least, at the beginning of 2019, the Mobility innovation centre was created in order to encourage investments and innovation in transport. However, experts emphasize that transport and logistic sector companies do not invest enough in R&D activities, do not fully exploit the opportunities provided by the European Structural Funds and science-business cooperation is at low level.

According to transport and logistics experts in Lithuania, high-tech will become an inseparable part of this sector. Digitisation and application of new technological solutions increase step by step in all economic activities and transport and logistics is not an exception. Companies, which in the nearest future won't adopt digital technologies, intelligent transport systems, block chain, robots, electric vehicles, etc. will lose the competitive struggle and will have to leave the market. Knowing this, it is vital to bring together a wide group of stakeholders in order to create even more favourable conditions for the realisation of the trends mentioned above.

3. First RECREATE Study Visit & Thematic Workshop in Italy

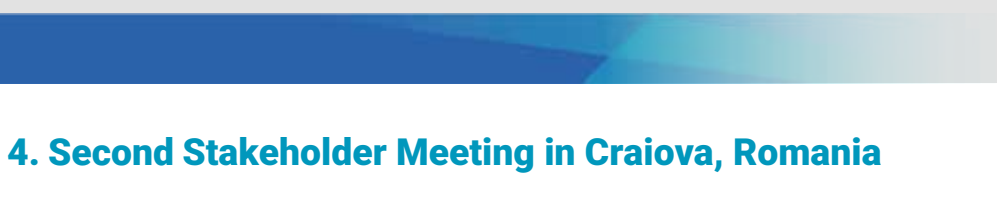
The First RECREATE Study Visit and Thematic Workshop took place on 9th and 10th April 2019 and was hosted by Campania Region in Italy.

The workshop was held in the beautiful venue of the Royal Site of Carditello in San Tammaro, Caserta on 9th April and was about opportunities from new forms of transport to start building the basis of the foreseeable trends and opportunities in terms of sectorial innovation. After a general overview of the transport sector in Italy, the participants focused on three main subjects: innovation in transport; dealing with vulnerable people; and professional training to innovate SMEs in the Transport Sector.

On 10th April, the study visit took place to assess best practices in the Campania area. We started in Jabil, Blue Sky Innovation Centre in Marcellanise. This site is part of the second most industrialised area in Italy and offer manufacturing solutions for customers in the networking and telecommunications industry and beyond. Another interesting visit was at the Ente Autonomo Volturmo S.R.L. (EAV). They offer regional public rail and car transport services; take care of the maintenance, modernization and strengthening of the regional rail network; and manage the infrastructure assets. The visit concluded at the Campania Regional Council.

Both Project Partners and local stakeholders from UK, Italy, Greece, Lithuania and Romania participated in the event. Part of the event was also dedicated to the Partners meeting to discuss the current status of the project and the activities due in Semester 2.

Our next Study Visit and Workshop will be in Romania in October 2019. Please look at the project website www.interregeurope.eu/recreate/ for more information.



4. Second Stakeholder Meeting in Craiova, Romania

On 14th May 2019, Regional Development Agency South-West Oltenia hosted the 2nd Stakeholders Group Meeting of the RECREATE Project in Craiova, Romania.

The meeting started with an update on the project progress where activities implemented were presented, as well as future activities. It followed an update on the "Transport SME Competitiveness" report. This is putting together an analysis of the SMEs in the Transport sector from the 5 Regions represented in the project consortium: West Midlands in UK, Campania Region in Italy, South Aegean Region in Greece, Lithuania (whole country considered) and South-West Oltenia in Romania. Each Partner has analysed the state of the art in their Region through task research and interviews and/or questionnaires and now RDA SW Oltenia (Task Leader) and CUE Ltd (Project Coordinator) are in the process of unifying all parts in a consolidated joint document that will be also available on the project website www.interregeurope.eu/recreate/.

Afterwards the focus was on the identification of Good Practices in the transport field in South West Oltenia Region. Some examples of Good Practices were presented:

- The Sky Innovation Center and JABIL Company identified during the study visit held in April 2019 in Italy;

- The Smart Specialization Platform (s3platform.jrc.ec.europa.eu/regions/RO41/tags/RO41), an example of good practice in Romania from "Good practices from Interreg projects: SME Platform: AgroTransilvania – A common marketing model that enables local producers to sell their products in supermarkets within a cluster".

The final session was dedicated to the internationalization services of Enterprise Europe Network addressed to Transport SMEs, a modern tool to increase SMEs visibility and possibilities of Partnerships; and funding opportunities for SMEs (Projects Call under Regional Operational Programme 2014-2020 - Investment Priority 2.1.A - for Micro-enterprises).

Discussions between stakeholders outlined the need for further development of funding and support schemes for local and regional Transport SMEs. The region's financing framework for Transport SMEs has a direct impact on the region's economic growth and a potential for creating new jobs. Through cooperation between local/regional authorities and Transport-SMEs, the South West Oltenia Region can exploit its strategic geographical position, being crossed by the 7th priority axis of TEN-T European road Thessaloniki-Sofia-Craiova.



5. Second Stakeholder Meeting in Rhodes, Greece

On 16th May 2019, Development Agency of South Aegean Region – READ S.A. organised the 2nd Local Stakeholders Group Meeting of the RECREATE Project in the premises of the Chamber of Dodecanese.

The meeting was attended by representatives of transport companies, cruise operators, SMEs, executives of the Chamber of Commerce of Dodecanese and Port Authorities, members of the Institute of Transport and its branch in Rhodes, as well as private bus owners.

In his greeting, the Regional Councilor responsible for the Transport sector, Mr. Christos Bardos said: "The implementation of the RECREATE project is an integral part of the overall strategy of the South Aegean Region for the exploitation of all possible sources of funding, both European and National Resources, to boost regional development, taking advantage of the distinctive characteristics of our Region and incorporating modern and innovative technologies and tools into the everyday life of our enterprises and of local communities."

The focus of the meeting was the "Transport SME Competitiveness" report, a study to map the current status of the SMEs in the Transport sector in Greece and the other Regions represented in the Project Consortium (United Kingdom, Italy, Romania and Lithuania). The report will provide a common starting point for drawing up action plans in the five European Regions at a later stage of the project. The report will be finalised by the end of this year and will be available on the project website www.interregeurope.eu/recreate/.

