

Brussels, 1 March 2004

OPINION

of the

Committee of the Regions

of 11 February 2004

on

Corridors and TEN-T: a lever for growth and vector of European cohesion

and

The development of a Euro-Mediterranean transport network

(Communication from the Commission - COM(2003) 376 final)

THE COMMITTEE OF THE REGIONS,

Having regard to the referral from the Council of the European Union and the letter from the president of COREPER dated 15 September 2003 requesting the Committee of the Regions' opinion on transport and links in Europe in the local and regional context, taking into account major cross-border infrastructure projects;

Having regard to the Communication from the Commission to the Council and the European Parliament on the development of a Euro-Mediterranean transport network – COM(2003) 376 final;

Having regard to its president's decision of 19 June 2003 to instruct the CoR Commission for Territorial Cohesion Policy to draw up an opinion on this subject;

Having regard to the Communication from the Commission to the Council and the European Parliament on a European initiative for growth - Investing in networks and knowledge for growth and employment – COM(2003) 579 final;

Having regard to the report of the High Level Group chaired by **Mr Van Miert** on priority projects for a trans-European transport network up to 2020, dated 30 June 2003;

Having regard to its opinion on Community guidelines for the development of the trans-European network (CdR 284/2001 fin)¹;

Having regard to the amended proposal for a decision of the European Parliament and of the Council amending Decision No. 1692/96/EC on Community guidelines for the development of the trans-European transport network – COM(2003) 564 final;

Having regard to the Charter of Naples adopted by the Informal Council of Ministers of Transport of the European Union on 4 and 5 July 2003;

Having regard to its draft opinion (CdR 291/2003 rev. 1) adopted on 3 December 2003 by the Commission for Territorial Cohesion Policy (rapporteur: **Mr Bernard Soulage**, chairman of the Transport Committee of the Regional Council for Rhône-Alpes (FR/PES));

Whereas:

1) The development of transport infrastructures acts as a vital lever for building Europe, making trade easier, providing a source of economic growth, contributing to territorial cohesion and constructing a Europe which is close to the people; therefore the TEN-T and the corridors play an essential role in enabling the free movement of goods, services, capital and labour, i.e. the unimpeded operation of the single market.

2) Readjusting the balance between the various modes of transport is a vital condition for achieving sustainable development which respects the environment and complies with the European Union's international commitments;

3) For balanced development of the regions, the development of peripheral and landlocked regions should be properly taken into account, vulnerable areas protected, accessibility enhanced – especially in border areas - and a Europe close to the people established;

unanimously adopted the following opinion at its 53rd plenary session, held on 11 and 12 February 2004 (meeting of 11 February):

1. The Committee of the Regions' views

The role of transport networks in the development of the Union

The Committee of the Regions

1. **welcomes** the initiative, since European and trans-European networks have a leverage effect on growth and employment, and underscores the need for a long-term vision of the Union's development, especially against the

background of enlargement and the development of multimodal corridors beyond the Union's borders; this is particularly important in order to avoid the new member states being placed in the periphery;

2. **underlines** that, in matters of transport, the European Union's actions should not be governed by a short-term budgetary approach. It is vital to take into account the transport system's contribution to multi-centred development throughout the Union, with a view to sustainability. The infrastructures to be built for tomorrow must not be designed solely to solve today's traffic congestion or the congestion expected when Europe is enlarged. These also shape traffic flow in the future, and this – whether it involves the movement of people, services or goods – also concerns transport links in the Mediterranean, in the Baltic Sea, with the Balkans and with other neighbouring non-Member States;
3. **considers** that infrastructures generate economic development and – in the long term – help restore an economic balance between regions. We must start preparing today for the Union's development (and even for a subsequent enlargement) by strengthening the Union's links (physical and otherwise) with its neighbours to the east and to the south, in order to create a wide area of stability, integration and prosperity. It is with this in mind that an ever-stronger link must be established between trans-European transport networks (TEN-Ts) and the pan-European and Euro-Mediterranean corridors, which can be developed under the new neighbourhood policy strategy. As the High Level Group's report indicated, wise long-term planning for TENs must include close links between the priority TEN-T projects and pan-European corridors, using the instruments available to do so;
4. **stresses**, in this context, the priority nature of cross-border links and routes across natural obstacles; developing these ought to help lower barriers to trade and even out development levels throughout Europe;
5. **supports** the Commission's proposal to define clear priorities for the various trans-European transport network projects, in order to channel the available financial resources efficiently and avoid building sections of these routes in a piecemeal fashion, which would considerably delay completion and hence their impact on the development of Europe;
6. **demonstrates**, against this background, its interest in the proposals made by the High Level Group (**Van Miert** Group), based on specific criteria regarding the selection of priority projects, according to the European added value and the level of commitment – especially financial – of the Member States concerned; it is nevertheless concerned that the list of projects chosen remains particularly long, if projects already started but not yet completed and/or funded are taken into account. A programme should therefore be drawn up setting out projects which are ready to start up and already have funding and which can therefore be launched without delay (Quick start programme). The Committee of the Regions fully intends to be involved and contribute;
7. **approves** of the priority given to cross-border projects which encourage intermodality and the use of sustainable forms of transport, especially the

concept of motorways of the sea, provided that these fit into a comprehensive sustainable transport scheme. Support measures for motorways of the sea should not create significant distortions in competition between ports or in relation to existing shipping freight services or sustainable land-based rail or inland waterway freight transportation services;

8. **affirms** the local and regional authorities' desire to be more directly involved in the project study, drafting and integration process, in particular with regard to cross-border links, where local and regional authorities are often amongst the most active parties in ensuring that these projects move forward.

Definition and implementation of the priority routes

The Committee of the Regions

9. **appreciates** that the Commission wishes to see the rate of financing from European funds increased to 30% for projects establishing cross-border links on main routes declared to be of European interest; these projects usually mobilise the least funding from traditional sources. It urges governments to implement this recommendation without delay;
10. **endorses** the Commission's proposal to set up a procedure for the "declaration of European interest", and to put in place "coordinators" responsible for monitoring cross-border projects;
11. **feels** that the declaration of European interest should only be granted to projects to which the countries concerned have shown commitment, both in terms of funding and as regards the work completion dates, in order to ensure speedy, coordinated implementation by the parties involved;
12. **would like** the management of priority projects to lead to the creation of steering committees for the main routes, along the lines of those set up for the multimodal corridors, involving the local and regional authorities directly affected by these main routes;
13. **suggests** that the criteria for determining the priority routes clearly identify the objectives of the different projects as regards three main factors: their contribution to the network effect and to unblocking bottlenecks (connections between source/target regions with heavy traffic, improved transport conditions, time-saving), their sustainable development impact (environment, including local effects on the regions through which these routes pass and on vulnerable areas, measures encouraging a shift to the use of sustainable modes of transport) and their impact on spatial planning (enhanced accessibility, impact on the economy of the areas through which the routes pass). Nevertheless it proposes that more attention should be paid in the Community to developing and using innovative technologies, also from the point of view of industrial policy;

14. **deems** it vital that preliminary coordinated assessment procedures be set up which can lead to the establishment of trans-national committees of inquiry for the cross-border sections so as to ensure that decisions on priority routes are more consistent and transparent, allowing the local and regional authorities affected to be more involved;
15. **would like** the implementing arrangements for the "motorways of the sea" to be developed so as to ensure that the regular routes planned are viable and the port infrastructures and the link-up to the hinterland infrastructures appropriate, but also taking direct account of maritime traffic safety issues and guarantees regarding the pollution risks inherent to this type of traffic. Likewise, so as to avoid distorting competition in any way between ports, it is important that regular sea routes are defined for each stretch of coastline as part of a coordinated process.

Financing arrangements for the priority routes

The Committee of the Regions

16. **considers** that a European growth initiative requires exceptionally high levels of funding. The share of transport networks in this initiative is necessarily large;
17. **stresses** the scale of the financing requirements associated with developing trans-European transport networks and is concerned about the Member States' capacity to raise the required sums, especially at a time when they are trying to cut back the share of public expenditure in their GDP with a view to complying with the stability pact;
18. **shares** the view of the Council of Ministers as regards the need for the European Investment Bank (EIB) to be more involved in financing the network, welcomes the additional funds already committed, and urges the EIB to develop new ways of funding the network;
19. **underlines** that the proposal that the EIB play a greater role is not in itself enough to ensure implementation of the growth initiative and the TEN-Ts;
20. **feels** that recourse to public-private partnership (PPP) can provide solutions for some projects, but that in many cases the cost and traffic risks are such that, unless very costly guarantees are provided, capital injections and commercial revenue from infrastructure charges will be very limited, and will in any case have to be supplemented by public money from the EU or the Member States and from the new financial resources referred to in the following paragraphs. Here the EIB could have a stronger role to play in facilitating the involvement of private investors, especially by means of the guarantee mechanisms already used successfully in some projects;
21. **points out** that the cross-border sections do not offer enough financial return in the short term to encourage balanced partnership, and that recourse to tolls on

the only sections which are of high quality is not likely to offset the current problems facing border areas, but might even aggravate them;

22. **considers** that, for all the above reasons, it is necessary to clarify what forms of funding are available for implementing the trans-European network. Even if Member States' specific contributions and public funding are drastically increased, new sources of funding will still have to be found. Prudence is by necessity called for in raising levels of taxation, particularly on fuel: the main purposes of such taxes is to cover external costs (safety issues, pollution, noise, greenhouse effect) and they must not be viewed as an easy source of funding for extending networks. Moreover, the current European legislative framework makes the use of tax revenues for a priority purpose a very uncertain undertaking. It is of course desirable that this framework should be developed, but there are only slim chances of this happening and it would take a long time to achieve. An initial step might be to allow Member States more autonomy in managing fuel taxes;
23. **considers** that, given the difficulties in using general taxation, funding for priority routes must nowadays call mainly on charges for a specific purpose, such as user charge stickers, road charges or tolls, creating redistribution mechanisms to offset the damaging effects of high charges for costly engineering work and less frequently used sections. The Committee of the Regions will be particularly attentive in monitoring the speedy and fair establishment of these mechanisms;
24. **points out** that the cross-border sections must receive considerable financial support from the EU – according to current proposals, 30% of project costs – and also from the Member States concerned, particularly when they have to cross natural obstacles or are located in vulnerable areas;
25. **suggests** that the undertaking of the Member States concerned to pay a share of the funding for cross-border sections affecting them should constitute one of the key criteria when declaring priority routes to be of European interest and asks that governments respect the timetables proposed in the High Level Group's report;
26. **proposes** that ways of funding the various constituent sections of a priority route be sought which tie in with their main objectives: projects to ease congestion and unblock bottlenecks can more easily call on public-private partnership since there is a high volume of traffic and users are willing to pay for time saved, while projects aimed at improving the accessibility of outlying regions and the construction of cross-border sections are more suitable for financing from tax revenues or similar resources;
27. **would like** the funding mechanisms for priority projects to be examined in greater depth in order to ensure that resources are available from each of the interested parties, including the EU, so that excessive use of European funding earmarked for other purposes, such as the European Structural Funds, can be avoided;

28. **underlines** that TEN-T funding from local and regional authorities can but remain peripheral, given that heavy commitments to other infrastructures which are often vital to the smooth operation of TEN-Ts. In order to improve the regions' accessibility, competitiveness and territorial cohesion, use of the Structural Funds and the TEN-T actions should be coordinated; this should be stipulated in the Community guidelines on the TEN-T revision;
29. **considers** that, insofar as TEN-T funding can be combined with other Community funds (ERDF, Cohesion Funds), it is important to set ceilings for combined aid, according to the degree of disadvantage. To this end, an EU-wide reference classification of regions should be compiled jointly by those responsible for transport and regional policy (also involving, if necessary, those responsible for competition policy).

2. Committee of the Regions' recommendations

The Committee of the Regions

1. **asks** that a more detailed study be carried out into the list of operations selected in the Commission's proposal, as heralded by the Commission in the context of the Growth Initiative as the Quick start programme, so that a realistic list of projects can be compiled which are able to be undertaken without delay;
2. **proposes** that the declaration of European interest for priority routes in the trans-European transport network be dependent on (i) a clear commitment by the Member States concerned to making a financial contribution to building the cross-border sections of these routes and (ii) the local authorities concerned being involved;
3. **stresses** the need to define realistic priorities for building the trans-European transport network routes, especially as regards the multi-annual planning of financial resources from the EU and the Member States concerned, so that the concentration of resources can ensure efficiency and compliance with schedules; the selection criteria must take into account the suitability of the funding methods chosen (users and/or taxpayers) in terms of the main functions of the various constituent sections of the routes in question;
4. **suggests** that the local and regional authorities affected be involved in setting up steering committees for the priority routes and in the procedures for assessing and drawing up projects; this could be achieved, for example, through permanent participation in the work of the agency for major infrastructure work proposed by the Italian EU presidency at the meeting held in Naples on 4 and 5 July 2003, if this idea should come to fruition;
5. **proposes** that explicit reference be made to maritime safety and environmental protection issues in the guidelines for the motorways of the sea;

6. **calls for** the new neighbourhood strategy to confirm the importance of the pan-European and Euro-Mediterranean corridors to the creation of an area of integration and development, and to provide sufficient financial resources to achieve them; and reiterates that it is essential that stakeholder regional and local authorities should be involved in planning them.

Brussels, 11 February 2004

The President

of the Committee of the Regions

The Acting Secretary-General

of the Committee of the Regions

Peter Straub

Gerhard Stahl

¹ OJ C 278, 14.11.2002, p. 7

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CdR 291/2003 fin FR/JS/NT/ht .../...

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