

## **White Paper on Infrastructures in the Euram**

### **SYNTHESIS OF RESULTS**

1. Conclusions on socio-economic issues
2. Conclusions on infrastructures

#### **Conclusions on socio-economic issues**

In accordance with opinions expressed by participants in the Euram Infrastructures White Paper debate, the conclusions reached on socio-economic issues may be summarised as follows:

- The Mediterranean Arc Euroregion, particularly its coastal areas, are highly attractive from the residential point of view, and many of them will continue to undergo demographic growth. The influx of middle and high-income population, characterised by greater work flexibility, will increase, while the demand for unskilled jobs will tend to drop. Land-use planning and control to preserve the quality of the environment and the creation of an open milieu favourable to luring talent is a key strategy for the future economic development of the Euram.
- The relocation of some major multinational industrial firms may be inevitable; nonetheless, de-industrialisation of the territory must be avoided. The industrial tissue, based on technologically mature small and medium-sized firm sectors should be maintained through innovation and internationalisation. On the other hand, it is necessary to maintain the competitiveness of existing production and improve logistics to ensure the efficient supply of present markets.
- Agricultural land in the Euram will decrease in area, with rural population essentially maintained by subsidies based on landscape and tourism criteria. However, some agricultural products, mostly those linked to protected designations of origin may still be competitive. The agro-industry, using local and external inputs, could on the other hand extend their market through improved commercialisation processes and become an even more important economic sector for the Euram.
- The Euram is expected to maintain its strong position in the tourism sector, which should become one of the main driving forces behind the tertiarisation of its economy. It is expected to evolve towards the provision of additional services related to education and training, health and wellbeing, sport and leisure and cultural and business activities.
- After the present downturn, the construction sector should slowly recover in the Euram, although growing at a slower pace than in the past decade. Major firms in the sector will continue their process of diversification and internationalisation, investing resources in research and innovation to constitute a sector of excellence in the economy.
- The mobility of both individuals and firms in the Euram should substantially increase over the next twenty years in order to exploit the comparative advantages of each territory and to stimulate the dynamism of the economy.

- Passenger and goods mobility will continue to increase in accordance with the pace of economic growth. The highest growth levels should be observed in the longest links, in particular if Euram becomes one of Europe's main logistic gateways. Despite expected improvements in the operation of transport infrastructure, insufficient investment in new construction and maintenance could easily lead to severe congestion levels in some sections of the transport network.
- The present territorial organisation of the Euram involves a great number of jurisdictions and a complex distribution of responsibilities and resources between administrations. This introduces rigidities and inefficiencies in the public sector: on the one hand it hinders the attainment of scale economies in the supply of public services and, on the other, the difficulties of reaching consensus under very different political agendas often create insurmountable obstacles to carry out major strategic projects. A solution that allows efficient actions at the Euroregion level should be found in the short term.
- When it comes to planning and managing infrastructures, public authorities should apply objective, transparent criteria, based on social, economic and environmental evaluations that constitute a reasonable departure point for negotiation and political decision-making. The likelihood is that private involvement in funding and operating infrastructures will increase and that this will generate the need to conduct more systematic evaluation processes of public investment.

## **Conclusions on infrastructures**

Participants agreed on most of the preliminary conclusions presented. Only the subjects of airport management and water supply were partially amended. In accordance with opinions expressed by participants, conclusions reached on infrastructures may be summarised as follows:

- The current capacity of the Euram airport system, taking planned extensions into account, is globally sufficient in the short and medium terms. The present management model of Spanish airports should be extended to admit the participation of local and regional authorities in regulatory aspects, and private firms in commercial management and exploitation. This would allow Euram airports to provide a more extensive choice of destinations and greater flight frequencies.
- Logistics is a critical sector for Euram, not only to enhance the competitiveness of its industrial and agricultural production, but also to attract new activities notably through the generation of added value to transit goods from intercontinental trade. The development of the sector should contribute to the necessary improvement of the performance of the logistic chains using EU southern ports and lead to a more balanced and sustainable transport system for Europe. The difficulties to devote large pieces of land to logistics near the coast is forcing the creation of networked structures of smaller logistic platforms incorporating major hinterland logistic precincts such as Plaza in Zaragoza. Such networked management system supported by public-private partnership formulae, may endow the Mediterranean Arc Euroregion with the capacity to compete on an international scale.

- While other competitive hubs like Algeciras or TangerMed are better located geographically on the Suez-Gibraltar route, the ports of Barcelona-Tarragona and Valencia-Sagunt still offer excellent opportunities to become maritime gateways for Southern Europe. However, to compete at the European and, in particular, at the world scale, they should coordinate their action in logistics and hinterland connections and in global marketing. Whilst competition among Euram ports is healthy, in some cases, such as Barcelona and Tarragona, joint planning should be encouraged.
- Rail service improvements, which would include investments in infrastructure, but also coordination and management, might increase railway's share of the freight transport market. The major corridor in the Euram that links the Mediterranean ports to Central Europe, with high volumes and concentrated origins and destinations, offers a good opportunity for dedicated rail freight services that could be very competitive.
- High-speed train services in the Mediterranean corridor could be more competitive than in other Iberian corridors, given its high demographic density and the strong economic relations between its cities. They may also play an important role in the integration of Euram airports.
- The basic network of Euram motorways must be completed if it is to meet growing mobility needs. The motorway network toll system must be reformulated in order for it to become a more efficient traffic management instrument. In the mid term, a comprehensive demand-lead user charging system to optimise the global efficiency of the system should be explored.
- Many sections of the basic road network need to be upgraded in order to eliminate bottlenecks and dangerous crossings and to segregate long and medium-distance traffic from local traffic in order to eliminate congestion and accidents.
- Local and regional roads in the Euram have suffered from poor planning and lack of investment for several decades. A specific preferential treatment is needed to upgrade them so they can cope with their service needs and, in particular, to foster their multipurpose function. Each section should be adapted to the requirements of its different road users (private vehicles, public transport, agricultural machinery, cyclists, pedestrians...) and, especially when they cross urban areas, to ensure its safely integration.
- Urban mobility policies should be directed to provide adequate mobility to all citizens while controlling traffic congestion. Integrated urban transport planning and operation, involving traffic and parking management, prioritisation of public transport and support of non-motorised means are accepted measures in most Euram cities. They usually contemplate focused investments in some road infrastructures to increase their capacity and safety, in new or upgraded public transport means, and in new environmentally friendly vehicles. But more attention should be paid to "soft" measures, such as better operation of bus services, fare integration, information to public transport users, cyclist and pedestrian facilities, etc. and actions to induce a more rational use of the private vehicle, such as area-wide parking regulation and the creation of pedestrian zones, without excluding the possible use of tolling systems like those being used in London or Stockholm. However, most of these measures may involve additional expenditure for the public sector that must be taken into account.
- The short-term solution to the water supply problem in the Euram lies in the construction of desalination plants and the inter-connection of river basins, simultaneously with the

establishment of better tariff systems and other policies that would encourage water savings. In the medium and long terms, new interbasin transfers, including from areas outside the Euram (i.e. Rhône basin) may still prove to be necessary.

- In order to rapidly diminish dependence on oil, current production of nuclear energy should be maintained while encouraging the production of electricity from renewable energy sources: wind in particular and, to a lesser degree, solar. The improvement and interconnection of electricity networks is indispensable in order to balance demand and supply that strongly fluctuate in time and space.
- The extension of high-capacity telecommunication networks throughout the Euram territory may be progressively achieved by grouping potential users together to reach the critical mass needed to ensure profitable service provision on the part of operators and by constructing public infrastructures in those places where private initiative is not interested in doing so.