



April 2009

**ESC submission on the
GREEN PAPER
TEN-T: A policy review
TOWARDS A BETTER INTEGRATED TRANSEUROPEAN TRANSPORT
NETWORK AT THE SERVICE OF THE COMMON TRANSPORT POLICY**

Brussels, 4.2.2009, COM(2009) 44 final

Introduction

The ESC largely agrees with the criticisms expressed in the Green Paper in respect of the shortcomings of the present TEN-T programme; namely:

- The unclear and rather 'broad' objectives of individual projects (especially with regard to the Comprehensive TEN-T programme)
- The lack of visible results except in a few priority projects (e.g. High speed line rail connection from Frankfurt to London)
- Uncertain funding causing delay to many projects

It is noted with interest that the Commission believe climate change objectives should be placed at the centre of future TEN-T policy. This clearly illustrates the political significance of this subject within Europe, subsuming, it would seem, other objectives such as competition and those of the Lisbon Agenda.

The idea of establishing strategic international freight corridors that in themselves become TEN-T projects would very much have ESC's support. Each corridor would define the objectives, the performance standards that should be achieved and then identify where the bottlenecks and barriers were situated and investigate their cause. The 'co-ordinating' body, consulting with the key stakeholders along the corridor (including users) would determine the solutions that would remove or mitigate the problems. Therefore TEN-T funding would only be required for specific developments (technological, infrastructural, organisational, managerial etc) that would deliver visible improvements to the users of the corridor and meet the broader objectives of climate change, social cohesion and the Lisbon Agenda, however these were defined.

It is not necessary to define whether a project is 'core', 'priority' or 'comprehensive'. Just so long as it achieved a quantifiable and measurable improvement to the efficient flow of freight (and people where appropriate) and met other key strategic objectives previously defined and agreed, would justify the expenditure given to it.

The current "ultimate objective" to create a multimodal network for TEN-T projects as stated by the guidelines would appear premature if the above approach were adopted. Similarly, the presumption that Motorways of the Sea deserve "considerably increased attention in further TEN-T development" should only be said if the evidence from measuring performance and achievement of stated objectives pointed towards this fact. ESC supports the development of co-modal opportunities which includes short-sea, coastal and inland shipping, but only where the evidence points to these alternatives being sustainable economically, practically viable and environmentally sustainable.

The above position is reflected in the bulleted answers provided by ESC to those questions posed by the Green Paper where it is thought ESC can provide valuable input to the debate.

FOUNDATIONS ON WHICH THE FUTURE TEN-T POLICY SHOULD REST

Issues covered by the Green Paper included: The EC Treaty; specifics; past achievements; network planning; network implementation; expected transport demand.

Question 1: Should the Commission's assessment of TEN-T development to date cover any other factors?

- The identification of bottlenecks and barriers along strategic freight corridors
- Performance measures for users of the freight corridors
- Without measuring performance it is difficult to identify the bottlenecks and barriers or to quantify their effect on users of the transport infrastructure. Prioritising projects and establishing their individual objectives becomes harder to do, and harder to publicly justify and convey to others the success of any TEN-T initiatives.

ISSUES AT STAKE FOR FURTHER TEN-T DEVELOPMENT

a) Issues covered by the Green Paper included: Network planning and, more specifically the future of the 'comprehensive network'.

Question 2 : What further arguments are there for or against maintaining the comprehensive network, and how could the respective disadvantages of each approach be overcome?

- ESC does not believe the comprehensive network approach has been a success.
- By the Commission's own appraisal "Community resources spent so far have barely enabled citizens and economic operators to 'see the difference'..."
- A comprehensive network beyond defined strategic corridors would only be supported by TEN-T funding in the event that specific developments or initiatives had first been identified as helping to meet the objectives and performance standards of the corridors; otherwise individual Member States would need to fund connecting networks and transport developments themselves as part of their national policy aims.

b) In respect of the possible incorporation of a priority network:

Question 3: 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?

- Yes: projects that focus on strategic corridors and seek to link 'lesser' corridors to them at key nodal points (by what ever mode was appropriate to the circumstances) would only arise as 'priority projects' where such developments ensured achievement of the stated objectives and performance standards and the results were clear and conclusive.

c) RE a "conceptual pillar": e.g. sector specific projects which might aim to optimise the capacity of existing infrastructure.

Question 4 : 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?

- The so-called “conceptual pillar” approach ought to be part of the corridor approach discussed above. The identification of barriers and bottlenecks may indeed point towards optimizing the use of infrastructure and assets already used as a solution on certain corridors. Large scale ITS developments, such as the Single European Sky air traffic management system and policy, or allowing longer heavier trucks or trains for example, would be sensible ways to address the under-performance of a corridor or help achieve the other broader policy objectives for TEN-Ts if the analysis suggested this to be the case.

d) Referring to: Differing needs of passenger and freight traffic; Airports and ports as Europe's connecting points to the world; Waterborne transport in the EU which has excess capacity; Freight logistics and the need for nodal points to facilitate co-modal logistics options.

Question 5 : 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?

- Focusing on specific strategic freight corridors, sector specific but with strategically positioned freight interchanges to enable connection from other networks (national/local) and other modes (e.g. road to rail) and
- The management of sector corridors (e.g. rail freight corridors), both need to be considered.

e) Referring to Intelligent Transport Systems:

Question 6 : 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 provides visibility and greater management control for those using the infrastructure
- Policing the use, for the purpose of user charging and compliance with different regulations, as well as maintenance and repair monitoring will be made easier and more uniform using ITS
- Measuring, managing the performance of TEN-T corridors will be the key to successful optimization and efficiency objectives of the TEN-Ts

f) In respect of technological (ITS and engine or fuel developments) and organizational innovation:

Question 7 : 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?

- Yes. However it should be the performance of the TEN-T corridor and whether it achieves the objectives that determines whether innovations are required or not.
- The concept should therefore be defined as a project which measurably helps in the achievement of the TEN-T objectives.

g) Referring to a TEN-T "core network" comprising priority networks and 'conceptual pillars' (e.g. sector corridors and optimizing existing utilization of capacity):

Question 8: 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?

- Yes. This is what ESC means by way of a corridor approach, the performance of which relies as much on such things as efficient and strategically located interchanges with other locally or nationally strategic transport infrastructure or corridors and optimal use of the infrastructure, as it does the expansion or enhancement of existing capacity.
- This approach would only work at Community level in order to ensure national schemes either supported, complemented or enhanced the performance of the priority network and achievement of the wider TEN-T objectives, or did not harm or hinder their achievement.

Implementation level

a) Referring to overall financing of the projects of common interest established in the TEN-T plans

Question 9 : 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?

- Finance, whether public or private is more forthcoming when the objectives and deliverables are clear, tangible and measurable, in the short, medium and long term.
- Depending on the benefits of a TEN-T project proposal would determine in large part whether funding was appropriate from the public and or private sector, from member states and or from Community sources. Those member states through which a priority corridor TEN-T project passed with appropriately located strategic nodal points would contribute to the funding as direct beneficiaries of the TEN-T project; those without such connections to it would not. Being a strategic corridor within the EU would necessitate the Community to contribute funding, and being beneficial to vested business interests would encourage private funding.

Question 10 : 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?

- Community funding and private sector incentives to help fund could be considered where member states faced particular or higher costs not faced by other member states (e.g. for engineering works over difficult geological terrain); however, they should only be expected to fund up to a level commensurate to the national or private benefit they derived from the TEN-T project; the Community funds might be expected to cover the remainder of costs, but again only up to the expected value of the benefits derived from the project.

b) Referring to Community financial instruments in support of TEN-T implementation:

Question 11 : 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?

- As stated in the Green Paper, the ESC would concur that “a harmonised and commonly recognised cost-benefit analysis that establishes the European added value” would be required. Similarly ESC agrees that the analysis “should cover both external costs and network or cohesion benefits, and take account of geographical asymmetries between benefits and the financial cost of investments...”
- The strategic ‘corridor management body’ (or what is referred to as the ‘Governance body’ in the rail freight corridor proposal of the European Commission) would perhaps be considered best to manage or co-ordinate the allocation of funds and grants according to the cost benefit analysis, with the Commission overseeing.
- ESC has no view in respect of any better financial instruments that could be used or developed.

c) Referring to *Community non-financial instruments in support of TEN-T implementation Coordination, such as European coordinators and "corridor coordination", and Open method of coordination (OMC) providing public transparency of data and information, and establishment of specific benchmarks – such as for optimum capacity of certain infrastructure, etc. and the exchange of best practice in project management and implementation.*

Question 12: How could existing non-financial instruments be improved and what new ones might be introduced?

- The ESC believes the ideas advocated in this section of the Green Paper are critical to the future success of a TEN-T policy being implemented. In particular the focus on corridor coordinators, transparency of data, the sharing of best practices and “The establishment of performance standards” which “for example, could help to determine capacities for the different types of infrastructure and serve as a basis for the optimisation of infrastructure use and identification of bottlenecks.”

Conclusion

Question 13: Which of these options is the most suitable, and for what reason?

- (1) Maintaining the current dual layer structure with the comprehensive network and (unconnected) priority projects
 - (2) Reducing the TEN-T to a single layer (priority projects, possibly connected into a priority network)
 - (3) Dual layer structure with the comprehensive network and a core network, comprising a – geographically defined – priority network and a conceptual pillar to help integrate the various transport policy and transport infrastructure aspects.
- ESC recognizes option 2 would deliver clearer deliverables and benefits that would attract funding from those obvious beneficiaries.
 - The third option, however, would extend the traditional scope of TEN-T projects to more than just infrastructure projects and enable other sector solutions to be included that delivered on the objectives and performance of strategic TEN-T routes or corridors.
 - However, a comprehensive network has not proved successful in the past because it does not have clear objectives and leaves too much in the hands of individual member states rather than being a Community project of wider community benefit.
 - Therefore, option 2 with the addition of the core network would be ESC’s preferred compromise but stronger solution.