TRANSPORT INFRASTRUCTURE DEVELOPMENT FOR A WIDER EUROPE

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SESSION 1 – PLANNING INFRASTRUCTURE DEVELOPMENT

KEYNOTE INTRODUCTORY PAPER

“TRANSPORT INFRASTRUCTURE DEVELOPMENT, VIEW OF THE EUROPEAN COMMISSION”
BY
EUROPEAN COMMISSION
Within the EU and the enlarged EU the instrument for planning transport infrastructure development is the guidelines for the trans-European transport network. These have the legal base in the Maastricht Treaty of 1993 and were approved in 1996 by the Council and the European Parliament. The guidelines include the list of priority projects in the EU.

Outside the EU regional infrastructure planning is carried out by intergovernmental agreements, which provide a much looser concept of cooperation and require unanimity among the participants. This makes transport infrastructure planning outside the EU a very complex process.

The focus of the seminar is on issues concerning infrastructure planning between the enlarged EU, the wider Europe and beyond.

In the EU, strategic transport planning is being drawn up through two fundamental instruments:

- the trans-European transport network decided in 1996 and
- the Pan-European Transport Corridors and Areas as agreed at Crete in 1994 and Helsinki in 1997 for the connections of the EU15 with its neighbours.

**A) Trans-European transport network (TEN-T)**

As from the 1st of May 2004, our key enlargement date, the transport networks of the new Member States will be fully integrated into the trans-European transport network.

The guidelines for the development of the TEN-T network were approved in 1996. The Commission is in a process of reviewing and redefining these guidelines in order to take into account the enlargement process and to refocus and concentrate the funding and management of the network. The first proposal was made in 2001 and the second in October 2003. The revision added new priority projects to address the requirements of the enlarged EU and introduced new concepts such as “motorways of the sea”, “European coordinator” and “declaration of European interest”. (www.europa.eu.int/comm/ten/transport/revision/revision_1692_96_en.htm.)

The revision includes 29 priority projects, of which some are extensions to old projects and some are new ones. The motorways of the sea is a new priority project, which aims to ensure that transnational maritime links are treated with the same importance as land links. The aim is to develop transnational links to reduce congestion on land or to link peripheral countries. Projects could include port and access infrastructure, electronic
systems and start-up aids. For some large projects located on major European routes, the Commission proposes to set up a coordination team. The Commission would designate a personality, after consulting the Member States concerned, to be responsible for the coordination. The European coordinator would encourage cooperation with users and operators, promote the projects amongst private investors and financial institutions, including the EU, and keep the EU informed of progress so that, if necessary, measures can be taken to overcome possible difficulties. Declaration of European interest entails a concentration of different EU financial resources and an encouragement for Member States to stick to the agreed timetable; a project could be withdrawn from the list in case of unjustified delays.

Financing the network has proved to be a challenge. Only 20% of the projects identified in the 1996 guidelines have been completed. With €18 billion invested on average each year, of which Community funding accounts for €2.5 billion, it will take 25 years to complete the network. The European Investment Bank is providing loans for the TEN-T in the EU 15 for about €5 billion per year and in the Accession Countries for about €1.5 billion per year.

Due to funding difficulties and delays, the Commission adopted in April 2003 a Communication looking at innovative funding solutions. It would like to see more private and public partnerships, better co-ordination of the structures involved, the setting up of European companies, which could have an overall responsibility for cross border projects and the possibility for the Union to share a part of the risks incurred. The revision of the TEN Financial Regulation will also bring changes to the funding of the TEN-T network. It is proposed that cross-border sections of projects declared of European interest can benefit from TEN-T funds up to a 30% co-financing level.

**B) Pan-European Corridors and Areas**

Pan-European Transport Corridors and Areas were designed and agreed at Crete in 1994 and Helsinki in 1997. There are, at the moment, 10 corridors and 4 transport areas, some of which connect Europe with the Wider European countries. After enlargement two-thirds of the existing Pan-European Corridors will be within the territory of the EU and only one-third of the corridors will be outside the EU territory.

For this reason alone a fundamental re-assessment of the corridors development and management is needed. As economic and geopolitical realities change and new trade possibilities open up, the links towards the Far East or South-East Asia as well as the Mediterranean, become more attractive. There are suggestions to extend Corridors both eastwards to Trans-Siberia, Caucasus and Central Asia and southwards to Turkey, Iran and the Mediterranean.

However, a real effort to implement the exiting Pan-European Corridors should be achieved by everyone involved, before extensions should be considered. In the 3rd International Euro-Asian Transport Conference, Commission Vice-President de Palacio called for a rethinking of the Corridor concept. The number of corridors should probably be limited to a level, which is manageable and affordable in terms of financing. The net
result of the revision could be a series of streamlined corridors starting in the heartland of the EU and extending ultimately to Asia and the far ends of the Mediterranean. These redefined corridors or axes, would need close and systematic supervision in order to be realised in a reasonable amount of time. A number of useful management techniques have been developed for the corridors. These structures (MoUs, steering committees etc.) are expected to make progress with the identification of inventories, bottlenecks, priority projects and investment planning. These would allow for prioritisation of financing, especially under condition where grant funding is not normally available and thus the financing institutions have an important role to play.

**Wider Europe**

In the Communication on the “Wider Europe – new neighbourhood” a new framework for relations between the enlarged EU and its surrounding areas is outlined. It covers Russia, the Western NIS and the Southern Mediterranean. The key challenges and opportunities are summarised as proximity, prosperity and poverty. Geographical proximity will increase the value of developing a comprehensive policy of close association between the regions. Prosperity and poverty on different sides of the borders are serious issues. These are often linked to the political instability and economic vulnerability in the wider European countries. It is of vital importance to both regions to ensure balanced and sustainable development. The EU approach includes among other things a priority to better integrate transport, energy and telecommunications networks.

**Mediterranean links**

In a communication “on the development of a Euro-Mediterranean transport network” the Commission outlined the lines of action to link the main routes of the TEN-T to the Mediterranean basin. Economic and political realities clearly underscore the priority which must be given to developing the Euro-Mediterranean transport network. To make this network a reality it is necessary to plan the network and to identify priority investment projects, to make the necessary funding available and to incorporate common transport policy objectives into the plan. The analysis of the network will be based on the corridors and the following multimodal corridors are likely to promote regional integration and coherence between the two networks: the trans-Maghreb multimodal corridor and the double corridor of the eastern Mediterranean. Maritime and air links are important in the region.

**South East Europe**

In relation to the South East Europe, the Commission has, in close cooperation with the partner countries and international financial institutions, defined a core transport network for the region and is actively involved in its implementation. Studies have been devoted to analysing the network and identifying priority investment projects. The countries together with the Commission are in the process of signing a memorandum of understanding for the development of the core network and setting up a transport observatory to promote and monitor its implementation.
Border-Crossings

The border crossing procedures are an important factor in the transport chain. The enlargement of the EU will push its external borders further east and south. The Schengen agreement means lifting of internal border controls in the EU. It will be applied some time after the accession depending on the readiness of the countries to implement the Schengen acquis. Thus the new external borders will have to be strengthened, but at the same time we have to ensure efficient and speedy border control procedures.

Conclusion

The concept of the Pan-European Corridors and Areas concept should be revised. Links to the wider Europe and beyond are important for prosperity, trade and economic growth. The environment has changed with the coming enlargement and the fact that two thirds of the Corridors will be within the territory of the enlarged EU makes it obvious that we have to rethink the future of the Corridors. The discussions for a new concept were launched by the Vice President, Mme de Palacio at the Euro-Asian International Conference on Transport in September this year. The revision process should be open for all relevant international organisations and the countries concerned. It should lead to a revised concept for the development of Transport Corridors and Areas across a wide geographical area covering the South East Europe, the NIS countries and the Mediterranean. An analysis of the existing and future corridors using the criteria similar to the one used in the High-Level Group on the TEN-T should be done. The inclusion of the motorways of the sea should also be looked into.