

Registered organisation

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FNTF contribution to the Green Paper on the future TEN-T policy

The French Fédération Nationale des Travaux Publics (FNTF) represents 260 000 employees and gathers 8 300 contractors active in the 18 specialisations of public works (shaping of the living environment, development of transport, energy, water, and telecommunication networks, infrastructure maintenance and operation, construction of urban equipments, etc). In 2007, the FNTF member companies make a € 40.9 billion turnover in France (except overseas regions), and € 22 billion on the external markets, with more than a half of it in Europe. The FNTF is therefore fully integrated in the European Union and its internal market.

FNTF welcomes the European Commission Green Book on the Trans-European Transport Network (TEN-T), dated 4 February 2009, and entitled "A policy review – Towards a better integrated TEN-T at the service of the common transport policy".

By way of introduction, FNTF notes with content the European Commission's recognition of the TEN-T policy essential contribution to the single market and territorial development goals. Although the TEN-T policy differs in its means and approach by supporting decisive projects with strong territorial impact, one should remind that the TEN-T policy goals are the ones of the common transport policy: the achievement of the common market, competitiveness, sustainability, territorial cohesion. Taking into account the current European economic situation, it should be added to these goals the fact that the realisation of the TEN-T projects is also a way to recover economic growth in the short term and ensure European economic development in the long term.

FNTF is in favour of the evolution of the 30 priority projects in a priority network in order to improve the planning of these strategic projects, through a necessary integrated approach. This priority network should concentrate all the efforts of the TEN-T policy and benefit more significantly than so far from the structural and Cohesion funds, including in Competitiveness regions.

In any case, **all 30 priority projects should be achieved and remain therefore the European priority** so as not to send a wrong message to project owners and investors. FNTF regrets that the weakness of the TEN-T budget was a major issue tackled by the Green Book. According to data of the European Commission, € 121 billion will be needed between 2014 and 2020 in order to implement the uncompleted priority projects, apart from Galileo and the Waterways of the sea. **This requires a European financial contribution of € 25 billion. Failing to raise this budget, TEN-T funding should be more concentrated on key priority sections than hitherto.**

Regardless the approach chosen for the future development of TEN-T, its main objectives – **to strengthen the Single Market, achieve the accessibility between EU Member States and improve the economic, social and territorial cohesion** – should be preserved.

As regards ITS, FNTF believes that the TEN-T budget should be concentrated on the major EU traffic managements systems and infrastructure (cf. Galileo, EGNOS, ERTMS, SESAR, etc.) but should not be spread in a variety of projects which are no longer directly related to the TEN-T network. As the Council (cf. Transport Council of 31/03/2009), FNTF believes that the main role of the EU should be to provide adapted specifications in this regard.

FNTF main recommendations

a) Organisation of the TEN-T policy

1. FNTF does not support any of the 3 proposed options but proposes a 4th option, which would maintain the two-layer structure of the TEN-T planning with:

- On the one hand, a comprehensive TEN-T network. Its achievement should remain a goal for the development of EU territories, and especially for structural and cohesion funds. This network is also a consistent scope for EU regulation and standards to improve interoperability, safety, and efficiency of transports.

- On the other hand, a priority network, geographically identified, based on the existing 30 priority projects, and integrating their interconnections and communication hubs, so as to draw up an intermodal network of highly strategic value.

2. The notion of conceptual pillar, which leads to misunderstandings, should be clarified by the Commission.

b) Coordination and planning

3. Further designate European coordinators, with special attention to each problematic cross-border project, reinforce their status and their individual mandates in term of section planning.
4. Facilitate the establishment of Intergovernmental Commissions (IGC) and of single project owners on the cross-border sections, which should be given a consistent geographical scope, and an ambitious mandate with clear objectives. The Commission should play a driving role in this regard.
5. Reinforce the Declaration of European interest, which should entail consequences on simplification of consultation and planning procedures.
6. Develop Member States' responsibility for failing to launch or complete parts of the priority network on time.

c) A stronger and more efficient TEN-T budget

7. Strongly increase the TEN-T budget.
8. Concentrate the TEN-T budget on the priority network and on its key sections to guarantee the leverage effect of the grants.

If however the possibility to select further TEN-T projects over time remains open, this possibility should focus on projects out of the comprehensive network contributing to the five challenges of the TEN-T network: the coexistence of freight and passenger transports, the development of airports, the development of a polycentric network of sea and inland port, the adaptation of existing waterways, and the logistics of freight transport.

The EU should also actively support TEN-T links with third countries by means of the external policy instruments.

9. Award grants rather to the works phase than to the studies, in order to encourage Member states and project owners to accelerate the project achievement. This implies first to establish detailed and binding project timetable with launching and completion dates, and second to make it possible for the EU to commit funds beyond the programming period, given the duration of projects preparation.
10. Adjust the grants according to the respect of the timetable, making it possible to increase it in case of anticipation.

d) Other financial sources

11. Earmark ETS and Eurovignette incomes to the TEN-T projects.
12. Further encourage EIB involvement and readiness to take risk.
13. Develop the Cohesion Fund, the priority of which should remain TEN projects.
14. Permit an ERDF and EAFRD contribution to the TEN-T in all EU regions according to their specific challenges in terms of economic / rural development.
15. Create a flexible and incentive framework for PPPs in their various forms and sizes.
16. Ensure the best possible coordination of all financing resources (public and private).

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

FNTF agrees with the Commission that the objectives of the TEN-T policy are the ones of the Common Transport Policy, which are in line with the general EU sustainable development objectives: economic and environmental efficiency of transport, sustainable development, open and competitive single market, economic, social and territorial cohesion, etc.

However, both policies are founded on clearly different approaches and legal basis. The common transport policy sets rules and entails incentives to improve the transport organisation, efficiency, sustainability and security in the EU, which includes improving network use and services. Conversely, **the TEN-T policy is a geography-oriented policy**. It focuses exclusively on the accessibility to, and efficiency of the trans-European network, through its geographical identification, interoperability measures, and development of infrastructure projects of common interest. Both approaches are thus fully relevant and complementary, but still distinct.

The approach and the raison d'être of the TEN-T policy is to develop, integrate and adapt transport networks. To this end, 30 priority projects have been selected in 1996 and 2004, thanks to the work of the Van Miert High-Level Group, which assessed their contribution to reduce bottlenecks and complete routes, their socio-economic benefits, their value-added for mobility and sustainable development. These priority projects were adopted on a democratic basis by the Parliament and the Council.

As the Commission, FNTF welcomes the progress of TEN-T policy as concerns the priority projects. Action on this field has been efficient and visible, and FNTF shares the Commission's concerns about the lack of financing for priority projects, which is the main obstacle. FNTF encourages the Commission to **develop dramatically the TEN-T budget for priority projects**, given their assessment and the remaining investment of almost €121 billion for the post 2013 period (apart from Galileo and Motorways of the sea)¹. FNTF also believes that **the leverage effect of TEN-T funds could be improved by concentrating them on the decisive sections**, such as cross-border projects and bottlenecks (as it has been mostly done by the Commission for the 2007-2013 multi-annual period), and allocating them rather to works than to studies.

Concerning the comprehensive network, FNTF would like to qualify the Commission's assertion that citizens and economic operators do not "see the difference" of the intervention of TEN-T policy. FNTF agrees that the intervention of the TEN-T budget has lacked visibility on this network and therefore approves a concentration of TEN-T policy on the priority network. But FNTF reminds that the existence of this comprehensive network helped identify targets for public funds, especially for structural and Cohesion funds. It also served as a scope for EU actions in matters of infrastructure improvements.

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

FNTF does not see arguments against maintaining the comprehensive network, insofar as its achievement remains a relevant long-term EU objective in the sense of territorial cohesion. The global network is a network with high value-added for both European and regional-local levels. It should be thus better addressed by the structural and Cohesion funds.

Moreover, the comprehensive network is a consistent scope for transport regulation and infrastructure standardization to improve efficiency, interoperability, safety, and integration of networks.

FNTF therefore pleads to maintain, and possibly update, the global network outline plans.

¹ Implementation of the TEN-T Priority Projects - Progress Report of May 2008 - Informal Transport Council of Brdo, May 6, 2008.

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?

FNTF support the priority network approach. This network should though conserve the existing 30 priority projects, integrate their interconnections and communication hubs, so as to draw up an intermodal network of highly strategic value.

It is of the utmost importance that no priority project currently in preparation be excluded from the future priority network. Such exclusion would certainly send a wrong message to investors and projects owners, and it would waste their current efforts to further carry out their project.

FNTF agrees that the priority projects extensions, identified so as to constitute a priority network, should once more be selected through an objective method, based for example on traffic flows, competition goals, development potentials, and environmental objectives. Considering the latter should not lead to preclude either motorway projects in region with poor road network, or smaller road projects like urban bypasses, especially when they can offer new intermodal connections for passengers or freight.

Q4 Would this kind of flexible approach to identifying projects of common interest 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 Community level?

FNTF thinks that the interest of the conceptual approach or conceptual pillar is hard to assess. More information should be given on this proposal, mainly on its objectives, content, and method.

For FNTF, it is essential that TEN-T policy concentrates on clearly identified projects, for the sake of its efficiency.

FNTF remarks that the possibility to select and finance projects over time already exist, for sections of the comprehensive network fulfilling certain criteria mentioned in the 2nd annex of TEN-T Guidelines. The efficiency and value-added of this funding should indeed be improved. For that reason, the funding of the comprehensive network projects should be focused on the five challenges mentioned in question 5. FNTF also insists on the importance to improve dramatically the use of the existing network. In this respect, **network upgrade and maintenance should become a priority**. In some countries, years of negligence lead kilometres of a network, especially of waterways and railways, to stand idle.

As a consequence, a TEN-T intervention in favour of ITS should be strictly limited to deploying decisive traffic management systems and infrastructure such as Galileo, EGNOS and ERTMS.

As regards the promotion of innovations not directly related to the network, the TEN-T policy should rely on private initiatives and ensure interoperability through EU norms and regulation.

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?

FNTF acknowledge that the issues mentioned in the Green Book are decisive:

- the coexistence of freight and passenger transports,
- the development of airports,
- the development of a polycentric network of sea and inland ports,
- the adaptation of existing waterways,
- the logistics of freight transport,

If the EU wishes to let open the possibility to select TEN-T projects over time, this selection should be focused on projects of the comprehensive network contributing to these five challenges.

FNTP underscores moreover that some of these issues need interoperability standards to be better addressed, for instance the way freight and passenger transport coexist on the railway networks, or the achievement of the motorways of the sea.

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?

As stated above, major traffic management systems and infrastructure such as Galileo, EGNOS, and ERTMS are major infrastructure corresponding to TEN-T priorities.

But FNTP calls to rely on private initiative to develop innovations in ITS, since they concern the network use and transport services. On the contrary, when it comes to mature innovations in the field of transport services, with fully recognized value-added, the TEN-T policy should support its deployment through interoperability standards applied to the comprehensive network.

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?

FNTP believes the borderlines between infrastructure and vehicles remain, as there has always been and will still be an elementary difference between fixed and non-fixed equipments.

In order to ensure the adaptation of mobile equipment to the evolving infrastructure, adopting clear regulations and standards is the best way to proceed.

The concept of infrastructure projects of common interest does not need to be widened.

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 is feasible as long as it focuses on the concrete transport network and infrastructure that are geographically identifiable: its development, integration, maintenance, and adaptation. The accessibility of the EU territory should be its first goal.

FNTP believes that a priority network, identified geographically in advance, should be the core of TEN-T policy. If the EU wishes to let open the possibility to select TEN-T projects over time beyond this priority network, this should lead to focus projects of the comprehensive network contributing to the five challenges mentioned in question 5.

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?

The financial needs of the TEN-T should be assessed both for the comprehensive and priority networks; on the basis of the remaining investments to be done, and whether their achievement can be envisaged in the short, medium or long term.

Concerning the infrastructure projects, grants dedicated to the works have the best leverage effect as they really encourage launching the projects on time.

Therefore, FNTF proposes to dedicate more frequently TEN-T grants to the works phase of the projects. This implies first to agree in advance on a detailed and binding timetable, to raise and concentrate the available amounts of the TEN-T budget, and to have the possibility to award grants a long time in advance, which might impose to commit funds beyond the programming period.

In order to further encourage Member States to deliver projects on time, **the level of grants should be adjusted according to the respect of the timetable**. Increased in case of anticipation, the grants should be gradually reducing or even deleting in case of delay.

Other ways can be found to help Member States gather the needed amounts for TEN-T projects of both priority and comprehensive networks, as previously proposed by FNTF to the European Commission (DG TREN):

- **Strongly increase the TEN-T budget.**
- **Earmark ETS and Eurovignette incomes** to the TEN-T or some of their aspects.
- **The involvement of the EIB**, which should continue to show more readiness to take risk and invest, and should reinforce its cooperation with DG TREN.
- **Cohesion Fund**, the priority of which should remain TEN projects;
- **ERDF and EAFRD** contributions to the TEN-T, which should be possible **in all EU regions** according to their specific challenges in terms of economic / rural development.

EAFRD should support the development of the TEN-T in rural areas where it corresponds to a specific challenge. **EAFRD could finance for instance projects contributing to the access to the TEN-T in rural areas.**

FNTF notes that the ERDF programmes in Competitiveness regions that explicitly target identified projects such as the TEN-T projects (greenfield and brownfield projects alike) tend to be better identified by the civil society than ERDF programmes mainly referring to general concepts. FNTF also notes that TEN-T projects ensure that dedicated ERDF funds will be effectively spent, which remains too often an open question in the case of ERDF programmes, especially in times of crisis.

Finally, FNTF welcomes the progress of the last years on PPPs and concessions. Even though the current crisis affects the possibility to finance projects through PPPs, **FNTF believes PPPs remain a sound solution to help finance those projects and better design them in order to take into account the infrastructure life-cycle**. FNTF asks for an incentive and flexible for PPPs at European level.

In particular, the compatibility of ERDF and Cohesion fund with PPPs should be shored up.

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

In order to accelerate all cross-border projects and ensure a coherent development of the network, FNTF insists on the importance of project coordination and common planning:

- **Ensure the best possible coordination of the various financing sources** (both public and private).

- **Establish a responsibility of the Member State** for failing to launch or complete parts of the priority network on time.
- European coordinators are significant players in facilitating the emergence and planning, design, acceptance and launch of projects of common interest, particularly cross-border sections. **The Commission should therefore be able to designate coordinators for any project or section where this is considered necessary. In addition, it is worth strengthening their mandate, particularly in the case of priority projects, where they must play a major political role, covering the duties of single project leader (at the political level) and ombudsman to civil society.**
- **A more systematic establishment of Intergovernmental Commissions (IGC) and of single project owners on the cross-border sections. They should have clear mandates, with precise objectives and deadlines to be respected.** Special attention should be also paid to their geographical scope of action, which must be consistent with the territorial structure. For these reasons, the European Commission or the coordinator should be involved during their creation, so as to guarantee that their directive will be consistent and ambitious.
- **The reinforcement of the Declaration of European interest** that should entail consequences on simplification of consultation and planning procedures.

Q13 Which of these (3) options is the most suitable, and for what reason?

FNTP urges the Commission upon considering a 4th option, which is completely consistent with the objectives and the proposals formulated in the Green Book. This option would be set of:

- **A comprehensive network in an updated version**, as a basis for transport regulation, interoperability measures. Its achievement should remain a strong EU objective.
- **And a priority network, identified geographically, it should concentrate the interventions of the TEN-T policy.**

The priority network would be composed of the existing 30 priority projects and their interconnections, nodes and intermodal connecting points.

The Commission should ensure the best possible continuity in order not to waste the energy already involved in these projects, which turn out to be of important socio-economic importance for EU territories both a short and long term.

As concern the proposal to establish a conceptual pillar, FNTP believes the Commission should give more details about its objectives, its content, and the method it would involve.

However, if a two-pillar "core network" is to be established, FNTP favours a second pillar focused on projects of the comprehensive network responding to the five challenges mentioned in question 5, in order to avoid any dispersal of the funds.