



EUROCITIES RESPONSE TO EUROPEAN COMMISSION GREEN PAPER ON TEN-T

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

EUROCITIES has identified other factors that have affected and will continue to affect the development of TEN-T in the future. These are the following:

City growth and increased urban transport: The European Commission's report on the Future of Transport shows that transport demand is expected to continue increasing in urban areas, which we believe puts urban transport at the centre of any discussion on the future of transport.

In order to achieve the common objective of cohesion, interconnection and interoperability of the Trans-European Transport Network, as well as access to that network, cities and relevant transport authorities must be involved in the planning and delivery of strategic transport investments, in partnership with regional and national authorities. Therefore, the traditional planning approach of the national level as the sole negotiator within the TEN-T framework, needs to be reconsidered. Where attention is not paid to the connectivity between strategic infrastructure and urban transport systems, TEN-Ts simply create and/or displace congestion, concentrate pollution and fail to achieve the modal shift and economic benefits expected.

Congestion: The current situation is characterised by the saturation of some European routes in and around urban centers, where the major interchanges of freight and passengers corridors are located. To solve the existing problems and prevent recreating them elsewhere, greater involvement of city governments is necessary. This engagement has so far been very marginal, due to a range of obstacles, which limit the possibilities for cities to have a say in the implementation of TEN-T projects. EUROCITIES believes this prevents the full potential of TEN-Ts being exploited for the benefit of the communities they ultimately serve, regional/national economies and the competitiveness of Europe as a whole.

Modal shift towards more sustainable modes remains crucial for EUROCITIES members, to ensure that environmental goals and sustainable transport objectives can be achieved.

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

TEN-T as a comprehensive network should be maintained. However, the EU could play a more prominent role in helping to overcome transnational and cross-border alliances during the creation of the network.

Q3 *Would this kind of 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?*

EUROCITIES favours a priority network approach. This implies the involvement of all stakeholders, at all levels, based on a global and comprehensive approach, as opposed to a projects approach.

Q5 *How can the different aspects outlined above be best taken into account within the overall concept of future TEN-T development? What further aspects should be taken into consideration?*

Passenger / freight transport: Special attention should be paid to the transport of hazardous goods. This kind of transport is increasing rapidly, both by train and truck. Trains with hazardous goods have to drive slowly at a stable pace through urban areas, which - on heavy duty routes - hinders the free flow of passenger trains. In many cases it will not be possible to create free lanes for freight transport. At the international level, Member States and the EU should focus on special corridors for this specific kind of transport.

Airports: It is very likely that air freight and passenger transport will increase again as from next year, despite the financial crisis. Regional airports are increasingly dealing with medium and long distance transport. They should be better connected to other modes in order to avoid subsequent congestion.

Waterways: European cities recommend fostering waterways as part of the modal split, both in terms of the role of waterways in urban areas, and in connecting main ports and the hinterland. The EU should support intelligent solutions to help move away from heavy transport modes onto lighter systems in urban areas.

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?*

In addition to the current focus on ITS systems for vehicles, we recommend developing ITS for connections throughout the whole mobility chain, in order to support the effectiveness of public transport. This could include mobile phone information systems, integrated ticketing and optimised timetable systems for smoother and faster interchanges.

National governments and railway companies should also speed up the deployment of ERTMS, especially in order to foster cross-border and interregional transnational rail traffic. This could help stop the rise in freight traffic on TEN-T highways, and contribute to fighting climate change.

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?*

European cities would welcome the launch of one or several European joint pilot projects on infrastructure that would involve R&D institutes, industry (automotive) and public authorities at all levels, with a focus on how to combine the use of "old" and "new" techniques on the same infrastructure. Such pilot projects should be promoted and financially within the TEN-T programme.

Q8 *Would this kind of core network be "feasible" at Community level, and what*

would be its advantages and disadvantages? What methods should be applied for its conception?

A "core network" will always cause discussions on what the exact 'core' should be. Member States, regions and cities will want to be part of the core. Free flow of goods and passengers requires an optimal infrastructure at all levels, especially from the point of view of territorial cohesion.

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, Community or national - best suits what aspects of TEN-T development?*

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

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

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

Flexible approach for financing: Transport infrastructure is investment intensive. In order to mobilise various sources of funding and promote public-private partnership, a flexible approach to combining funds will improve the overall efficiency of the project. Finding solutions for the lack of EU resources devoted to the TEN-T budget should remain a priority for the European Commission.

Private sector support: Involvement of other stakeholders, such as private sector actors, is crucial and can also increase the potential for job creation and innovative funding. There is a considerable role for Public-Private Partnerships in the financing of transport projects. Responsibilities for developing PPPs reside both at national and local level depending on the specific sector.

EU coordination role: The EU should play a greater role in coordination at transnational and cross-border level in order to optimise the success of TEN-T projects. We welcome the increased role of the European Investment Bank in designing instruments for cities and believe this could be further developed in the future.



THE NETWORK
OF MAJOR
EUROPEAN
CITIES

EUROCITIES statement on the Trans-European Transport Network

Urban dimension of international accessibility

EUROCITIES

EUROCITIES is the network of major European cities. Founded in 1986, the network brings together the local governments of over 135 large cities in some 34 European countries. EUROCITIES represents the interests of its members and engages in dialogue with the European institutions across a wide range of policy areas affecting cities. These include: economic development, the environment, transport and mobility, social affairs, culture, the information and knowledge society, and services of general interest.

EUROCITIES website: www.eurocities.eu

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EXECUTIVE SUMMARY

Trans-European Transport Network policy is currently at a crossroads. This is in part due to the current economic situation that obliges Member States to review financial engagements for the next period, and also to the need to find solutions for the pressing environmental challenges.

EUROCITIES, the network of major European cities, believes that urban transport arrangements must be an integral dimension of planning for TEN-Ts as cities are the major centres of population and economic activity.

TEN-Ts will not optimise return on investment as strategic transport infrastructure unless they are connected effectively to the ultimate origins and destinations of people and goods. This requires the practical involvement of the relevant city administrations and transport authorities in planning and delivering strategic transport investments alongside regional and national authorities.

Our case studies show that where this is the case modal shift towards more sustainable modes can be achieved and the sustainable return on investment in strategic infrastructure optimised. Where attention is not paid to the connectivity between strategic infrastructure and urban transport systems, TEN-Ts simply create and/or displace congestion, concentrate pollution and fail to achieve the modal shift and economic benefits expected.

Transport infrastructure is investment-intensive. In order to mobilise various sources of funding and promote public-private partnership, a flexible approach to combining funds will improve the overall efficiency of the project. Finding solutions for the lack of EU resources devoted to the TEN-T budget should remain a priority for the European Commission.

This position paper is the latest stage of EUROCITIES engagement on this theme, building on work contributed to the EU Slovenian Presidency on Action 1.1 of the First Action Programme for the implementation of the Territorial Agenda of the EU. EUROCITIES and its members remain committed to working together with the European Commission and the European Parliament to develop an effective policy response to this challenge, which will contribute to the fight against climate change and ensure sustainable urban development to the benefit all European citizens.

1. The context

Transport networks are the arteries of the EU internal market and their malfunction results in job losses, worsening of congestion and pollution. These networks cannot be fully operational if the issue of bottlenecks remains a major barrier to their smooth functioning. These barriers may be capacity and infrastructure-related, linked to national border crossing, lack of interoperability or environmental conditions.

The current situation has been characterised by saturation of some European routes in and around urban centers, where the major interchanges of freight and passengers corridors are located. To solve the existing problems and prevent recreating them elsewhere, greater involvement of city-level government is necessary. This engagement has so far been very marginal, due to a range of obstacles, which limit the possibilities for cities to have a say in the implementation of TEN-T projects and prevent the full potential of TEN-Ts being exploited, for the benefit of the communities they ultimately serve, regional/national economies and the competitiveness of Europe as a whole. Obstacles include institutional and administrative barriers, legal restrictions, financial limitations, and public opposition to certain types of policy instrument such as national level pricing.

2. The challenges to a more integrated approach: cities as the lynchpins of international accessibility

The national level remains key to the effective coordination of Trans-European Transport network projects.

This is also true in terms of the relationship between transport and other policy areas, such as urban and land-use planning. Measures taken at national or local level need to be consistent to avoid unnecessary increases in the need for mobility, which can be caused by poor planning of the distance between shops/home and the intermodal hubs in the cities.

In order to achieve this common objective of cohesion, interconnection and interoperability of the Trans-European Transport Network, as well as access to that network, **cities and relevant transport authorities must be involved in the planning and delivery of strategic transport investments, in partnership with regional and national authorities.**

In situations where cities were involved at a very late stage, at the implementation and financing phase of the projects, considerable difficulties were experienced in gaining public support for and acceptance of the final policy.

This is very clearly illustrated in **the example of the Trans-European Network Priority Project n° 6 from Lyon to Budapest via Turin**. Severe problems have occurred in the Italian section of the corridor, caused by the ongoing discussions between the Italian government, the region and the citizens of Val di Susa. As a result, the project has been extensively delayed.

PROJECT CASE STUDY: Trans-European Network Priority Project N°6 from Lyon to Budapest via Turin.

Actors involved: European Commission & French, Italian, Slovenian and Hungarian national governments.

FOCUS: To increase capacity on the congested Franco-Italian crossing and make rail more competitive as a transport mode by building a transalpine base tunnel.

Where the problem lies: The deadlock in the implementation of the project stems from a problem at the Italian border. Strong resistance from citizens prevented the construction of the railway line due to environment and social concerns.

Solution: An observatory was established and enabled better information transfer between the Italian national level, the regional authority and the people living in the area. The project had been long portrayed as part of a policy of major works and this was not well received by a substantial proportion of the population, who feared adverse effects from the construction of the infrastructure. The likely benefits that might arise from of a new policy of mobility in the Alps that would priorities the use of less polluting means of transport had not been well communicated.

More information:

http://ec.europa.eu/atwork/synthesis/aar/doc/tren_annexes6_7.pdf

Another example, the **MONT cooperation project**, provides a contrasting situation, where the problem lies in the cross-border nature of the project.

THE PROJECT CASE STUDY: MONT Cooperation project at the axis of the metropolitan areas

FOCUS: The creation of a natural gateway to the main Central Europe Trans-European Network through co-operation, which links the Eastern Provinces of the Netherlands to Germany.

ACTORS involved: European Commission, Dutch and German national levels, cities.

KEY to success: The project platform enabled better communication between the cities involved facilitating their dialogue with the respective national levels. The cooperating cities formed a platform and created a critical mass that supported their involvement as cities in the process of upgrading this corridor. This process is ongoing and still faces several problems related to the number of authorities involved on both sides of the border and a lack of standards for cross-border cooperation.

More information: <http://www.osnabrueck.de/mont/25495.asp>

These examples illustrate that to avoid creating an increasingly fragmented context, the classic planning approach of the national level as the sole negotiator within the TEN-T framework, needs reconsidered. Given the multitude of issues that have to be addressed the framework for negotiation must be a multi-level framework. Such an integrated approach can produce significant results, as shown by the case of the **city of Lille's involvement in the negotiation of the TEN-T Priority Axis n° 2**.

PROJECT CASE STUDY: Lille High Speed Station within TEN-T Priority Axis N°2

ACTORS involved: European Commission, French and Belgium national levels, city of Lille.

FOCUS: Establishing link from the city of Lille to be connected to a planned high-speed station.

KEYS to success - The involvement of the city of Lille resulted in a new plan to bring the line into/below the city and allowed Lille to establish a new city centre around the new Euralille (Lille-Europe) station and has put Lille (and in a broader sense the Nord Pas de Calais region) on the map of Europe. This has been instrumental in the positioning of Lille as the centre of a cross-border Euroregion that stretches into Belgium.

More information: http://ec.europa.eu/ten/transport/projects/index_en.htm

The previous examples made a case for better vertical integration. A similar reasoning is required to improve horizontal integration through involvement of other important stakeholders, such as private sector actors, and increase the potential for job creation and innovative funding.

PROJECT CASE STUDY: Railway axis Paris - Strasbourg - Munich - Vienna - Bratislava (implementation of the Trans European Transport Network Priority project No.17)

ACTORS involved: European Commission, national Ministries of the corridor countries, cities, regional associations, Chambers of Commerce.

FOCUS: Building of a transnational consensus involving private sector actors to facilitate the implementation of the project: 'Magistrale für Europa', an initiative which consists of cities, regional authorities and other stakeholders such as Chambers of Commerce in partnership with the French Association TGV Est.

KEYS to success - The involvement of the private sector through ongoing dialogue between various actors from different governance levels and technical stakeholders such as Chambers of Commerce facilitates the dialogue between the cities involved and their respective national levels. This allowed the city of Vienna to benefit from the construction of a new central station, adapted to its needs and through which the corridor could pass.

More information: <http://www.magistrale.org/>

Transport links are the cornerstone for economic development, social cohesion and environmental quality, both at the city level and at the regional level. Poor transport links can harm the competitiveness of cities and regions, of national economies and of the European Union as a whole. The development of these links is vital to the realization of Europe's Lisbon Strategy for growth and jobs. Job and cluster creation is a possible spin-off of TEN-T networks. The following example illustrates the importance of involving the private sector to strengthen the link between transport and sustainable economic development.

PROJECT CASE STUDY: Logistics in Wallonia

ACTORS involved: Port of Liege, the second largest inland port in Europe. It comprises 3 pillars: Hainaut - Liege - Luxembourg.

FOCUS: To increase the efficiency in goods deliveries, promote multimodal platforms and foster clean logistics.

KEYS to success: This is a good example of interoperability between a cluster and a medium sized city. "Logistics in Wallonia" promotes efficient logistics and multimodality for the transportation and delivery of goods, thereby supporting economic development and improving the accessibility of Liege and its neighbourhood.

Finally, another significant barrier to directly involving cities is their lack of direct responsibility for the issues under negotiation. While many cities have exclusive responsibility for land-use and for traffic management, most share responsibility for road building, public transport infrastructure and information provision with regional or national level authorities. However, a significant number do not have direct responsibility for public transport operations or pricing measures.

It is important not to reject a particular policy instrument, simply because there are barriers to its introduction. The examples that follow show that even when cities do not have direct responsibility, there are considerable benefits to be gained from their active involvement.

In the example below, the South Eastern Transport Observatory aims to promote the development of the core regional transport network between countries, which might have differing objectives in a number of policy areas and where national levels are sometimes very weak. The creation of an observatory helped the project gain the acceptance of the citizens of that region.

PROJECT CASE STUDY: Extension of the TEN-T Project - South Europe Transport Observatory

ACTORS involved: European Commission, Balkan countries' national governments, cities of the region, international financing institutions.

FOCUS: The establishment of the **South East Europe Core Transport Network** in the Balkans, with a permanent Secretariat, to implement the Memorandum of Understanding between the countries of the Region.

KEYS to success - In this case the creation of a common "monitoring body" helped to maintain the necessary degree of cooperation between the actors involved. The need for coordination of the TEN-T projects has led to the nomination of **Axis Coordinators with the role of developing and implementing** the network.

More information:

http://www.seetoint.org/index.php?option=com_content&view=frontpage&Itemid=1

Our case studies show that to maximise benefits from the TEN-T policy, an integrated planning approach is crucial. EUROCIITIES recommends that the European Commission and national governments:

- **Ensure vertical coordination between various institutional authorities.** The national level has a special role in this regard, because it is most often the policy-making level defining the framework conditions for coordination. Nevertheless cities can contribute to the overall success of the transport projects if they are made active participants in the negotiations.
- **Foster coordination between different policy areas and sectors.** This will include the involvement all stakeholders, including NGOs, citizen groups and stakeholders from business, research, and academia.
- **Facilitate the creation of an enabling framework for cooperation between various political institutions, regardless of their level of direct responsibility.** Diverse platforms, such as networks, working groups and partnerships can be set up at different levels and can facilitate the coordination or exchange of information and knowledge between territorial and urban development.

3. “Smarter” spending to overcome the financial crisis

The fear of recession and the lack of liquidity in the markets affect most areas of transport planning and implementation. In addition to the issues raised above, one of the main obstacles to carrying out these projects remains the difficulty of mobilising major capital to invest in transport projects. So far, only marginal amounts of structural funds have been dedicated to urban accessibility, or they have almost entirely been dedicated to infrastructure projects outside cities aimed at increasing road capacity.

In the case of major bundles of infrastructure, although public funding will have to remain substantial, other relevant funding sources e.g. public and private as well as national and international will have to be pooled together. For the Trans-European Transport Networks the role of international financing institutions such as the EIB will remain crucial.

Greater innovation is also needed in creating new funding mechanisms and there is a considerable role for Public-Private Partnerships in the financing of transport projects. Responsibilities for developing PPPs reside both at the national level and at the local level, depending on the specific sector. Decentralisation represents an opportunity to closely tailor service provision to local needs and thereby improve efficiency of public services. **The example of the financing of the HLS South Link in the Netherlands is a good example of this:**

PROJECT CASE STUDY: HLS South Link in the Netherlands

ACTORS involved: Dutch national level, four major Dutch cities, and private subcontractors.

FOCUS: To benefit from the international competitive position and to stimulate the Dutch economy. High-quality infrastructure attracts international businesses and that also creates jobs. Even now, the areas around the planned HSL stations are prime locations for (international) corporations.

KEYS to success: The establishment of an innovative funding approach such as the **Design-Build-Finance-Operate (DBFO)** bundled together private and public sectors financing. One commonality that cuts across all DBFO projects is that they are either partly or wholly financed by debt leveraging revenue streams dedicated to the project. Direct user fees (tolls) are the most common revenue source. However, others range from lease payments to shadow tolls and vehicle registration fees. Future revenues are leveraged to issue bonds or other debt that provides funds for capital and project development costs.

More information: <http://www.hslzuid.com/hslzuid/index.jsp>

EUROCITIES recommends that the European Commission:

- Provides a framework for greater innovation in how the private sector is involved in transport investments. It is important to stress the role of Public-Private Partnerships for the financing of transport projects.
- Allocates national level financing in order to combine smarter and innovative smarter funding packages that enable effective demand management and encourage modal shift.
- Investigates further the role of international financing institutions in funding innovation in transport, to help tackle the lack of liquidity in the current economic situation.

CONCLUSION

With a volatile economic situation, it is even more crucial that the Trans-European Transport Network avoids lost potential and negative impacts, such as increased congestion that threatens economic competitiveness. The examples provided in this EUROCITIES position paper showed the value of a review of the Trans-European Transport policy, in order to help it reach its full potential and enable Europe to respond coherently to the economic crisis.

The context of the European Commission Green Paper on the Trans-European Transport Network and the revision of the Transport White Paper make it essential to identify the tools that will enable cities to remove the bottlenecks and allowing the flows to travel smoothly.

Restarting the engines of European economic growth and competitiveness must be one of the EU's main priorities. EUROCITIES offers its expertise and political commitment to help the European institutions and national governments respond quickly and effectively to this crucial challenge, with solutions that will serve to build a more sustainable Europe in the long term.