

ROADMAP

Title of the initiative: **European Transport Fund**
Type of initiative (CWP/Catalogue/Comitology): CWP
Lead DG/contact person/details: MOVE
Expected date of adoption of the initiative (month/year): 1Q2011
Date of modification: 19 March 2010
Version No: 1

Initial IA screening & planning of further work

A. Context and problem definition

(i) What is the political context of the initiative?

Articles 170 to 172 of the TFEU on trans-European networks as well as articles 90 to 100 on the common transport policy provide the legal basis for this initiative.

In the Commission's EU2020 strategy under the flagship initiative "Resource efficient Europe", the Commission is to present proposals to modernise and promote a low carbon transport sector thereby contributing to increased competitiveness. This is to be achieved through a mix of measures including research, setting of common standards and developing the necessary infrastructure support. Moreover, the Commission will work to mobilise EU financial instruments (e.g. rural development, structural funds, R&D framework programme, TENs, EIB) as part of a consistent funding strategy that pulls together EU and national public and private funding. Finally, as regards funding, the Commission will propose action to develop innovative financing solutions to support Europe 2020's objectives and will exploit possibilities to improve the effectiveness and efficiency of the existing EU budget and address the present fragmentation of EU funding instruments.

Foreseen initiatives: White paper on transport planned for 4Q2010; review process of TEN-T policy leading to new TEN-T Guidelines in 1Q2011; Initiatives strategic Transport technology plan (STTP) and Clean transport systems in 2011; upcoming Commission proposal on next financial perspectives (2014-2020) in 2Q2011.

(ii) How does this initiative relate to past and possible future initiatives, and to other EU policies?

It relates to the upcoming White paper on transport, the midterm review of the current financial perspectives, the proposal on the next financial perspectives, and the design of future cohesion policy.

What are the main problems identified?

Funding for TEN-T projects is currently insufficient. Moreover, the project pipeline is insufficient to meet the goals of TEN-T policy as set out in the TFEU and the TEN-T Guidelines. Community funding is too dispersed and suffers from lack of single programming. Infrastructure bottlenecks act as a drag on economic growth and economic, social and territorial cohesion. Take-up of initiatives aiming at modal shift (Marco Polo) and in urban transport needs to be increased.

This fund is intended to replace the current TEN-T instrument, as well as other transport instruments such as Marco Polo and urban mobility, and also integrate the resources for transport currently mobilised by the Cohesion and Structural Funds.

Who is affected? All transport users in the EU-27.

(i) Is EU action justified on grounds of subsidiarity? (ii) Why can the objectives of the proposed action not be achieved sufficiently by Member States (necessity test)? (iii) As a result of this, can objectives be better achieved by action by the Community (test of EU Value Added)? Yes, the TFEU gives an explicit task to the EU to define and complete the TEN-T network. In line with the

objectives of the common transport policy, the development of the various initiatives on research and deployment of transport systems aiming at lowering CO2 emissions will need to be coordinated at EU level to avoid the emergence of incompatible and/or redundant systems at MS level.

B. Objectives of EU initiative

What are the main policy objectives? The main policy objective is to improve the delivery of transport infrastructure and services. It will therefore aim at stimulating the project pipeline, and accelerating deployment of equipment and construction of transport infrastructure and systems, potentially increasing overall competitiveness resulting in higher growth and job creation.

Do the objectives imply developing EU policy in new areas or in areas of strategic importance? No.

C. Options

(i) What are the policy options? The following policy options will be considered: 1) status quo; 2) single programming across different funds: this option would allow to increase the leverage of EU funding, and ensure a greater consistency between transport policy objectives and choice of projects. However, it could generate complex implementation challenges; 3) single transport fund: part or all EU resources for transport but also be a recipient for other sources of funding and financing, for instance the revenues issued from transport activities. This fund would cover infrastructure investments and programmes supporting the transport policy (such as Marco Polo, SESAR, green corridors, links to the neighbouring countries) as well as research in transport policy. Sub-options will have to be considered as regards the possible impact on national funding. National revenues drawn from transport activities (eurovignette, etc) could be either earmarked for transport and/or partially allocated to the European Transport Fund. Another aspect to be considered is the coordination with the contribution of the EIB to the transport policy objectives.

The policy options will be further refined in the impact assessment.

(ii) What legislative or 'soft law' instruments could be considered? No soft law possible in this case. A regulation would be necessary to create the ETF.

(iii) Would any legislative initiatives go beyond routine up-date of existing legislation? Yes, it would create a new financial instrument, whose exact contours remain to be determined.

Does the action proposed in the options cut across several policy areas or impact on action taken/planned by other Commission departments? Yes, coordination will have to be ensured with SG, SJ, BUDG, REGIO, TAXUD, ECFIN, MARKT, ENER, RTD, CLIMA, ENV, INFSO, ELARG, DEV.

Explain how the options respect the proportionality principle: when options are defined, attention will be paid to ensure of the proportionality principle. EU added value will be carefully looked at when devising options. The options envisaged should ensure timely and cost-effective achievement of the objectives of substantial decarbonisation of transport and completion of the TEN-T network. They support action by the directly involved parties, by providing co-ordination, financial support, and a level playing by setting a common regulatory framework. Integration of the measures in a package should enable synergies both within and between transport sectors, thereby minimising the extent of policy intervention.

D. Initial assessment of impacts

What are the significant impacts likely to result from each policy option (cf. list of impacts in the Impact Assessment Guidelines pages 32-37), even if these impacts would materialise only after subsequent Commission initiatives? The most important impacts that are expected are an acceleration of the decarbonisation of transport, a better cost/benefit ratio of individual measures through integration in a package covering all modes, and improved competitiveness of European economy by better funding of key initiatives in transport infrastructure and systems.

Could the options have impacts on the EU-Budget (above 5 Mio €) and/or should the IA also serve

as the ex-ante evaluation, required by the Financial Regulation? Yes, there will be impacts on the EU budget. The IA will also serve as the ex-ante evaluation.

Could the options have significant impacts on (i) simplification: the options 1 and 2 could simplify and make more consistent the disbursement of EU funds in transport policy.

(ii) administrative burden: no

(iii) relations with third countries? Impact on countries of the immediate neighbourhood of the EU.

E. Planning of further impact assessment work

When will the impact assessment work start? Immediately, with the work of the expert Group No. 5 on funding constituted in the framework of the TEN-T policy review and that will start meeting on 19 March 2010. The work of this expert group will provide the basis for the impact assessment work. The actual impact assessment work will start only at the end of the consultation of the TEN-T policy.

(i) What information and data are already available?

Implementation reports on Priority projects are updated every year; The Ten-tec IT platform will increasingly provide updated data in the coming months. Meanwhile, the various expert groups set up in the framework of the TEN-T policy review will provide additional information.

(ii) Will this impact assessment build on already existing impact assessment work or evaluations carried out? (iii) What further information needs to be gathered? (iv) How will this be done (e.g. internally or by an external contractor) and by when? (v) What type and level of analysis will be carried out (cf. principle of proportionate analysis)?

Yes, it will build on the IA currently being prepared for the White Paper on transport policy, especially transport flows scenarios as well as macroeconomic forecasts. The EU 2020 strategy sets improved mobility and competitiveness as objectives for the transport sector. Similarly, the analysis to be carried out in the White Paper on a revised Common Transport Policy for the period 2011-2020 will take into account all aspects – environmental, economic and social – of sustainability. TEN-T policy review is integrally linked with the preparation of the White Paper as well as to its preceding Communication on 'A sustainable future for transport'. The White Paper will lay out the Common Transport Policy (CTP) and the general aspects of the TEN-T policy for the coming ten-year period. The TEN-T Guidelines will reflect the specific results of the TEN-T policy review.

The objectives of the two policy areas are mutually supportive and together form the European Transport Policy; TEN-T is dealing mainly with infrastructure aspects, including planning, financing, equipment, standards and monitoring; and the CTP is dealing with transport service issues such as market opening and open access to the infrastructure, pricing for the use of infrastructure and external cost internalisation, safety and security, logistics, urban transport, innovation and public service obligations.

In addition, TEN-T and CTP are supporting identical EU principles of addressing environmental concerns, integrating modes of transport, growth and competitiveness, social concerns and the international dimension.

Which stakeholders & experts have been/will be consulted, how and at what stage? The expert Group No. 5 on funding has been constituted in the framework of the TEN-T policy review and will start meeting on 19 March 2010. There is a public consultation document on the TEN-T policy review scheduled for adoption in May 2010 that will cover issues of funding. Particular attention will be paid to ensure synergies between the various initiatives in the transport area.