

10th September 2010

**RFF RESPONSE TO THE PUBLIC
CONSULTATION ON THE FUTURE
TRANS-EUROPEAN TRANSPORT
NETWORK POLICY**

RFF response to the public consultation on the future Trans-European Transport Network policy

Introduction

RFF (Réseau Ferré de France) welcomes the TEN-T policy review launched by the European Commission in the Green Paper *“Towards a Better Integrated Trans-European Transport Network at the Service of the Common Transport Policy.”*

RFF supports the general objective of ensuring effective and timely implementation of the TEN-T projects. Enhancing financial and non-financial instruments as well as improving the TEN-T network planning will reinforce the credibility of the TEN-T policy in reaching its own goals.

RFF 's position on TEN-T policy review is structured around three major arguments:

- 1. The “spreading thinly” of European funds has not had the expected leverage effect. In this period of budgetary constraints, we should rather focus funds to actually help Member States, to avoid delays and cancellations.**
- 2. To increase the leverage effect of European funds, RFF believes that the European Commission should change its “budgetary approach” to a “project approach”, in order to adapt to the normal life cycle of projects.**
- 3. As an answer to the lack of funds dedicated to transports, a streamlining approach should be developed. In a context where the bigger chunk of these funds are still allocated to the road, the decarbonization criteria should prevail. Moreover, an improved use of unspent funds should be explored.**

Please find below RFF's responses to the issues addressed in the consultation paper published by the European Commission on 4 May 2010.

Are the principles and criteria for designing the core network, as set out above, adequate and practicable? What are their strengths and weaknesses, and what else could be taken into account?

To what extent do the supplementary infrastructure measures contribute to the objectives of a future-oriented transport system, and are there ways to strengthen their contribution?

What specific role could TEN-T planning in general play in boosting the transport sector's contribution to the "Europe 2020" strategic objectives?

When planning the network, the geographical pillar should prevail over the conceptual one, for two main reasons:

- the “missing links” issue is key to a consistent European network.
- the conceptual pillar leads to the planning of many more projects contributing therefore to more spreading of EU funds.

Amongst all the proposed criteria RFF insists on the following points which should be addressed as a priority when shaping the future TEN-T network:

1. RFF strongly supports the **minimisation of investments, maintenance and operational costs** as assessment criteria of TEN-T project related to the **quality service** for both freight and passenger services
2. The future TEN-T network should be multimodal. RFF suggests referring to **co-modality** instead of multimodality. This concept highlights more explicitly the use of the most efficient way of transport taking into account economic, social and environmental aspects.
3. In line with the 2020 objectives, RFF supports **decarbonization** but believes that this is excessive and costly to ask for a complete CO2 assessment. It might be more efficient to ask for a carbon assessment at different steps of the project implementation.

Buisness-orientation

Besides, the Green Paper refers to the need to have a business-oriented network. RFF welcomes this idea but insists on the creation of **a dedicated stakeholder group** to define the concept more in depth and to assess its impact.

In which way can the different sources of EU expenditure be better coordinated and/or combined in order to accelerate the delivery of TEN-T projects and policy objectives?

How can an EU funding strategy coordinate and/or combine the different sources of EU and national funding and public and private financing?

Would the setting up of a European funding framework adequately address the implementation gap in the completion of TEN-T projects and policy objectives?

RFF welcomes the proposal to develop a consistent EU funding strategy. However, **it points out the failures of a “spreading-funds-thinly” policy, which has not proved efficient until now.** The current economic situation is moreover reinforcing the need for a “funds-focusing” policy, designed to actually help Members States.

RFF welcomes the creation of a unified financial framework. This may contribute to **streamlining EU funds**, thanks to a harmonization of allocation criteria, the decompartmentalization of programs, the using of unspent funds. The merging of transport funds will also increase the visibility of EU funds allocated to environmentally friendly modes of transport versus other modes. This new “steering instrument” should help the EU bring its transport policy into line with Europe 2020 transport objectives and increase its support to cleaner transport modes such as rail.

RFF understands and supports the need for “quick wins” and innovative projects, but are concerned about their financing. More specifically, they should not be implemented to the detriment of other major projects which could not be carried out without any strong European support.

The “funds-focusing policy” together with the emerging of new “conceptual projects” suggest not only a streamlining of EU funds, but also an **increase in the funds** dedicated to transports – which could come from the implementation of new taxes, such as Eurovignette, or the creation of Eurobonds.

The EU funding strategy should be combined with a more pragmatic allocation of funds in order to create a real leverage effect and avoid some delays.

RFF highlights the benefits of a “project-oriented approach” versus the existing “budgetary-planning” one:

- In order to have a real leverage effect, allocation of **EU funds should fit the normal life-cycle of a rail** project instead of the 7 year EU- budgetary period. This latter format hinders financial and therefore operational visibility of the projects and creates some “heaviness”. All this contributes to delays since funds do not come on time (it can take several years) nor in the expected amounts (for instance, the assessment base varies when the project is delayed beyond the budgetary period).
- A project-oriented approach offers a more flexible framework for innovative projects which cannot be easily planned.

As a consequence, allocation of EU funds may have a counter-effect on the project implementation.

Besides, the “implementation gap” might be better addressed by replacing the “stick policy” by a “carrot policy”.

- Instead of cutting funds to Member States in case of delays, the European Commission should explore the possibility of **granting additional subsidies** to Member States that are on schedule or beyond schedule. The “bonus” could come from unspent funds or cancelled projects.
- **A better use of the mid term review of the TEN-T multiannual programme** may create a good opportunity to reallocate more efficiently unspent funds before the end of the budgetary period.

RFF understands that the extension of European coordinators is a consequence of a more flexible policy, allowing for projects of different natures and different time horizons

In which way can the TEN-T policy benefit from the new legal instruments and provisions as set out above?

RFF welcomes measures that would allow for a clarification and simplification of procedures related to the access to EU funds.

Implementation procedures

RFF understands that the TEN-T will be key in the drafting of future EU transport policy. The building on new conceptual criteria, alongside with the new business orientation plead for a clarification and an opening of the consultation process. More specifically, RFF believes that infrastructure managers should be formally and timely consulted by Members States on issues related to the planning of TEN-T.