



CONFINDUSTRIA

CONFINDUSTRIA OPINION ON THE REVISION OF DECISION NO 1692/96/EC OF THE EUROPEAN PARLIAMENT AND THE COUNCIL OF 23 JULY 1996 ON COMMUNITY GUIDELINES FOR THE DEVELOPMENT OF THE TRANS-EUROPEAN TRANSPORT NETWORK (TEN)

CONFINDUSTRIA welcomes the Van Miert Group recommendation as it shows a new approach based on a better coordination of the needed investments by means of appropriate structures and bringing the EU financial instruments into line. The Van Miert report is important not only for the new list of priority projects, but also for the financing proposals aimed to close the gap between infrastructures costs and resources available.

There have been considerable delays in the work on the TEN priority projects and pan-European corridors, especially in the completion of the cross-border projects. The delays are due to a lack of coordination between bordering States (which have given priority to projects within their own national borders) and a lack of public funds to finance the work, making the completion date of 2010 look rather utopian.

Enlargement will set into motion a huge movement of goods and persons between the countries of the Union. Already now bottlenecks are forming at the Alpine passes and borders, with a serious risk of saturation of the main east-west routes. The possible consequences of the absence of efficient networks of transport infrastructures to cope with this increased flow of trade are underestimated. Yet these networks are a key element of the economic development and integration strategy of the applicant countries in the internal market.

CONFINDUSTRIA believes that it is necessary to stress that on the eve of enlargement to East the free movement of goods and persons is a right embodied in the Treaty but hindered in actual practice. Therefore the realisation of the TEN priority projects proposed by the Van Miert Group is fundamental for a complete internal market, to improve European competitiveness and to sustain economic growth.

List of Projects

Regarding the three lists of priority project, selected by the group out of a very large number of proposed infrastructures, CONFINDUSTRIA appreciates the selection made especially the heavy attention dedicated to the motorways of the sea. The horizon of 2010 for the completion of the original Essen priority projects and the new 18 projects of "list 1" is a difficult goal but has to be reached to complete an efficient Trans European Transport Network.

Regarding the different transport modes, CONFINDUSTRIA believes that heavy traffic (of goods and persons) and bottlenecks are hindering a competitive and safe use of road infrastructure. Therefore we should invest also in alternative transport modes (as motorways of the sea and rail) to equilibrate traffic flows, especially in view of enlargement. For what concerns railway transport

system, high priority should be given at the same time to the realisation of the whole infrastructure and to the liberalisation process as stressed by both the European Commission and the Van Miert Group. CONFINDUSTRIA stresses that all transport modes should be sustained because the final objective is to connect Europe.

CONFINDUSTRIA appreciates the attention paid in the Van Miert report to projects connecting neighbouring countries such as Norway, Switzerland, the Balkans, Russia, and especially Mediterranean. Only through physical transport infrastructures it will be possible to create a “wider Europe”.

Financing the network

Financing the realisation of the Trans European Network is a key issue. Several proposals have been discussed and presented in the last months:

- **The Van Miert document** recommends different measures to raise funds to be invested in the realisation of the projects;
- Italian economy and finance Minister, Tremonti, proposed a series of financing solutions (so called “**Action for growth**”) to raise capital from the private sector with EIB funding initiatives (senior loans, guarantees, contributions) to boost the realisation of TEN network;
- The European Commission approved “**An initiative for Growth**” which stresses the importance of a quick realisation of the TEN Network proposing some EC initiatives (e.g. increasing the percentage of EC co-financing up to 20%, creation of a guarantee fund financed by the EC).

The European Commission, facing this large number of proposals and through this consultation, has to find out the most effective package of financing instruments to overcome the difficulties encountered during the realisation of the original priority projects.

CONFINDUSTRIA particularly welcomes the Van Miert Report’s proposals to dedicate to the TEN Transport appropriate EU budgetary resources, to raise the EU financial aid up to 20% of the project costs and enhance EIB role, promote Public Private Partnerships through an appropriate regulatory framework (e.g. foreseen Green paper on PPP).

Concerning the budgetary resources, the Van Miert Group made it clear that the realisation of the TEN Transport network is a key element for Europe and that the Member states have to invest their resources to finance the works, affecting their “stability pact” parameters. CONFINDUSTRIA would like to re-launch the discussion of subtracting the share of public investment in major trans-European networks from the accounting of the balance ratio for the “stability and growth pact” of countries directly affected by the networks.

Implementation

The implementation of the TEN Transport Network remains a problem and solutions have to be found. The measures proposed by the High Level Group (Member States financial commitments and EC funding withdrawal in case of delayed realisation) are helpful but not sufficient. Therefore CONFINDUSTRIA would like to draw attention on the creation of a so called “TEN Agency”; it could be helpful in providing coordination between Member States on a financial and operational level, but should not be an “empty box” with no mandatory power. The Agency should follow the realisation of all the priority projects, particularly setting up a roadmap for each project and proceed with funds withdrawal in case of unjustified delays in the works.

In addition CONFINDUSTRIA proposes that once the Council will approve the EC proposal for the revision of the TEN projects, this agreement should become a national commitment for each Member State to realise all the agreed projects.

EC co-financing quota (20%) should be entirely paid to the Member states only once all the national agreed projects have been completed. This will avoid that internal and political pressure will speed the realisation of some projects to the detriment of others and it will give to the TEN Agency some power to force Member states to respect their commitments.

Finally, the European Commission is conducting a detailed impact assessment of the recommended projects before proposing the revision of the decision on the guidelines for the development of the TEN transport network. These analysis should not hinder and neither slow down the legislative procedure, the EC proposal must be presented as soon as possible and in order to conclude at least the first reading before the EP elections. The risk is to re-open the institutional discussion on the TEN.