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## TECHNICAL PAPER FROM THE CPMR GENERAL SECRETARIAT

### CPMR RESPONSE TO THE SECOND PUBLIC CONSULTATION ON THE FUTURE TRANS-EUROPEAN TRANSPORT NETWORK POLICY

On 4 May 2010, the European Commission adopted a document on the development of the trans-European transport network (TEN-T), for which there is a public consultation process until 15 September.

This paper is a response to that consultation process. It is based on the work of the CPMR Intercommission Working Group led by Aragón Region. This paper will be used to support the debate on the TEN-T at the CPMR General Assembly in Aberdeen on 30 September. The CPMR has 161 member regions, organised in Geographical Commissions around the European seas. In addition to the CPMR response which details the principles defended by this organisation, 4 Geographical Commissions are also addressing a specific contribution in the framework of this consultation: Atlantic Arc Commission, Baltic Sea Commission, North Sea Commission, and Intermediterranean Commission. The CPMR would like the European Commission to take its observations and recommendations, as well as that of its Geographical Commissions, into account when it drafts its proposals on the new TEN-T guidelines, which are due in early 2011.

**This paper is organised into three sections:**

- Preliminary considerations;
- Observations of a political nature on the consultation document;
- Response to the consultation questions.

#### **I- PRELIMINARY CONSIDERATIONS**

The CPMR warmly welcomes the spirit of cooperation the European Commission (DG MOVE) has adopted regarding this important dossier for the peripheral maritime regions. It is an open approach involving different types of stakeholders by pooling the results of studies and work done by groups of experts and by collecting views during events and online consultations.

The TEN-T review is taking place within a wider context, and the regions wish to be consulted and will later give their opinions on:

- The future of all EU transport policy, further to an EU White Paper due at the end of 2010;
- The role of transport in EU2020 strategy;
- The implementation of the conclusions of these discussions and consultations in terms of changes to European legislation for the post 2013 period: TEN-T guidelines and financial regulation, the ERDF regulations, the Cohesion Fund, Marco Polo, Eurovignette, and so on.

They will do this in a spirit of partnership with the European Commission and by developing contacts with the European Parliament and national transport ministries.

## **II- OBSERVATIONS OF A POLITICAL NATURE ON THE CONSULTATION DOCUMENT**

The CPMR's political priorities have just been repeated in a strategic action plan for 2010-2011. They concern three themes: improving territorial cohesion, enhancing the maritime dimension, and promoting a model of development that takes into account the limited nature of natural resources available at global level.

This is the context in which the observations below are thus being made.

### **A/ Can greater mobility be a European transport policy goal?**

Although DG MOVE, in its own particular field of responsibility, aims to enable people and goods to move as rapidly as possible and without hindrance throughout the continent, the Commission and the EU as a whole cannot afford, even in a period of economic crisis, to do so without a debate on the consequences of the unchecked development of transport flows, which are always growing faster than GDP.

The objective of co-modality is increasingly present in the EU debate. It was first introduced during a review of the 2001 White Paper on the future of European transport and is basically about giving priority to improvements in the environmental performance of road transport, to the detriment of less environmentally-damaging forms of transport, such as maritime or rail transport in particular. It is a way of abandoning the focus on "the modal shift", which may thus lead to a decline in maritime and rail transport and increased congestion on Europe's roads. Results can be seen in the fierce competition between road and sea transport, e.g. along the South-Eastern coast of the Baltic Sea where several longitudinal ferry/RoRo services had to be cut down or altogether closed since 2004.

The CPMR hopes the forthcoming White Paper will answer these questions. Efforts to limit the growing impact of transport on climate change will not just depend on technology. They will also entail a rationalisation of transport flows, the improved territorial organisation of these flows, the elimination of bottlenecks and better use of maritime and rail potential.

### **B/ Core network/comprehensive network – what is the European added value?**

In its response to the Green Paper of February 2009, the CPMR (along with most respondents) listed this approach as a priority out of the three options proposed for the structure of future TEN-T. However, we stress that the core network should not help strengthen the geo-economic heart of Europe to the detriment of the peripheries.

DG MOVE's approach to this issue has since been clarified, and the **core network** is now defined as follows:

- It should integrate most of the 30 current priority projects, which is logical in order to guarantee their organisers that EU commitments will be met over the long term. However, it should be noted that large swathes of the EU territory have been left out of these 30 projects (the Atlantic seaboard, Northern Europe, the outermost regions and so on);
- It should also connect the 27 national capitals, economic centres and centres of population (with over one million inhabitants) and the main ports, airports and benchmark transport hubs without any reference to territorial balance;
- It should be developed using a top-down approach, which leaves little scope for negotiations with the regions.

The **comprehensive network** will be defined in bilateral negotiations between DG MOVE and the Member States; it is likely to be financed by different sources of funding than used for the core network. DG MOVE is still rather vague about funding issues, which is understandable given the nascent state of the EU debate on future financial perspectives. However, it is understood that – as far as European funding is concerned – the core network would be co-financed mainly by the transport budget and the comprehensive network would be co-financed mainly by cohesion policy.

Even though the consultation document makes a number of good proposals on how to improve coordination between the European funding instruments used for financing major infrastructure, it seems there is already some sort of plan to shift the TEN-T budget over to the central budget.

This situation should be closely monitored by those, including the CPMR, who are calling for the development of a proper overall European financing system to fund the TEN-T: à la carte levels of co-financing which take specific situations into account, particularly degrees of disadvantage and peripherality,

whichever financial instrument is used, and as long as it this happens further to consultation with the regions.

If the EU were ultimately to decide not to undertake a thorough review of its TEN-T policy, and just confined itself to including the 30 priority projects in the core network – thus exacerbating differences in development in Europe – it would be possible to say that EU added value was falling. In this scenario, the review between now and 2014 would just entail negotiations between national transport (and finance) ministries, arbitrated by the European Parliament, losing sight of the European Commission's legitimate initial strategic goals, particularly those seeking to bind the European network to Europe's nearer and wider neighbourhood.

## **C/ Promoting sustainable transport**

### **Selecting ports versus promoting the development of motorways of the sea (MoS) and maritime transport as a whole**

The TEN-T review is not just an overall review of each of DG MOVE's modal approaches. Yet the consultation document never even mentions motorways of the sea, whose inclusion as one of 30 priority projects in 2004 was one of the major elements of progress in the last review.

What is the future for motorways of the sea? The CPMR is aware about scepticism among some European maritime transport professionals regarding this instrument. The concept is criticised for its potential distortion of competition, with the shipping companies and ports that receive public money (TEN-T, Marco Polo, State Aid) on one hand, and those who do not, even though they operate in close-by areas, on the other hand.

These economic concerns should no longer be an obstacle to the excellent idea launched by Ms de Palacio in the 2001 White Paper. The CPMR is counting on the efforts of the European coordinator to ensure that motorways of the sea play a full role in the future TEN-T.

This evidently raises the issue of the role of ports in this network. The conclusions of DG MOVE's expert groups include the idea of selecting a dozen "main port clusters", which would be incorporated into the network, with secondary ports coming under the comprehensive network, without any reference being made to motorways of the sea in this list of suggestions and without taking real transport geography into account.

The CPMR repeats its view that it is not a good idea to rank ports in this way and to single out "port clusters" with low or no relevance for real transport geography. This approach would reinforce an existing situation, and it would not take into account the development potential of those ports that are currently "secondary", but that might be developed for a number of reasons: changes in shipping companies' "geographical" strategies, political decisions (example of the port of Gioia Tauro, which was created from nothing), a port incorporated into a motorway of the sea and so on. There should be a debate for each sea basin, involving all stakeholders, which could be facilitated by a new sort of European coordinator, as the CPMR already proposed in its response to the Green Paper. If the macro-region concept were to be implemented, as certain European stakeholders are currently advocating, it could also facilitate this sort of transnational debate, while linking maritime issues with the land-based logistical needs of these major geographical areas.

Ports and maritime transport currently only account for a small proportion of European transport infrastructure funding, including the TEN-T budget, the ERDF and the Cohesion Fund. A debate is needed on the reasons for this imbalance, which penalises a sustainable mode of transport. The TEN-T review provides an opportunity to do this.

The following possibilities could be explored:

- The idea of allowing ship purchases or upgrades to be co-funded as mobile infrastructure;
- The inclusion of a "maritime earmarking" principle within EU funding regulations for the post 2013 period. Just as the ERDF currently has to use a minimum proportion of its budget for efforts to meet the "Lisbon objectives", the future TEN-T Fund, ERDF and Cohesion Fund could also have legally binding clauses to ensure that a given share goes to ports and maritime investment.

## Promoting inter-modality and rail transport

In addition to promoting Motorways of the Sea and maritime transport as a whole, the CPMR calls for further development of rail transport, as a less polluting method of transport.

The situation of the rail sector in Europe is showing a deficit, which seriously impedes the possibility of having a sustainable transport system. European States and regions are making a huge effort to change this situation, by promoting the use of railways. In addition to the measures taken to improve the service, investments in infrastructure continue to be necessary. In order to do this, the support of the EU, through its general transport policy, and through TEN-T strategies is very important to achieve an effective system, which not only includes competitive services but also competitive infrastructures.

The CPMR supports the development of inter-modality, insofar as this is not to the detriment of support for the infrastructures necessary to create a network (in particular cross-border sections and the elimination of bottlenecks which illustrate European added value). Co-modality and technology are important, but it must not be forgotten that effective infrastructures must remain at the very foundations.

In this context, it is noted that although inter-modality is essential for the future of the network, it is not the only solution to communication problems in Europe. The development of intermodal transport must be supported by effective infrastructures.

## **D/ How can more territorial balance be introduced into the TEN-T?**

The document produced by the Commission for debate omits some key vocabulary essential for regional policy: accessibility, islands, outermost regions, territorial cohesion (we note that the term “cohesion” is on one occasion used to justify potential detours to more direct links). The territorial cohesion principle is nevertheless included within the Lisbon Treaty, and the improvement of the accessibility of peripheral areas, islands and the outermost regions is clearly included in the current legal framework: Article 170 of the Treaty, Article 5 of the TEN-T guidelines. These guidelines also state that motorways of the sea should improve access to peripheral and island regions. It is necessary, however, to take account of the diversity which exists between the regions and the specific characteristics of each territory (such a mountainous areas), by paying careful attention to accessibility and communication in cross-border sections.

Existing TEN-T guidelines (Articles 12a and 13.1) state that the main objectives of the MoS are to reduce road congestion and/or to improve access to peripheral and island regions and States. The use of “and/or” implies that modal shift and accessibility are on an equal footing and that the MoS funding scheme can be used for projects promoting access to peripheral areas even if those projects do not promote modal shift, and vice versa. However there have been no accessibility-orientated MoS applications to date, and there is in practice a bias towards projects promoting modal shift in the evaluation criteria and checklist for proposals. We suggest that the aim of territorial/socio-economic cohesion and improved accessibility for peripheral areas requires further definition to enable prospective applicants to adhere to these overarching aims of MoS. The Commission has currently no sufficient framework for assessing the quality of future periphery-based MoS applications, and they have no specific criteria for weighing the merits of a periphery-based application up against cargo shift based applications.

These issues were not raised in the consultation document even though they had been dealt with by experts when this publication was being prepared. The experts had also highlighted the extremely contradictory nature of the TEN-T's different goals: intensifying transport flows while providing services to peripheral areas, developing mobility while limiting climate impact, and so on.

The consultation document lists the principles that should guide the TEN-T review, and selects nine of them. It has to be said that the first three concern efforts to make transport flows more fluid, and that neither accessibility nor territorial balance are included in the nine principles.

The CPMR asks DG MOVE to reintegrate these territorial issues into the proposals for guidelines in early 2011 and in the White Paper in November 2010. It also asks the European Commission to take the specific concerns of outermost regions into account, through appropriate contacts with their representatives.

**E/ The success of the TEN-T depends on reforming the system of governance to ensure that the regions play a proper role**

A context in which public money is increasingly scarce makes consultations with regional authorities even more necessary. They are legitimate because they convey the concerns of citizens, without which it would be impossible to build Europe; they are also indispensable when it comes to ensuring that all stakeholders are consulted on the financing of the whole **core and comprehensive TEN-T network**.

The CPMR thus supports the recommendations made to DG MOVE by Georg Jarzembowski, Chairman of TEN-T Expert Group 6. He placed regional and local authorities at the heart European network, writing that: "the new regulation should include provisions that the Member States should ensure the effective involvement of **the regions and local authorities in the planning process** of the TEN-T guidelines."

## **RESPONSE TO THE CONSULTATION QUESTIONS**

Please refer to the Commission working document:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=CELEX:52010DC0212:EN:NOT>

### **1. THE METHODOLOGY FOR TEN-T PLANNING**

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

The following principles and criteria proposed by the Commission are satisfactory and appropriate (multi-modality, interconnectivity, interoperability, contribution to carbon reduction, efforts to protect biodiversity, quality of service, use of new technologies, links with third countries, security, etc).

The top-down approach gives an overall view, facilitates coordination and contributes to the European added value.

However, other aspects need to be taken into account:

- the approach should be complemented by a bottom-up vision enhanced by the contributions of regional and local authorities, which are familiar with the needs of territories and citizens;
- the definition of the core network seems to differ somewhat between different parts of the consultation document (page 3, 1<sup>st</sup> paragraph and page 5 under the heading "*Planning the core network*". The CPMR favours the definition on page 3, 1<sup>st</sup> paragraph, also explicitly mentioning the support for *economic, social and territorial cohesion*, and underling that the *core network should not be understood as a network that covers only the geographical core of the Community...*;
- social, economic and territorial cohesion: economic profitability criteria are not the only priority;
- accessibility: integration of outermost, peripheral and island areas;
- the need to include logistics platforms and the most important dry ports within the core network: the network of logistics platforms and their access needs to be improved;
- the need to find a place for all trade ports within the TEN-T: the networking of ports of different sizes is essential for ensuring optimal maritime accessibility. The core network should not give preference to the big ports, which already have an advantage owing to their geographical location. These ports have to be well-connected with the mainland, they have to be accessible in order to act as a port of origin and destination (not as mere transshipment ports);
- the need to eliminate infrastructural, operational and administrative bottlenecks along transport chains;
- the need to give priority to cross-border sections, including maritime borders, which are the most difficult to finance but guarantee genuine European added value;
- the need to link with Third Countries' transport networks;
- the need to ensure the continuity of existing projects.

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

- The TEN-T review provides an opportunity to further integrate European transport policy with other European policies (cohesion, environment, innovation, etc.);
- Traffic management and information systems, logistics infrastructure and so on will help to give the future transport system greater planning flexibility;
- Regarding the building of infrastructure, it will be necessary to anticipate over the very long-term the demand for transport flows, possible EU enlargements, demographic changes and so on. It will also be necessary to adopt a pro-active approach: changes in transport flows are not just experienced; they can also be **shaped** by European political decisions.
- They help the liberalisation of flows and the creation of a genuine internal market.

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

The implementation of the TEN-T can make a decisive contribution to meeting the objectives of the EU2020 strategy:

- Intelligent growth: innovative infrastructure, application of new technologies throughout the whole logistics chain, intelligent transport systems and new forms of stakeholders' cooperation ("Green Freight Transport Corridors", "European Rail Freight Network", "European maritime transport space without barriers" etc). Regarding maritime transport for example, new types of ships (green ships) need to be invented. EU recognition of ships as mobile infrastructure which is fully eligible for European infrastructure funding would be another indication of the "blue growth" advocated by President Barroso in particular;
- Sustainable growth: contribution to reducing emissions, modal shift, promotion of more sustainable modes of transport; railways and shipping routes. For the CPMR, these aspects are insufficiently dealt with in the consultation document;
- An integration of the Green Corridor Concept in the planning of the TEN-T would play a very important role in the transport sector's contribution to the 2020 objectives. The Green Corridors e.g. work for multi-modal solutions, ITS services, and the use of more overall environmentally friendly solutions and techniques to promote a more sustainable development of transport. Hence, integrating the Green Corridor Concept in the planning of the future TEN-T would not only contribute to the Europe 2020 objectives, but also contribute to the core network in general. The European Commission should, in the planning, strive for all connections in the core network to be Green Corridors.
- Integrated growth: by incorporating the principles of territorial, economic and social cohesion into EU thinking in the transport field.

## **2. TEN-T IMPLEMENTATION**

***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?***

The European budget cannot cover the funding of the whole network on its own. It will thus be necessary to concentrate efforts on projects that have European added value, and by using a whole range of EU funding instruments in a coherent manner; mainly the ERDF, the Cohesion Fund, the TEN-T budget and the European Investment Bank.

The CPMR has long been calling for the creation of such a European funding framework, especially during the TEN-T review in 2004, and it is delighted with this proposal by DG MOVE.

### **This framework should:**

- define the fields of intervention for each of the instruments, whose regulations will all be subject to adjustments between now and 2014, which provides a unique opportunity to make them more coherent with one another;
- of necessity be "sophisticated" because there is a very wide range of situations in different territories, in terms of their levels of development and their location vis-à-vis current and anticipated long-term traffic flows;
- be based on a series of transparent criteria, to propose a wider range of levels of funding than during the current period, and provide for earmarking methods to ensure that environmentally-friendly modes of transport are not penalised by compromises struck at European, national and regional level.
- stipulate a system of governance for each of the instruments.

When the debate on criteria takes place, the CPMR will be one of the stakeholders advocating that priority should be given to accessibility through maritime and rail transport, and calling for the involvement of the regions in the governance of the instruments from which they are currently excluded, such as the current TEN-T.

The issue of public-private partnership must be studied from a territorial cohesion perspective. Under no circumstances should the European Union support approaches which would favour the most developed European regions and the operators situated in these regions. Needless to say, it will be easier to increase private funding in these regions than in less-developed regions.

New taxation instruments need to be envisaged, in order to make the polluting modes contribute to financing “virtuous ones”. This is a very wide field of thought and discussion, where strong and argued propositions are expected from the European Commission, in particular in the field of the contribution of road pricing to the financing of sustainable modes.

The CPMR supports the roll-out of the system of “European coordinators”. This level of action still needs to be defined. As and when the notions of green corridors and macro regions become a reality, the role and the geographical level of intervention of these transnational coordinators should be subject to open discussions, led by DG MOVE, in coordination with the member states, the regions, stakeholders involved in Interreg 4B programmes and the other European Commission DGs concerned.

### **3. THE LEGAL AND INSTITUTIONAL FRAMEWORK OF THE TEN-T POLICY REVIEW**

*In which way can the TEN-T policy benefit from the new legal instruments and provisions?*

- A single common legal act would simplify management of the policy and improve its visibility to all the stakeholders concerned and citizens. During the last review, the separation of the planning and funding dossiers, which were dealt with by two different Commission DGs and two European Parliament Commissions proved to be counter-productive;
- More generally, it will be necessary to find legal ways of ensuring that the planned timetable for completing the TEN-T is respected, without which this policy will lose its credibility;
- Member states’ funding commitments should be made legally binding, even over the long-term. Regional and local authorities must be involved in governance, including with formal funding commitments, **given that they are involved in the design and delivery.**

### **CONCLUSIONS**

In responding to a timely consultation organised by the European Commission, this paper opens up a number of areas for further discussion, proposals and action. Some are developed in detail, while others need to be reworked between now and the time EU decisions are made on the post-2013 period.

The CPMR will debate these points at its General Assembly in Aberdeen on 30 September 2010.

It henceforth invites the European Commission to familiarise itself with these points with a view to incorporating them into its preparatory work on the drafting of its proposal for new TEN-T guidelines. It is also at the disposal of the European Parliament, representatives of member states and the Committee of the Regions for any formal and informal discussions.