

FIEC note on the Commission's Green Paper on TEN-T

Introduction:

The European Commission (DG TREN) adopted on 04/02/2009 a Green Paper setting out the past achievements and future challenges of its policy for a Trans-European Transport Network (TEN-T) in order to open a wide stakeholders' consultation aiming at broadly reviewing the TEN-T policy.

Combating climate change, better connecting the EU with its neighbors and the wider world, better supporting the economic and social development of the Lisbon Strategy, promoting economically and environmentally efficient, safe and secure transport services, as well as drawing lessons from the TEN-T policy implementation difficulties so far are the key challenges identified by the Commission for the future developments of the TEN-T.

The Commission therefore sets out future objectives and proposes 3 options for TEN-T development, while stressing the need for coherence between planning ambitions and instruments for their implementation.

Current TEN-T policy:

The current TEN-T policy is based on the TEN-T Guidelines, as adopted in 1996 and last amended in 2004, which include 2 planning layers:

- a) A "comprehensive network" layer = outline plans for rail, road, inland waterway, combined transport, airport and port networks all over Europe;
- b) A second layer of 30 priority projects = selected trans-national projects of common European interest.

The implementation of this planning is supported by various financial instruments – including the TEN-T Financial Regulation, the Cohesion Fund, ERDF, and loans from the EIB – and non-financial instruments, such as coordination initiatives taken by the Commission.

Green Paper main objectives:

- To take account of EU and global political, economic, social and environmental developments (e.g. climate change, EU's relations to its neighbors and wider world);
- To develop efficient, competitive, safe and secure transport services;
- To promote a strong network integration as the basis for "co-modal" services (combination of modes, optimal interconnections) for passengers and freight;
- To promote technological innovation in the transport sector;
- To draw lessons from the TEN-T policy implementation difficulties and delays, due to the gap between planning objectives and instruments available for their implementation, in particular as regards the TEN-T priority projects;
- To redirect Community action towards actions/projects with a high European added value and to examine a possible stronger European dimension in TEN-T planning.

Green Paper's key messages:

- TEN-T policy remains vital to support Community's economic growth, social and economic cohesion and sustainable development.
- Future TEN-T policy needs to build on past achievements and ensure continuity of the previously agreed approach – in particular the completion of priority projects. At the same time, it needs to be

open to new approaches to respond to future political, economic, environmental and technological challenges and opportunities.

- TEN-T policy needs to strengthen the integration of the network: combination of modes, optimal interconnection, and integration of intelligent transport systems to ensure efficient infrastructure use.
- The role of transport infrastructure “at service of transport services” is strengthened, with emphasis on stronger network integration as basis for efficient and competitive co-modal services for passengers and freight → development of ports and hinterland connections, interoperable rail freight corridors and “green” corridors, inter-modal connections, new pricing systems stimulating efficient infrastructure use, etc.
- New technologies and intelligent transport systems, both vehicle and infrastructure related, offer opportunities on which TEN-T policy needs to respond.
- Community action in this field requires a stronger focus on “European added value”. TEN-T planning, although strongly depending on national laws and procedures for transport infrastructure planning and implementation as sovereign national responsibility – may need a stronger Community dimension. TEN-T policy and planning ambitions and instruments for their implementation need to be better aligned.

Commission’s new approaches’ proposal:

The Commission proposes 3 different options for future TEN-T planning, which entail different requirements concerning the implementation instruments.

- 1) “Dual layer: comprehensive network and priority projects” (current structure – see above)
- 2) “Single layer: priority projects only – possibly in extended form”
Description: priority projects in current form, amended as necessary, complemented by priority infrastructure needs resulting from requirements of various transport services. Priority projects might possibly be connected, and amended as appropriate, into a “priority network”.
- 3) “Dual layer: comprehensive network and ‘core network’”
Description:
 - Comprehensive network (modal outline plans and traffic management systems as included in current TEN-T Guidelines) maintained in current form.
 - “**Core network**” consisting of:
 - a) a “**geographical pillar**” = a “priority network”, starting from the current priority project approach, which links up and extends as necessary major trans-national axes, important nodes as inter-modal connecting points (ports and hinterland connections, airports, freight terminals, etc.) and major European action in the field of intelligent transport systems.
 - b) a “**conceptual pillar**” = provides the basis for the identification of projects, corridors and network parts over time; based on short, medium and long-term service needs; highly business oriented. This pillar is defined through conceptual features such as objectives, criteria, etc., and provides a basis for transparent and objective project identification (also as a basis for possible Community funding).

Within this third option, “traditional” large scale TEN-T projects shall be complemented by measures of smaller scope and shorter time span that are subject to European initiative, with emphasis on efficient infrastructure use.

Implementation/financing aspects:

The Commission recognizes that, until now, instruments (financial or not) used for the implementation of the policy TEN-T have not been sufficient and adapted to what was planned. The Commission therefore presents

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some financial and non-financial instruments, stressing the need to establish a good match between the policy ambitions and the availability of suitable instruments:

- TEN-T financing remains a key issue where Member States need to make stronger commitments. Community grant instruments need to be combined in the most effective way and targeted to projects with Community added value, public-private partnerships need to be further stimulated and the efficiency for existing and the need for new instruments should be reviewed.
- Besides financial instruments, non-financial instruments to support TEN-T implementation by Member States need to be strengthened and complemented as necessary: strengthening of the role of European coordinators, need for "corridor coordination" and "open method of coordination".

Comments:

- While DG TREN asked last year to FIEC to work on financial solutions for the better and quicker implementation of TEN-T, the Commission wants here above all to review the TEN-T planning option. The Commission intends to proceed in 2 stages: firstly, defining a new TEN-T planning strategy, and secondly, to further work on financing solutions depending on the retained strategy.
- As regards the proposed planning options, it seems clear that the Commission is very much in favour of the 3rd proposal (comprehensive network + "core network"). As this option is the broader one, the question is now whether this last option would also be the most expensive one or not...
- If this 3rd option is retained, a very careful attention should be given to the mentioned "criteria" which will be developed in order to identify the "projects of common interest".
- The strong focus made on the climate change challenge may lead to the "black listing" of road projects in the future.
- The following financial and non-financial instruments presented by FIEC in its contribution of July 2008 to DG TREN have been retained by the Commission and presented in the Green Paper: earmark infrastructure charging and internalization of external costs to new transport infrastructure and technologies, encourage the completion of national parts of projects through a more binding responsibility for Member States, look beyond any one period of Community financial perspectives in order to provide investors with more certainty for the entire project implementation period, intensify the role of private sector, support PPPs, strengthen the role of the EPEC (European PPP Expertise Center), better coordinate the available budgetary resources (TEN-T budget, Cohesion fund, ERDF and EIB loans), develop innovative instruments such as Eurobonds, expand the role of TEN-T coordinators. (other?)
- However, the Commission did not deepen the reflection on these proposals yet. Possible instruments are only very briefly presented.

Next steps:

The Commission's consultation will be open until 30/04/2009.

A stakeholder's conference presenting the results of the consultation will take place in May 2009.

The European Parliament is also preparing an own-initiative report on the future of the TEN-T which is foreseen to be adopted in April 2009.

The FIEC ad-hoc working group on TEN-T will prepare a contribution to the consultation and propose amendments to the EP draft report.