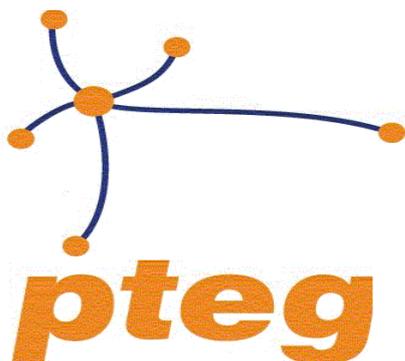


**GREEN PAPER ON THE FUTURE OF THE TEN-T:
RESPONSE OF THE PASSENGER TRANSPORT EXECUTIVE GROUP (PTEG), UK**



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INTRODUCTION: PTEG

pteg represents the six Passenger Transport Executives in England which between them serve eleven million people in the conurbations of Tyne and Wear ('Nexus'), West Yorkshire ('Metro'), South Yorkshire, Greater Manchester, Merseyside ('Merseytravel') and the West Midlands ('Centro'). Transport for London and Strathclyde Partnership for Transport (STP) are associate members.

KEY POINTS

The main part of this report contains our detailed response to the various questions posed in the green paper. We would first like to draw attention, however, to the following key points:

- It is important to get the balance right between improving urban transport networks and developing the TEN-T. According to the European Parliament's recent report on the Urban Transport Action Plan, only 9% of the Structural Funding for transport is earmarked to urban transport. Only relatively small amounts of dedicated EU urban transport funding (such as CIVITAS Plus demonstration funding) currently exist. Urban transport scores very highly on social, environmental, economic and value-for-money grounds and is the best form of transport investment for furthering the Lisbon and Gothenburg agendas. The balance of EU transport funding should better reflect this. Furthermore, within the TEN-T the Commission should consider proposing a TEN-T urban priority to look at the urban aspects of TEN-T development and to encourage wider exchange and joint projects between the EU's cities.
- The comprehensive network remains an important element in terms of ensuring the access function to the priority projects, easing congestion, and allowing regions and member states to direct Structural Funds to the transport projects they consider most relevant. The Commission should take a cautious approach, however, to using the comprehensive network as a way of legislating in new transport areas.
- Any enhanced focus on ITS in the TEN-T should be on applications that are clearly tailored to the needs of the transport user – be it companies or individuals – and have user accessibility built-in.
- The focus in TEN-T should always be on the most sustainable modes. This should apply across the set of priority projects/priority network as well as within individual priority projects (so, in the case of multi-modal priority projects, such

as the railway-road axis Ireland/UK/continental Europe, the focus should be on, say, inter-modality and rail).

- The current intervention rates and amounts of funding for the dedicated TEN-T fund are too low to have any significant leverage effect and do not adequately encourage delivery of the network by member states.

DETAILED RESPONSE

Q1 Should the Commission's assessment of TEN-T development to date cover any other factors?

A more detailed breakdown of the EU funding allocated so far, for both Structural Funds and the TEN-T fund, would be useful and should cover the following elements: modal split; the comprehensive network versus the priority projects; member states; the individual project size; cross-border versus domestic routes.

Data and analysis should also include carbon backcasting and forecasting for TENs programmes so far (by mode) for schemes implemented and for the networks proposed

The green paper sees the motorways of the sea as a very promising concept for future development. This assertion needs to be backed up with data on development of the motorways of the sea priority project so far; in progress reports on the TEN-T the data is scant when compared to the other priority projects or even completely missing.

A more detailed analysis of development of the cross-border sections would be helpful. The cross-border sections of the priority projects are still inadequately implemented, despite the higher intervention rate for such projects under the TEN-T fund. The exceptions would seem to be where a project is less about heavy infrastructure (such as ITS development) or where there is a very obvious national interest and existing bilateral co-operation (such as Eurostar). How much is the fact of being on a priority project driving such development at present?

We note there is no suggestion in the green paper for revising, cutting or adding to the existing priority projects. This option should have been explored, since in the Commission's own analysis some priority projects contribute more to trans-national trade, cohesion and sustainable modal shift than others. The green paper is about how the TENs can better serve the Common Transport Policy. The current Common Transport Policy was initially about modal shift from road and then (following the 2006 mid-term review) about getting greater efficiency out of existing modes. While most of the priority projects (and TEN-T spend) are directed at more sustainable modes, some member states (such as the UK) have good share of their priority projects on road axes (or multi-modes axes including road). The green paper admits that a lot of current priority projects have not been realised because the challenges (geographical, budgetary, etc.) to their realisation are too great. This would suggest that these challenges need to be made more important factors in identifying the future priority projects/network - if it is not highly feasible it should not be on there. If member states want particular parts of their territory to feature on the list, they should perhaps have to demonstrate their own early commitment to completing the projects/network by including them more in their national budgetary and planning provisions. Given that there seems to be disappointing levels of progress on some priority projects, the Commission should ask member states to renew their commitment and demonstrate they are putting in the necessary funds and planning.

At the same time, the planning requirements need to be proportionate to the ultimate financial reward, or else they will be too off-putting.

Q2 What further arguments are there for or against maintaining the comprehensive network, and how could the respective disadvantages of each approach be overcome?

Regarding the comprehensive network, it is useful to set the priority projects into the context of the wider feeder network. The priority network cannot be planned in isolation from this. The comprehensive network is an essential prerequisite for a coherent set of priority projects and addresses the key issue of access to the priority projects. The interaction between the two layers is key. The comprehensive network can also alleviate congestion on the priority network.

The Commission asserts that the priority projects have been much more at the centre of EU efforts in terms of funding. This is questionable. Budget breakdowns show comparable amounts have gone to the comprehensive network and priority projects, especially when Structural Funds are included.

For the comprehensive network, rather than getting rid of this because it can never be funded adequately, it would be better to view it as an aspirational secondary network and a contextual one for the priority projects/core network. Regions and member states have clearly found it helpful to be able to direct EU Structural Funds to the comprehensive network and it would be useful for this possibility to continue.

However, there is a greater probability that the comprehensive network will have synergy with member states' priorities than the priority network. The existence of the comprehensive network may therefore enable member states to consider they are contributing to TEN-T when they are only progressing their own priorities.

Another aspect of the current comprehensive network that needs to be treated with caution is its use by the EU as a route into legislating on new areas of transport policy. EU legislation has been introduced on, for instance, road tolling (Eurovignette and technical interoperability) and tunnel safety on the comprehensive TEN-T network where otherwise the EU would have had more difficulty in introducing legislation.

Q3 Would the priority network approach be better than the current priority projects approach? If not, why not and what are the particular strengths of the latter? If so, what (further) benefits could it bring, and how should it be developed?

Although the current priority projects are all trans-national in nature and do cross national borders at some points, they do all have an end point, usually at a natural or national border. Linking up the priority projects into a priority network would create a more genuine trans-European network with more cross border crossings and, potentially, better incorporation of ports, airports, etc. as entry points to the network. (In the case of airports, the focus should be on hinterland connections and inter-modality, rather than development of the airport *per se*.) Since some of the priority projects are exclusive to particular modes, linking them up would also encourage a certain limited inter-modality on top of what exists at present.

However, many of the virtues the green paper attributes to the priority network approach (better incorporation of climate change considerations, greater interoperability) are unsubstantiated; they are not, in fact, inherent to the priority

network and could equally be achieved through revised priority projects and guidelines.

One problem identified in the green paper is the poor implementation of the existing cross border sections of the TEN-T. A priority network would have more cross border sections and so create an even greater imperative for a solution to the problem of non-implementation.

Numerous problems would result from the removal of the comprehensive network; these are covered in our response to question 2, above.

Q4 Would this kind of flexible approach to identifying projects of common interest (the mix of a geographical network and conceptual pillar) be appropriate for a policy that, traditionally, largely rests on member states' individual infrastructure investment decisions? What further advantages and disadvantages could it have, and how could it best be reflected in planning at EU level?

The conceptual pillar idea is very difficult to understand as presented in the green paper. However, the challenges facing transport development and the tools for meeting them are constantly changing and there needs to be a mechanism whereby this can inform the development of the wider TEN-T in a dynamic way. The conceptual pillar would also allow a useful focus on making the existing TEN-T modes more environmentally friendly and on decoupling transport and economic growth – as such it would be more consistent with the EU Common Transport Policy.

The conceptual pillar would be particularly welcome if it allowed greater focus to be given to the urban dimension of TEN development. Climate change and wider environmental protection are a clear EU competence and, in its recent reflection paper for preparing the next Common Transport Policy, the Commission acknowledges that 40% of CO₂ and 70% of other pollutant emissions in road transport concern urban traffic. Urban areas are also the places where the most immediate negative impact of road pollution in terms of human health and environmental degradation are felt. EU funding for the current geographically-defined TEN-T is disproportionate compared to the monies available for urban public transport projects under, say, CIVITAS. The TEN-T green paper also highlights the lack of visibility of TEN-T funding - more urban transport investments would have a greater visibility as 80% of EU citizens live in urban areas and the majority of their journeys are in those areas.

The green paper talks about putting the TENs more at the service of the Lisbon Agenda for more and better jobs and boosting the knowledge economy. Again, these objectives are not necessarily mainly about long-distance journeys across Europe and with Europe's neighbours. Effective local urban transport, allowing people in deprived urban areas to get to a wide enough range of employment centres for them to reach their full potential in the job market, may better serve the Lisbon Agenda. It is also important for people to be able to travel easily to work in adjacent urban areas.

On the most obvious level, an urban priority within the conceptual pillar could look at the issues common to the urban sections of the geographical network, such as: bottlenecks, the interaction between long-distance and local travel and achieving the right balance between passenger and freight transport. All are key to economic development and environmental goals but capacity issues are keenly felt in urban areas.

This could be widened, however, to create a trans-European platform for co-operation on urban transport issues, supporting cities in sharing best practice and undertaking joint work, such as joint procurement of clean vehicles.

Q5 How can the different thematic issues (demand management, airports, inland waterway, freight logistics, etc.) be best taken into account within the overall concept of future TEN-T development? What further aspects should be taken into consideration?

Support should generally be focused on the most sustainable modes, intermodality and increasing sustainability within modes. The development of airports and seaports needs to be better integrated with the development of land transport networks serving them.

On the question of demand management the Commission approach should be to facilitate innovative and responsive measures across the TEN-T, by benchmarking, best-practice platforms and supporting technological development, but not imposing a uniform structure, either via legislation (such as in the Eurovignette Directive) or by making demand-management measures a pre-condition for funding.

Many of the TEN-T bottlenecks occur in and around urban areas. This presents particular challenges for the wider economy. Many European cities face the combined challenge of increasing both freight and passenger numbers within limited infrastructure capacity.

Q6 How can ITS, as a part of the TEN-T, enhance the functioning of the transport system? How can investment in Galileo and EGNOS be translated into efficiency gains and optimum balancing of transport demand? How can ITS contribute to the development of a multi-modal TEN-T? How can existing opportunities within the framework of TEN-T funding be strengthened in order to best support the implementation of the ERTMS European deployment plan during the next period of the financial perspectives?

ITS is key to achieving many of the EU objectives. There is a real need to better integrate passenger and freight transport needs, and vehicle and infrastructure developments (especially the consequences of changing fuel and environmental strategies) with demand management. Access to information through ITS is likely to be key to this. We feel this should be as much about innovative and accessible applications of existing technology (such as the French Bison Futé motorway information system) as about developing more high level technology (Galileo satellites). A focus on user needs from ITS – at the level of the individual company or passenger – is key.

Accessibility needs to be built in from the outset so that ITS solutions are as comprehensible and accessible to as wide a range of users as possible; this is especially important in the context of demographic change and the ageing population. Accessibility here is two-fold: the technology itself needs to be accessible but it also needs to provide comprehensive information on accessible transport solutions. Accessibility also needs to take into consideration not only people with reduced mobility but also social exclusion factors (affordability and availability of technology, access of deprived areas to infrastructure, etc.)

Q7 Do shifting borderlines between infrastructure and vehicles or between infrastructure provision and the way it is used call for the concept of an (infrastructure) project of common interest to be widened? If so, how should this concept be defined?

This point was not clear in the green paper.

Q8 Would the proposed core network be "feasible" at Community level, and what would be its advantages and disadvantages? What methods should be applied for its conception?

One of the main problems identified in the green paper is the dilution of funding available for the TEN-T. The core network, despite its name, is actually the most expansive of the options put forward, since it involves: on the one hand, keeping the comprehensive network and co-existing with it; and on the other hand having a core network that joins up the current priority projects into a priority network and includes a new conceptual pillar. This would actually increase the length of routes covered by the TEN-T and lead to a further dilution of the funding, unless more funding is identified for the network. The use of the word "core", with its suggestions of a reduced structure, is therefore misleading and a more appropriate alternative should be found.

Since the core network incorporates the proposed new priority network approach, some of the challenges of the priority network, as outlined in our response to question 3 above, also apply to the core network.

Q9 How can the financial needs of TEN-T as a whole (in the short, medium and long term) be established? What form of financing – public or private, EU or national – best suits what aspects of TEN-T development?

We would agree with some of the Commission's analysis on how to improve assessing the funding needs for priority projects or a priority network. The proposal to split up the funding needs assessment into short-, medium- and long-term priorities makes sense as long as a certain flexibility is built in. The proposal for the EU to make financial commitments to the TEN-T beyond each EU budgetary period will help to create a greater degree of certainty.

Binding member states into budgetary commitments needs to be treated with caution: member states need to keep budgetary flexibility in order to adapt best to changing needs and opportunities.

For the comprehensive network, rather than getting rid of this because it can never be funded adequately, it would be better to view it as an aspirational secondary network and a contextual one for the priority projects/core network. Regions and member states have clearly found it helpful to be able to direct EU Structural Funds to the comprehensive network and it would be useful for this possibility to continue.

One of the main reasons for non-completion of the TEN-T is the low intervention rates and amounts available from EU sources relative to the overall cost of the network; this means the EU funds have very little leverage effect.

Given the identified need for greater intensity of funding, it is important to ensure that routes within the EU are completed before turning our attention to routes outside the EU.

Q10 What assistance can be given to member states to help them to fund and deliver projects under their responsibility? Should private sector involvement in infrastructure delivery be further encouraged? If so, how?

See our point on the low leverage effect of EU funds in our response to question 9, above.

The Expertise Centre shows the role the EU should be taking on PPPs – facilitating best-practice exchange and replication by member states but not imposing PPP uptake. The same principle should apply to user charging

Q11 What are the strengths and weaknesses of existing EU financial instruments, and are new ones needed (including "innovative" instruments)? How could the combined use of various funds be streamlined to support TEN-T implementation?

We would accept that intensity of funding (the relatively small dedicated TEN-T budget, the restrictions on using Structural Funds in Competitiveness regions and the generally low co-financing rates) are a considerable barrier to take up. For the current EU budgetary period (2007-13) the Commission wanted EUR 20bn to go to the TEN-T fund but only got EUR 8 bn; the higher budget would also have allowed, in the Commission's estimation, a raising of the co-financing rate to 50%.

Regarding the dedicated TEN-T fund, the very low intervention rates (10-20% for most routes) mean that project proposers have to identify substantial match funding before they can apply. The timing of this match is not always compatible with the annual TEN-T calls for proposals. It might therefore be easier for project proposers if the TEN-T fund had a "rolling" call for proposals, with submissions being welcome at any time.

There is a need for simplification of the calls for proposals under the TEN-T. If we take the 2009 call as an example, not only are there separate calls for the annual and multi-annual programmes, but there is a further separate call for the money brought forward for TEN-T development under the recent EU Economic Recovery Plan. Certain types of projects could also be eligible under both the annual and multi-annual strands, leading to further confusion. One option would be to remove the different strands and have only one programme.

Although national governments are responsible for submitting applications under the TEN-T fund, the Commission should undertake more consultation and promotion with regional stakeholders as often the applications are developed by or in partnership with them. Indeed, the requirement to submit through national governments should be re-examined. There is a tendency toward centralisation in the TEN-T. In particular, urban metropolitan transport authority involvement should be boosted, as these are the organisations having to address urban bottlenecks and competing freight/passenger priorities.

TEN-T funding should have a larger focus than at present on urban bottlenecks as these adversely affect both long-distance journeys and large-volume local urban journeys.

In terms of the Cohesion Fund, the decisions on such funding is taken at member state level, whereas by its very nature TENs funding investment requires cross-member-state decisions. Conversely, in Competitiveness Regions (most of the UK)

Structural Funds investment in transport is limited by the ERDF Regulation and sometime frowned upon in practice.

We would agree with the Commission's analysis that more innovative EU financing instruments need to be explored and the different existing instruments need to be better linked up. While we can see the rationale behind the suggestions for, say, better cost-benefit analysis or checks for "geographical asymmetries" before funding is allocated, the EU needs to be careful to avoid creating layers of bureaucracy that will discourage good projects from applying. This will only serve to exacerbate the main identified problems of poor uptake of funding and implementation of the network. With the EU funding only a small proportion of total costs, the take-up and implementation will remain low. A small contribution from the EU is insufficient to lift TEN-T schemes up the list of national priorities. Funding needs to be targeted but balanced with simplicity. Any increase in funding conditions should be accompanied by at least an equal increase in the amount and rate of funding available.

Q12 How could existing non-financial instruments be improved and what new ones might be introduced?

The European co-ordinators for cross-border sections could be further developed, but always in a facilitating role. Stakeholder partnerships for bottom-up priority corridors are also supported, but more elaboration is needed on how the EU can best encourage these, given their bottom-up nature.

The idea of an Open Method of Co-ordination - with broad priorities (but no binding provisions) set at EU level and the details of implementation left to the member states alongside a requirement of them to report back regularly - which is currently used in, for instance, the social policy area - would be of limited benefit. While the OMC does help to inform the broad debate in the member states, a lot of them, in their reporting, merely retrospectively present existing national initiatives as fitting the broad guidelines set at EU level. Whether the EU guidelines actually influence the detail of national legislation is doubtful.

Q13 Which of these options is the most suitable, and for what reason?

The comprehensive network remains an important element in terms of ensuring the access function to the priority projects, easing congestion, and allowing regions and member states to direct Structural Funds to the transport projects they consider most relevant. The Commission should take a cautious approach, however, to using the comprehensive network as a way of legislating in new transport areas.

The priority network idea, as part of a core network which also includes a conceptual pillar, is worthwhile as long as considerable extra funding can be identified from the next EU budget and innovative solutions are found to the problem of non-implementation of cross-border sections. The change to a priority network should not be used as a pretext for introducing many new commitments from the member states.

The conceptual pillar may be a useful way of ensuring development of the network remains dynamic and including more non-infrastructure and non-geographic elements into TEN-T. However, the concept remains unclear. We would particularly encourage development of an urban priority to look at the issues common to the

urban sections of the network, such as bottlenecks and the interaction between long-distance and local travel.
